

[DISCUSSION DRAFT]

A BILL

To provide universal, comprehensive paid family and medical leave, invest in guaranteed access to child care, to provide critical financial support to families with children and low-income workers, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Building an Economy
5 for Families Act”.

6 **DIVISION A—UNIVERSAL PAID**
7 **FAMILY AND MEDICAL LEAVE**

8 **SEC. 101. PAID FAMILY AND MEDICAL LEAVE.**

9 The Social Security Act (42 U.S.C. 301 et seq.) is
10 amended by adding at the end the following:

1 **“TITLE XXII—PAID FAMILY AND**
2 **MEDICAL LEAVE BENEFITS**

3 **【“SEC. 2201. TABLE OF CONTENTS.**

4 **“The table of contents for this title is as follows:】**

“Sec. 2201. Table of contents.

“Sec. 2202. Paid family and medical leave benefit eligibility.

“Sec. 2203. Benefit amount.

“Sec. 2204. Benefit determination and payment.

“Sec. 2205. Appeals.

“Sec. 2206. Stewardship.

“Sec. 2207. Funding for benefit payments, grants, and program administration.

“Sec. 2208. Funding for research.

“Sec. 2209. State administration option for legacy States.

“**【**Sec. 2210. Reimbursement option for employer-provided paid leave benefits.**】**

“Sec. 2211. Definitions.

5 **“SEC. 2202. PAID FAMILY AND MEDICAL LEAVE BENEFIT**
6 **ELIGIBILITY.**

7 “(a) ENTITLEMENT.—Every individual who—

8 “(1) has filed an application for a paid family
9 and medical leave benefit in accordance with section
10 2204(a);

11 “(2) has one or more caregiving days during
12 the period that begins 90 days before the date on
13 which such application is filed or not later than 180
14 days after such date;

15 “(3) has wages or self-employment income during the 30-day period ending—

17 “(A) on the first such caregiving day; or

18 “(B) in the case of an individual who
19 began engaging in qualified caregiving for not

1 less than 8 hours per calendar day before the
2 beginning of the period described in paragraph
3 (2) (as determined on the basis of such infor-
4 mation as the Secretary may request), the first
5 such calendar day; and

6 “(4) has earnings in any calendar quarter in
7 the most recent 8-calendar quarter period for which
8 data are available to the Secretary and that ends
9 prior to the calendar quarter in which the benefit pe-
10 riod specified in subsection (b) begins,

11 shall be entitled to such a benefit for each month during
12 such benefit period, except as otherwise provided in this
13 section.

14 “(b) BENEFIT PERIOD.—

15 “(1) IN GENERAL.—Except as provided in para-
16 graph (2), the benefit period specified in this sub-
17 section is the 12-month period that begins on the
18 1st day of the 1st month in which the individual
19 meets the criteria specified in paragraphs (1), (2),
20 (3), and (4) of subsection (a).

21 “(2) RETROACTIVE BENEFITS.—In the case of
22 an application for benefits under this section with
23 respect to an individual who has a caregiving day at
24 any time during the 90-day period preceding the
25 date on which such application is filed, the benefit

1 period specified in this subsection is the 12-month
2 period that begins with the later of—

3 “(A) the 1st month in which such
4 caregiving day occurs; or

5 “(B) the 1st month that begins during
6 such 90-day period.

7 “(3) LIMITATION.—Notwithstanding para-
8 graphs (1) and (2), no benefit period under this title
9 may begin with any month before January 2023.

10 “(c) CAREGIVING DAYS.—

11 “(1) CAREGIVING DAY DEFINED.—

12 “(A) IN GENERAL.—For purposes of this
13 title, the term ‘caregiving day’ means a cal-
14 endar day during which the individual engaged
15 in qualified caregiving for not less than 8 hours
16 (determined on the basis of information filed
17 with the Secretary pursuant to subsection (b)
18 or (c) of section 2204).

19 “(B) TREATMENT OF PARTIAL DAYS.—In
20 the case of a calendar day in which an indi-
21 vidual engages in qualified caregiving for more
22 than 4 hours but less than 8 hours (determined
23 on the basis of such information), the individual
24 may request to treat any 2 such calendar days

1 as a caregiving day, subject to regulations of
2 the Secretary.

