

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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HOUSE BILL 322

Short Title: Tri-Share Child Care Pilot Funds. (Public)

Sponsors: Representatives Willis, Clemmons, Hardister, and Lofton (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Appropriations, if favorable, Rules, Calendar, and Operations of the House

March 13, 2023

A BILL TO BE ENTITLED

AN ACT TO ESTABLISH A TRI-SHARE CHILD CARE PILOT PROGRAM TO INCREASE ACCESS TO HIGH-QUALITY, AFFORDABLE CHILD CARE AND TO APPROPRIATE FUNDS FOR THAT PURPOSE.

The General Assembly of North Carolina enacts:

SECTION 1. The Department of Health and Human Services, Division of Child Development and Early Education (Division), in collaboration with the North Carolina Partnership for Children, Inc. (NCPC), shall establish a three-year pilot project to implement the Tri-Share Child Care program, a program that creates a public/private partnership to share the cost of child care equally between employers, eligible employees, and the State to:

- (1) Make high-quality child care affordable and accessible for working families.
- (2) Help employers retain and attract employees.
- (3) Help stabilize child care businesses across the State.

SECTION 2. The Division and NCPC shall select up to three local partnerships to serve as regional facilitator hubs to implement and administer the pilot project and act as regional intermediaries between employers, families, child care providers, and the State. The Division and NCPC shall select local partnerships to participate in the pilot project from geographically diverse areas across the State, with one selected from a tier one county. For purposes of this section, a tier one county shall have the same designation as that established by the North Carolina Department of Commerce's 2023 County Tier Designations.

SECTION 3. The local partnerships selected to serve as regional facilitator hubs shall establish and determine program eligibility. For purposes of this pilot project, an employee is eligible to participate in the program if the employee (i) is employed by a participating employer, (ii) has a household income between one hundred eighty-five percent (185%) and three hundred percent (300%) of the federal poverty level, and (iii) is not otherwise eligible for subsidized child care in this State. An eligible employee may reside outside of the designated region for the respective facilitator hub. Additionally, the regional facilitator hubs shall develop and implement other criteria for the child care program, including, but not limited to, each of the following:

- (1) Ensuring payment for the cost of child care is divided equally between an employer, an eligible employee, and the State.
- (2) Soliciting participating employers.
- (3) Ensuring participating employers agree to (i) identify and recruit eligible employees, (ii) provide the employer portion of each participating employee's



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1 child care costs, and (iii) maintain communication with the regional facilitator
2 hub regarding each eligible employee's continued employment and eligibility.

3 (4) Verifying that child care providers seeking to participate in the program are
4 licensed in this State.

5 (5) Upon determining an employee's eligibility, ensuring payment by the
6 employee of the employee's portion of the cost of child care.

7 (6) Coordinating payments between employers and licensed child care providers.

8 **SECTION 4.** For purposes of this act, child care includes part-time and full-time
9 care, before and after school care, and summer day camps.

10 **SECTION 5.** There is appropriated from the General Fund to the Department of
11 Health and Human Services, Division of Child Development and Early Education, to be allocated
12 to the North Carolina Partnership for Children, Inc., the sum of nine hundred thousand dollars
13 (\$900,000) for each year of the 2023-2025 fiscal biennium and the sum of nine hundred thousand
14 dollars (\$900,000) for the 2025-2026 fiscal year to provide the State portion of funding for the
15 Tri-Share child care pilot project established by this act. For the 2025-2026 fiscal year, the
16 Director of the Budget shall also include in the base budget, as defined by G.S. 143C-1-1(d)(1c),
17 the amount of nonrecurring funds needed to support the pilot project. Funds appropriated
18 pursuant to this section shall be divided evenly in each fiscal year among the regional facilitator
19 hubs selected to participate in the pilot project. Upon completion of the pilot project, any
20 unexpended funds shall revert back to the General Fund.

21 **SECTION 6.** A regional facilitator hub may use up to nine percent (9%) of its
22 allocation for administrative costs.

23 **SECTION 7.** Within six months after completion of the pilot project, the Division
24 shall submit a report to the Joint Legislative Oversight Committee on Health and Human Services
25 and the Fiscal Research Division. The report shall include, at a minimum, each of the following:

26 (1) The number of children served, by age and county.

27 (2) Total project costs, including any administrative costs.

28 (3) The amount of funds needed to expand the program statewide.

29 (4) The list of employers participating in the pilot project.

30 (5) Any other relevant information deemed appropriate.

31 **SECTION 8.** This act becomes effective July 1, 2023.