HCS HB 2379 -- SALES TAX FOR EARLY CHILDHOOD SERVICES

SPONSOR: Williams

COMMITTEE ACTION: Voted "Do Pass with HCS" by the Standing Committee on Ways and Means by a vote of 7 to 2.

The following is a summary of the House Committee Substitute for HB 2379.

This bill provides that current law relating to the distribution of sales tax proceeds in St. Louis County must not apply to a tax for the purpose of funding early childhood educational or child care services, and requires that the proceeds must be deposited in the county's "Early Childhood Education and Child Care Fund", which is created by the bill.

The bill requires the proceeds of any tax imposed in certain counties or in any city not within a county for the purposes of improving the quality, affordability of, and access to early childhood development programs and child care programs for children aged five years and younger to be deposited into such county’s or city’s Early Childhood Education and Child Care Fund. The administrative control and management of the funds must be by the board of directors.

The board of directors must use or disburse the funds in the Early Childhood Education and Child Care Fund to provide and administer programs to improve the quality, affordability, and accessibility of early childhood education and childcare. The funds can also be used for early childhood education services provided by early childhood education service providers and child care providers, as defined in the bill.

This bill provides that the board of directors can contract with any provider to provide services, set eligibility rules for the use of the Fund, audit funded entities, and accept gifts, grants, and property for the purpose of early childhood education and child care programs.

The following is a summary of the public testimony from the committee hearing. The testimony was based on the introduced version of the bill.

PROPONENTS: Supporters say that the bill gives counties the ability to dedicate revenue from an existing sales tax to childcare education funds if approved by voters. Those in support of the bill state that this bill addresses the needs related to children's services by using the existing sales tax structure rather than creating a new tax. Supporters say that there is still a gap in access for families who cannot afford childcare, and this bill addresses this crisis in child care by providing another option for localities to provide funding and services for children.

Testifying in person for the bill were Representative Williams; Denise Wiese, Lemay Child and Family Center; Kids Win Missouri; D. Scott Penman, St. Louis County Children's Services Fund; Greta M. Bax, WEPOWER; Charli Cooksey, WEPOWER; Childcare Aware of Missouri; and Boone County Missouri.

OPPONENTS: There was no opposition voiced to the committee.

OTHERS: Others testifying on the bill say that early childhood education is a net positive, but Missouri is in a childcare crisis due to the thousands of children who lack access to childcare.

Testifying in person on the bill was Cassandra Kaufman, St. Louis Mental Heath Board.

Written testimony has been submitted for this bill. The full written testimony and witnesses testifying online can be found under Testimony on the bill page on the House website.