3 “(2) QUALIFIED CAREGIVING.—

4 “(A) IN GENERAL.—For purposes of this
5 subsection, the term ‘qualified caregiving’
6 means any activity engaged in by an individual
7 in lieu of work, other than for monetary com-
8 pensation, for a reason for which an eligible
9 employee would be entitled to leave under para-
10 graph (1) of section 102(a) of the Family and
11 Medical Leave Act of 1993 (29 U.S.C.
12 2612(a)), except that for purposes of this para-
13 graph such section shall be applied as if sub-
14 paragraph (C) were amended to read as follows:

15 ““(C)(i) In order to care for a qualified
16 family member of the employee, if such quali-
17 fied family member has a serious health condi-
18 tion.

19 ““(ii) For purposes of clause (i), the term
20 “qualified family member” means, with respect
21 to an employee—

22 ““(I) a spouse (including a domestic
23 partner in a civil union or other registered
24 domestic partnership recognized by a
25 State) and a spouse’s parent;

1 ““(II) a child and a child’s spouse;

2 ““(III) a parent and a parent’s
3 spouse;

4 ““(IV) a sibling and a sibling’s
5 spouse;

6 ““(V) a grandparent, a grandchild, or
7 a spouse of a grandparent or grandchild;
8 and

9 ““(VI) any other individual who is re-
10 lated by blood or affinity and whose asso-
11 ciation with the employee is equivalent of
12 a family relationship (as determined under
13 regulations issued by the Secretary of the
14 Treasury).’.

15 “(B) NO MONETARY COMPENSATION PER-
16 MITTED.—For purposes of subparagraph (A),
17 an activity shall be considered to be engaged in
18 by an individual for monetary compensation if
19 the individual received any form of wage com-
20 pensation from an employer, including paid va-
21 cation or paid sick leave (but not including paid
22 family and medical leave benefits provided by
23 an employer to the extent that the sum of such
24 employer-provided benefits and any paid family
25 and medical leave benefits under this title does

not exceed 100 percent of the individual's regular rate of pay (as determined under section 7(e) of the Fair Labor Standards Act of 1938)), for the time during which the individual was so engaged.

“(C) TREATMENT OF INDIVIDUALS ELIGIBLE FOR EMPLOYER SPONSORED PAID FAMILY AND MEDICAL LEAVE BENEFITS.—For purposes of subparagraph (A), an activity engaged in by an individual shall not be considered to be engaged in in lieu of work if, for the time during which the individual was so engaged, the individual receives reimbursable benefits (as defined in subsection (c) of section 2210) with respect to which an employer is reimbursed under such section.

“(D) TREATMENT OF INDIVIDUALS EMPLOYED IN LEGACY STATES.—For purposes of subparagraph (A), an activity engaged in by an individual shall not be considered to be engaged in in lieu of work if—

“(i) the time during which the individual was so engaged constitutes leave from employment (as determined under the

1 law of a legacy State (as defined in section
2 2209(b)); and

3 “(ii) such employment is subject to
4 the paid family and medical leave benefit
5 program of such legacy State.

6 “(d) NO CAREGIVING DAYS IN MONTH OF DEATH.—
7 No calendar day may be treated as a caregiving day of
8 an individual for any month if such calendar day occurs
9 in the month during which the individual dies.

10 “(e) DISQUALIFICATION FOLLOWING CERTAIN CON-
11 VICTIONS.—An individual who has been found to have
12 used false statements or representation to secure benefits
13 under this title shall be ineligible for benefits under this
14 title for a 5-year period following the date of such finding.

15 **“SEC. 2203. BENEFIT AMOUNT.**

16 “(a) MONTHLY BENEFIT AMOUNT.—The amount of
17 the benefit to which an individual is entitled under this
18 title for a month shall be an amount equal to the product
19 of the individual’s daily benefit rate multiplied by the
20 number of caregiving days of the individual credited to
21 such month, as determined under subsection (c).

