

By Mr. Fennell of Lynn, petition of Robert F. Fennell and other members of the General Court for legislation to provide financial assistance for the development of certain child care facilities. Human Services and Elderly Affairs.

**The Commonwealth of Massachusetts**

In the Year One Thousand Nine Hundred and Ninety-Nine.

AN ACT RELATIVE TO THE DEVELOPMENT OF CHILD CARE FACILITIES.

*Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same, as follows:*

1 For state financial assistance in the form of loans or grants by  
2 the Commonwealth acting by and through the Executive Office of  
3 Health and Human Services (EOHHS) for the development of  
4 child care and Head Start centers; provided that said centers pro-  
5 vide full-day, full-year quality early childhood services; provided  
6 further that at least half of the beneficiaries of such centers shall  
7 be children of low-income persons who are eligible for state-  
8 administered child care subsidies or Head Start; provided further  
9 that said loan or grant program shall be administered by the  
10 Executive Office of Health, and Human Services through a con-  
11 tract with the Community Economic Development Assistance  
12 Corporation (CEDAC) as the loan or grant issuing agency, a body  
13 politic and corporate entity established by chapter 40H of the  
14 General Laws; provided however that said loan or grant issuing  
15 agency may develop or finance said child care centers, or may  
16 enter into subcontracts with non-profit organizations that will own  
17 and operate said child care programs; provided further that loans  
18 or grants issued pursuant to this item shall be subject to the  
19 following provisions: (1) said loan or grant to nonprofit organiza-  
20 tions established pursuant to M.G.L. Chapter 180, which organi-  
21 zation shall have received an exemption from taxation under  
22 Section 501(c)(3) of the Internal Revenue Code, shall be available  
23 for up to 100% of the total development costs (TDC) of the

24 project as long as the center serves a predominantly (at  
25 least 50%) low-income population, (2) said grant or loan shall  
26 be the minimum amount necessary to make the facility feasible,  
27 (3) that the Executive Office of Health and Human Services is  
28 hereby authorized and directed to promulgate regulations for the  
29 implementation of the child care grant or loan program authorized  
30 by this item; provided further, that the costs of professional per-  
31 sonnel, excluding clerical and support personnel, directly and  
32 exclusively involved in the construction and planning and design  
33 of the projects funded herein may be charged to this item; pro-  
34 vided, that said costs shall not be classified as administrative  
35 costs; provided further, that an amount not to exceed two percent  
36 of the amount authorized herein may be expended for the adminis-  
37 trative costs directly attributable to the programs funded herein,  
38 including the costs of clerical and support personnel; provided  
39 further in the case of a leased facility that before any grant or loan  
40 may be approved, both the lessee and the lessor shall agree to the  
41 assignment of the lease by the lessee to the Commonwealth or its  
42 designee; provided further that in the case of an owned facility,  
43 the mortgage agreement shall provide for the ownership of said  
44 facility to revert to the Commonwealth at the end of the term of  
45 said mortgage; and provided further that the Secretary of Health  
46 and Human Services shall file an annual spending plan with the  
47 budget bureau and the house and senate committees on ways and  
48 means which details, by subsidy, all personnel and administrative  
49 costs charged to this item . . . \$25,000,000.