

VETOES

interest income and repayment revenue will be lost and additional administrative and servicing costs will be incurred.

The bill is intended to assist family day care providers meet the new regulatory requirements governing day care. To ensure children receive care in a safe environment, the proposed family day care regulations would require providers to equip their homes with hard-wired smoke detectors, obtain criminal background checks, and receive first aid and child development training. Proponents are concerned that the increased cost associated with these regulations may discourage new providers and drive existing providers underground. House Bill 1140 was introduced to help remove the financial disincentive to becoming a registered family day care provider.

I understand the need this legislation tries to address, and I support the sponsors' efforts. It is critical to both families and businesses that we meet the growing demand for affordable and quality child care.

I am concerned, however, that the unintended effect of this bill may be to adversely impact the existing Child Care Facilities Direct Loan Fund. In order to protect the existing loan fund, and at the same time offer assistance to family day care providers, I have directed the Department of Housing and Community Development (DHCD) to allocate \$50,000 of unrestricted funds to finance a pilot family day care grant program. Grants of up to \$500 each will be made to family day care providers for expenses on equipment, material, training, or other activities required to comply with State and local codes and regulations governing child care. The program will be developed by DHCD, in consultation with the Office for Children, Youth, and Families, the Department of Human Resources, and the sponsors of the bill, to conform to the intent set forth in House Bill 1140.

For these reasons, I have decided to veto House Bill 1140.

Sincerely,
William Donald Schaefer
Governor

House Bill No. 1140

AN ACT concerning

Family Day Care Providers – Grant Funds

FOR the purpose of changing the Child Care Facilities Direct Loan Fund to be the Child Care Facilities Direct Grant and Loan Fund within the Department of Economic and Employment Development; authorizing the Department to contract with certain persons in administering certain aspects of the Direct Grant and Loan Fund; requiring that a grant be awarded as a reimbursement for certain expenses; specifying the terms and conditions for making grants to family day care providers; specifying that the amount of money expended from the Direct Grant and Loan Fund may not exceed a certain amount in each year; defining certain terms; authorizing certain family day care providers to receive grants from the