22 “(b) DAILY BENEFIT RATE.—

23 “(1) IN GENERAL.—For purposes of this sec-
24 tion, an individual’s daily benefit rate shall be an
25 amount equal to $\frac{1}{20}$ of the sum of—

1 “(A) 85 percent of the individual’s average
2 monthly earnings to the extent that such earn-
3 ings do not exceed the amount established for
4 purposes of this clause by paragraph (2);

5 “(B) 75 percent of the individual’s average
6 monthly earnings to the extent that such earn-
7 ings exceed the amount established for purposes
8 of subparagraph (A) but do not exceed the
9 amount established for purposes of this clause
10 by paragraph (2);

11 “(C) 55 percent of the individual’s average
12 monthly earnings to the extent that such earn-
13 ings exceed the amount established for purposes
14 of subparagraph (B) but do not exceed the
15 amount established for purposes of this clause
16 by paragraph (2);

17 “(D) 25 percent of the individual’s average
18 monthly earnings to the extent that such earn-
19 ings exceed the amount established for purposes
20 of subparagraph (C) but do not exceed the
21 amount established for purposes of this clause
22 by paragraph (2); and

23 “(E) 5 percent of the individual’s average
24 monthly earnings to the extent that such earn-
25 ings exceed the amount established for purposes

1 of subparagraph (D) but do not exceed the
2 amount established for purposes of this clause
3 by paragraph (2).

4 “(2) AMOUNTS ESTABLISHED.—

5 “(A) INITIAL AMOUNTS.—For individuals
6 whose benefit period under this title begins in
7 the calendar year 2023, the amount established
8 for purposes of subparagraphs (A), (B), (C),
9 (D), and (E) of paragraph (1) shall be $\frac{1}{12}$ of
10 \$15,080, \$34,248, \$72,000, \$100,000, and
11 \$250,000, respectively.

12 “(B) WAGE INDEXING.—For individuals
13 whose benefit period under this title begins in
14 any calendar year after 2023, each of the
15 amounts so established shall equal the cor-
16 responding amount established for the calendar
17 year preceding such calendar year, or, if larger,
18 the product of the corresponding amount estab-
19 lished with respect to the calendar year 2023
20 and the quotient obtained by dividing—

21 “(i) the national average wage index
22 (as defined in section 209(k)(1) of the So-
23 cial Security Act) for the second calendar
24 year preceding such calendar year, by

1 “(ii) the national average wage index
2 (as so defined) for 2021.

3 “(C) ROUNDING.—Each amount estab-
4 lished under subparagraph (B) for any calendar
5 year shall be rounded to the nearest \$1, except
6 that any amount so established which is a mul-
7 tiple of \$0.50 but not of \$1 shall be rounded to
8 the next higher \$1.

9 “(3) AVERAGE MONTHLY EARNINGS.—For pur-
10 poses of this subsection, an individual’s average
11 monthly earnings shall be equal to the quotient ob-
12 tained by dividing—

13 “(A) the total of the wages and self-em-
14 ployment income received by the individual dur-
15 ing the most recent 8-calendar quarter period
16 for which data are available to the Secretary
17 and that ends prior to the calendar quarter
18 when the individual’s benefit period begins; by

19 “(B) 24.

20 “(4) EVIDENCE OF EARNINGS.—For purposes
21 of determining the wages and self-employment in-
22 come of an individual with respect to an application
23 for benefits under this title, the Secretary shall
24 make such determination on the basis of wage data
25 provided to the Secretary from the National Direc-

1 tory of New Hires pursuant to section 453(j)(5) of
2 the Social Security Act and self-employment income
3 data disclosed under section 6103(l)(23) of the In-
4 ternal Revenue Code of 1986, except that the Sec-
5 retary shall also consider any more recent or addi-
6 tional evidence of wages or self-employment income
7 submitted by the individual or available from other
8 sources.

9 “(c) CREDITING OF CAREGIVING DAYS TO A
10 MONTH.—

11 “(1) IN GENERAL.—The number of caregiving
12 days of an individual credited to a month as deter-
13 mined under this subsection shall equal the number
14 of caregiving days of the individual occurring during
15 such month, except that—

16 “(A) such number may not exceed 20;

17 “(B) not more than 60 caregiving days
18 may be credited in total to months during the
19 individual’s benefit period; and

20 “(C) no caregiving day of the individual
21 may be credited to any month if such caregiving
22 day occurs before the expiration of an initial
23 waiting period, except that each caregiving day
24 occurring before the expiration of the initial
25 waiting period shall be treated as if credited to

1 a month solely for purposes of applying sub-
2 paragraph (A).

