CHAPTER 524

An Act to amend and reenact § 22.1-289.05 of the Code of Virginia and to amend the Code of Virginia by adding in Article 1 of Chapter 14.1 of Title 22.1 a section numbered 22.1-289.08:1, relating to early childhood care and education; regional entities; Child Care Subsidy Program Overpayment Fund established.

[H 389]

Approved April 11, 2022

Be it enacted by the General Assembly of Virginia:

1. That § 22.1-289.05 of the Code of Virginia is amended and reenacted and that the Code of Virginia is amended by adding in Article 1 of Chapter 14.1 of Title 22.1 a section numbered 22.1-289.08:1 as follows:

§ 22.1-289.05. Uniform measurement and improvement system; regional entities; establishment.

A. The Board shall establish a uniform ~~quality~~ ~~rating~~ *measurement* and improvement system designed to provide parents and families with information about the quality and availability of publicly funded providers. Such system shall include:

1. Service provision and performance targets for children from birth to age five that align with standards for kindergarten readiness and early elementary grades;

2. Consistent quality standards;

3. Outcome-based measurements; and

4. Incentives to encourage participation and improvement.

B. All publicly funded providers shall be required to participate in the ~~quality~~ ~~rating~~ *uniform measurement* and improvement system established pursuant to subsection A. All other child day programs may participate in such system. Any participation in such system shall comply with all applicable federal laws and regulations, including the federal Head Start Act (42 U.S.C. § 9801 et seq.), as amended, and associated regulations.

C. The Board shall establish consequences for publicly funded providers that fail to participate in the ~~quality~~ ~~rating~~ *uniform measurement* and improvement system established pursuant to subsection A or persistently fail to meet minimal quality standards.

D. The Board shall establish a system of regional entities that will be responsible for coordinating early childhood care and education services, guiding quality improvement of such services and coordinated access to such services for families, and implementing the uniform measurement and improvement system.

§ 22.1-289.08:1. Child Care Subsidy Program Overpayment Fund.

There is hereby created in the state treasury a special nonreverting fund to be known as the Child Care Subsidy Program Overpayment Fund, referred to in this section as "the Fund." The Fund shall be established on the books of the Comptroller. All overpayment moneys collected or recovered by the Department or any state or local agency contracted to administer the Child Care Subsidy Program, net of any refunds due to the federal government, shall be paid into the state treasury and credited to the Fund, except as prohibited by federal law or regulation. Interest earned on moneys in the Fund shall remain in the Fund and be credited to it. Any moneys remaining in the Fund, including interest thereon, at the end of each fiscal year shall not revert to the general fund but shall remain in the Fund. Moneys in the Fund shall be used solely for the purpose of covering the cost of providing training and supports to early childhood care and education entities. Expenditures and disbursements from the Fund shall be made by the State Treasurer on warrants issued by the Comptroller upon written request signed by the Superintendent.