3 “(2) INITIAL WAITING PERIOD DEFINED.—For
4 purposes of paragraph (1), the term ‘initial waiting
5 period’ means a period beginning with the first
6 caregiving day during an individual’s benefit period
7 and ending after the fifth such caregiving day.

8 **“SEC. 2204. BENEFIT DETERMINATION AND PAYMENT.**

9 “(a) IN GENERAL.—An individual seeking benefits
10 under this title shall file an application with the Secretary
11 containing the information described in subsection (b) and
12 such other information as the Secretary may require. Any
13 information contained in an application for benefits under
14 this title, or in a monthly benefit claim report filed with
15 respect to such benefits, shall be presumed to be true and
16 accurate, unless the Secretary demonstrates by a prepon-
17 derance of the evidence that information contained in the
18 application or monthly benefit claim report is false.

19 “(b) REQUIRED CONTENTS OF INITIAL APPLICA-
20 TION.—An application for a paid family and medical leave
21 benefit shall include—

22 “(1) an attestation that the individual has one
23 or more caregiving days, or anticipates having one
24 or more caregiving days, during the period that be-

gins 90 days before the date on which the application is submitted and ends 180 days after such date;

“(2) except as otherwise provided in this subsection, a certification, issued by a relevant authority determined under regulations issued by the Secretary, that contains such information as the Secretary shall specify in such regulations as necessary to affirm the circumstances giving rise to the need for such caregiving days, which shall be no more than the information that is required to be stated under section 103(b) of the Family and Medical Leave Act of 1993 (29 U.S.C. 2613(b));

“(3) an attestation from the applicant that notice of the individual’s need to be absent from work during such caregiving days has been provided, not later than 7 days after such need arises, to the individual’s employer (except in cases of hardship or other extenuating circumstances or if the individual does not have (or no longer has) an employer); and

“(4) pay stubs or such other evidence as the individual may provide demonstrating wages or self-employment income during the 30-day period described in section 2202(a)(3), except that the Secretary may waive this requirement in any case in

1 which such evidence is otherwise available to the
2 Secretary.

3 In the case of an individual who applies for a paid family
4 and medical leave benefit in the anticipation of caregiving
5 days occurring after the date of application, the certifi-
6 cation described in paragraph (2), the attestation de-
7 scribed in paragraph (3), and the evidence described in
8 paragraph (4) may be provided after the 1st such
9 caregiving day.

10 “(c) MONTHLY BENEFIT CLAIM REPORT.—

11 “(1) IN GENERAL.—Except as provided in para-
12 graph (2), not later than 60 days (or such longer pe-
13 riod as may be provided in any case in which the
14 Secretary determines that good cause exists for an
15 extension) after the end of each month during the
16 benefit period of an individual entitled to benefits
17 under this title, the individual shall file a monthly
18 benefit claim report with the Secretary. Such month-
19 ly benefit claim report shall specify the caregiving
20 days of the individual that occurred during such
21 month and shall include such other information as
22 the Secretary may require. No monthly benefit claim
23 report shall be required with respect to any month
24 in which no caregiving days occurred.

1 “(I) the initial determination of
2 eligibility for such benefits;

3 “(II)(aa) the 8 calendar quarters
4 used to compute the individual’s aver-
5 age monthly earnings under section
6 2203(b)(3) and the wages and self-
7 employment income received by the
8 individual during each such quarter as
9 recorded by the Secretary; and

10 “(bb) the individual’s right under
11 section 2203(b)(4) to submit more re-
12 cent or additional evidence of such
13 wages or self-employment income, in-
14 cluding a statement that benefits
15 could increase if such additional evi-
16 dence results in higher average
17 monthly earnings;

18 “(III) the estimated benefit
19 amount for a month with respect to
20 which 1 caregiving day of the indi-
21 vidual is credited;

22 “(IV) the estimated benefit
23 amount for a month with respect to
24 which 20 caregiving days of the indi-
25 vidual are credited;

1 “(V) the number of caregiving
2 days credited to months prior to the
3 date of such application; and

4 “(VI) the individual’s right to ap-
5 peal such initial determination in ac-
6 cordance with the provisions of section
7 2205; and

8 “(ii) in any case in which an indi-
9 vidual submits additional information with
10 respect to such an application, the Sec-
11 retary shall provide an updated notice to
12 the individual containing the same infor-
13 mation provided in the notice described in
14 clause (i), including a specific indication of
15 any such information that has been up-
16 dated as a result of the additional informa-
17 tion submitted by the individual.

18 “(2) MONTHLY BENEFIT DETERMINATIONS.—

19 “(A) IN GENERAL.—On the basis of the in-
20 formation filed with the Secretary pursuant to
21 subsection (c), the Secretary shall determine,
22 with respect to an individual for a month, the
23 number of caregiving days to be credited to
24 such month in accordance with section 2203(c).

1 “(B) NOTICES.—To ensure payment of
2 benefits in the correct amount and that bene-
3 ficiaries are aware of the right to appeal a ben-
4 efit determination of the Secretary, not later
5 than 15 days after each monthly benefit claim
6 report from an individual for a month is filed
7 (or after filing of initial application for retro-
8 active benefits), the Secretary shall provide no-
9 tice to the individual specifying—

10 “(i) whether payment will be made to
11 the individual for such month and the
12 amount of such payment;

13 “(ii) if the Secretary determines that
14 payment will not be made or that payment
15 will be made based on a number of
16 caregiving days credited to the month in-
17 consistent with the number of caregiving
18 days in such monthly benefit claim report
19 (or initial application), the reasons for
20 such determination; and

21 “(iii) the individual’s right to appeal
22 such determination in accordance with the
23 provisions of section 2205.

24 “(3) CHANGING CIRCUMSTANCES.—The Sec-
25 retary shall issue regulations to establish a process

1 under which an individual may notify the Secretary
2 if more than one type of circumstance gives rise to
3 the need for caregiving days during the individual's
4 benefit period. Such caregiving days shall be credited
5 to months within the benefit period in accordance
6 with section 2203(c) regardless of circumstance.

7 “(4) ACCESSIBILITY AND CONTENT OF NO-
8 TICES.—The Secretary shall take such actions as are
9 necessary to ensure that any notice to one or more
10 individuals issued pursuant to this title by the Sec-
11 retary—

12 “(A) is written in simple and clear lan-
13 guage; and

14 “(B) includes information about the Work-
15 er Information Networks established pursuant
16 to division D of the Building an Economy for
17 Families Act.

18 “(e) CERTIFICATION OF PAYMENT.—Not later than
19 15 days after the making of a determination under sub-
20 section (d)(2)(A) with respect to the number of caregiving
21 days of an individual to be credited to a month, the Sec-
22 retary shall certify payment to such individual of the
23 amount of the paid family and medical leave benefit for
24 such month.

1 “(f) EXPEDITED BENEFIT PAYMENT IN CASES OF
2 MISSING PAYMENT.—The Secretary shall establish and
3 put into effect procedures under which expedited payment
4 of benefits under this title will be made to an individual
5 to whom a benefit payment was due for a month but was
6 not received by the individual.

7 “(g) SUBMISSION OF REQUIRED INFORMATION.—

8 “(1) BY PHONE, MAIL, OR ELECTRONIC
9 MEANS.—To ensure full access to benefits by all eli-
10 gible individuals, applicable paid leave information
11 with respect to an individual may be submitted to
12 the Secretary by phone, mail, or electronic means.

13 “(2) BY ANY PERSON.—Any person may submit
14 applicable paid leave information with respect to an
15 individual, including, as applicable, the individual’s
16 representative, the individual’s employer, or any rel-
17 evant authority identified under subsection (b)(2).

18 “(3) NOTICE OF RECEIPT.—The Secretary shall
19 provide prompt notice of receipt of all applicable
20 paid leave information submitted with respect to an
21 individual.

22 “(4) DEFINITION OF APPLICABLE PAID LEAVE
23 INFORMATION.—For purposes of this subsection, the
24 term ‘applicable paid leave information’ means, with
25 respect to an individual, any information submitted

1 to the Secretary with respect to the paid family and
2 medical leave benefits of the individual, including
3 any initial application, monthly benefit claim report,
4 appeal, and any other information submitted in sup-
5 port of such application, report, or appeal.

6 **“SEC. 2205. APPEALS.**

7 “(a) IN GENERAL.—An individual shall have the
8 right to appeal any determination made with respect to
9 paid family and medical leave benefits under this title to
10 the Secretary, and to appeal any final decision of the Sec-
11 retary by a civil action brought in the district court of
12 the United States for the judicial district in which the
13 plaintiff resides, or in which the principal place of business
14 of the plaintiff sits, or, if the plaintiff does not reside or
15 such principal place of business does not sit within any
16 such judicial district, in the United States District Court
17 for the District of Columbia.

18 “(b) PROCEDURES.—The Secretary shall establish
19 procedures for appeals of such determinations that ensure
20 that appeals will be heard in a timely manner by a deci-
21 sionmaker who is different from the initial decisionmaker
22 using procedures that are similar to the procedures used
23 for appeals of determinations under the Medicare Low-In-
24 come Subsidy program described under section 1860D-
25 14(a)(3)(B)(iv)(II) of the Social Security Act.

1 “(c) AUTHORITY TO ISSUE AND ENFORCE SUB-
2 POENAS.—

3 “(1) IN GENERAL.—For the purpose of any
4 hearing, investigation, or other proceeding author-
5 ized or directed under this title, the Secretary shall
6 have power to issue subpoenas requiring the attend-
7 ance and testimony of witnesses and the production
8 of any evidence that relates to any matter under in-
9 vestigation or in question before the Secretary. Such
10 attendance of witnesses and production of evidence
11 at the designated place of such hearing, investiga-
12 tion, or other proceeding may be required from any
13 place in the United States or in any Territory or
14 possession thereof.

15 “(2) SERVICE; WITNESSES.—Subpoenas of the
16 Secretary shall be served by anyone authorized by
17 the Secretary—

18 “(A) by delivering a copy thereof to the in-
19 dividual named therein; or

20 “(B) by registered mail or by certified mail
21 addressed to such individual at his last dwelling
22 place or principal place of business.

23 A verified return by the individual serving the sub-
24 poena setting forth the manner of service, or, in the
25 case of service by registered mail or by certified

1 mail, the return post-office receipt therefor signed by
2 the individual so served, shall be proof of service.
3 Witnesses so subpoenaed shall be paid the same fees
4 and mileage as are paid witnesses in the district
5 courts of the United States.

6 “(3) CONTUMACY OR REFUSAL TO OBEY A SUB-
7 POENA.—In case of contumacy by, or refusal to obey
8 a subpoena duly served upon, any person, any dis-
9 trict court of the United States for the judicial dis-
10 trict in which the person charged with contumacy or
11 refusal to obey is found or resides or transacts busi-
12 ness, upon application by the Secretary, shall have
13 jurisdiction to issue an order requiring such person
14 to appear and give testimony, or to appear and
15 produce evidence, or both. Any failure to obey such
16 order of the court may be punished by the court as
17 contempt thereof.

18 **“SEC. 2206. STEWARDSHIP.**

19 “(a) PROMOTING EQUITY.—The Secretary shall con-
20 duct a robust program to analyze and prevent disparities
21 on the basis of race, color, ethnicity, religion, sex, sexual
22 orientation, gender identity, disability, age, or national ori-
23 gin with respect to the benefits provided under this title
24 and individuals’ access to such benefits.

25 “(b) ASSIGNMENT.—

1 “(1) IN GENERAL.—The right of any person to
2 any future payment under this title shall not be
3 transferable or assignable, at law or in equity, and
4 none of the moneys paid or payable or rights exist-
5 ing under this title shall be subject to execution,
6 levy, attachment, garnishment, or other legal proc-
7 ess, or to the operation of any bankruptcy or insol-
8 vency law.

9 “(2) APPLICABILITY TO OTHER LAWS.—No
10 other provision of law, enacted before, on, or after
11 the date of the enactment of this section, may be
12 construed to limit, supersede, or otherwise modify
13 the provisions of this section except to the extent
14 that it does so by express reference to this section.

15 “(3) VOLUNTARY TAX WITHHOLDING.—Nothing
16 in this section shall be construed to prohibit with-
17 holding taxes from any benefit under this title, if
18 such withholding is done pursuant to a request made
19 in accordance with section 3402(p)(1) of the Inter-
20 nal Revenue Code of 1986 by the person entitled to
21 such benefit or such person’s representative payee.

22 “(c) UNDERPAYMENTS AND OVERPAYMENTS.—

23 “(1) IN GENERAL.—Whenever the Secretary de-
24 termines that more or less than the correct amount
25 of payment has been made to any individual under

1 this title, the Secretary shall promptly notify the in-
2 dividual of such determination and inform the indi-
3 vidual of the right to appeal such determination in
4 accordance with the provisions of section 2205.
5 Proper adjustment or recovery shall be made, under
6 regulations prescribed by the Secretary, as follows:

7 “(A) UNDERPAYMENTS.—With respect to
8 payment to an individual of less than the cor-
9 rect amount, the Secretary shall promptly pay
10 the balance of the amount due to such under-
11 paid individual.

12 “(B) OVERPAYMENTS.—

13 “(i) IN GENERAL.—With respect to
14 payment to an individual of more than the
15 correct amount, the Secretary shall de-
16 crease any payment for a month under this
17 title to which such overpaid individual is
18 entitled (but not below the amount speci-
19 fied in clause (ii) with respect to such pay-
20 ment), or shall require such overpaid indi-
21 vidual to refund the amount in excess of
22 the correct amount, or shall obtain recov-
23 ery by any means described in paragraph
24 (4), or shall apply any combination of the
25 foregoing.

1 “(ii) LIMITATION ON RECOVERY.—

2 “(I) AMOUNT SPECIFIED.—The
3 amount specified in this clause with
4 respect to a payment for a month
5 under this title to which an individual
6 is entitled is an amount equal to the
7 product of—

8 “(aa) the applicable dollar
9 amount, multiplied by

10 “(bb) the number of
11 caregiving days of such individual
12 credited to such month.

13 “(II) APPLICABLE DOLLAR
14 AMOUNT.—For purposes of subclause
15 (I), the applicable dollar amount is—

16 “(aa) with respect to a pay-
17 ment for a month in calendar
18 year 2023, \$70; and

19 “(bb) with respect to a pay-
20 ment for a month in any cal-
21 endar year after 2023, the cor-
22 responding amount established
23 with respect to a payment for a
24 month in the calendar year pre-
25 ceding such calendar year or, if

larger, the product of the corresponding amount specified in item (aa) with respect to a payment for a month in calendar year 2023 multiplied by the quotient obtained by dividing—

“(AA) the national average wage index (as defined in section 209(k)(1)) for the second calendar year preceding such calendar year, by

“(BB) the national average wage index (as so defined) for 2021.

“(2) WAIVER OF CERTAIN OVERPAYMENTS.—In any case in which more than the correct amount of payment has been made, there shall be no adjustment of payments to, or recovery by the United States from, any individual who was without fault in connection with the overpayment if such adjustment or recovery would defeat the purpose of this title or would be against equity and good conscience, or would impede efficient or effective administration of this title, as determined by the Secretary under pro-

cedures, to be established by the Secretary, similar to the procedures described in section 204(b) of the Social Security Act.

“(3) LIABILITY OF CERTIFYING OR DISBURSING OFFICER.—No certifying or disbursing officer shall be held liable for any amount certified or paid by him to any individual where the adjustment or recovery of such amount is waived under paragraph (2), or where adjustment under paragraph (1) is not completed prior to the death of the individual against whose benefits deductions are authorized.

“(4) ADDITIONAL METHODS OF RECOVERY.—

“(A) IN GENERAL.—With respect to any delinquent amount, the Secretary may use the collection practices described in sections 3716, 3717, and 3718 of title 31, United States Code, and in section 5514 of title 5, United States Code.

“(B) DEFINITION OF DELINQUENT AMOUNT.—For purposes of subparagraph (A), the term ‘delinquent amount’ means an amount—

“(i) in excess of the correct amount of payment under this title; and

1 “(ii) determined by the Secretary,
2 under regulations, to be otherwise unre-
3 coverable under this section after such in-
4 dividual ceases to be a beneficiary under
5 this title.

6 “(d) PENALTIES AND OTHER PROCEDURES.—The
7 Secretary shall establish procedures with respect to benefit
8 payments authorized under this title and applications for
9 such payments similar to the provisions of sections 1136
10 and 1632 of the Social Security Act.

11 “(e) REDETERMINATION OF ENTITLEMENT.—

12 “(1) IN GENERAL.—

13 “(A) PROCEDURES.—The Secretary shall
14 immediately redetermine the entitlement of in-
15 dividuals to paid family and medical leave ben-
16 efit benefits under this title if there is reason
17 to believe that fraud or similar fault was in-
18 volved in the application of the individual for
19 such benefits, unless a United States attorney,
20 or equivalent State prosecutor, with jurisdiction
21 over potential or actual related criminal cases,
22 certifies, in writing, that there is a substantial
23 risk that such action by the Secretary with re-
24 gard to beneficiaries in a particular investiga-

1 tion would jeopardize the criminal prosecution
2 of a person involved in a suspected fraud.

3 “(B) DISREGARD OF CERTAIN EVI-
4 DENCE.—When redetermining the entitlement,
5 or making an initial determination of entitle-
6 ment, of an individual under this title, the Sec-
7 retary shall disregard any evidence if there is
8 reason to believe that fraud or similar fault was
9 involved in the providing of such evidence.

10 “(2) SIMILAR FAULT DESCRIBED.—For pur-
11 poses of paragraph (1), similar fault is involved with
12 respect to a determination if—

13 “(A) an incorrect or incomplete statement
14 that is material to the determination is know-
15 ingly made; or

16 “(B) information that is material to the
17 determination is knowingly concealed.

18 “(3) TERMINATION OF BENEFITS.—If, after re-
19 determining pursuant to this subsection the entitle-
20 ment of an individual to monthly insurance benefits,
21 the Secretary determines that there is insufficient
22 evidence to support such entitlement, the Secretary
23 may terminate such entitlement and may treat bene-
24 fits paid on the basis of such insufficient evidence as
25 overpayments.

1 **“SEC. 2207. FUNDING FOR BENEFIT PAYMENTS, GRANTS,**
2 **AND PROGRAM ADMINISTRATION.**

3 “(a) FUNDING FOR BENEFIT PAYMENTS AND
4 GRANTS.—

5 “(1) IN GENERAL.—There are appropriated,
6 out of any funds in the Treasury not otherwise ap-
7 propriated, such sums as may be necessary to pay
8 benefits under this title and for grants under sec-
9 tions 2209 and 2210, subject to paragraph (2).

10 “(2) LIMITATION.—In no case shall a grant
11 under section 2209 or 2210 exceed a total amount
12 (for all applicable individuals) equivalent to the sum
13 of benefits paid (including, in the case of a grant
14 under section 2209, the full cost of administering
15 such benefits) for each applicable individual cal-
16 culated on the basis of a total number of days of
17 leave (as described under paragraph (3)) during the
18 individual’s benefit period equal to 60 minus the
19 number of caregiving days (as defined in section
20 2202(c)) of such individual credited in total to
21 months during such benefit period under this title.

22 “(3) APPLICABLE INDIVIDUAL.—For purposes
23 of paragraph (2), an ‘applicable individual’ is an in-
24 dividual, with respect to whom a grant under section
25 2209 or 2210 is awarded, receiving paid family or
26 medical leave benefits for days of leave—

1 “(A) under a paid family and medical leave
2 benefit program of a legacy State (as defined in
3 section 2209(b)); or

4 “(B) paid by an employer, or by an insurer
5 on behalf of the employer, under the terms of
6 a plan that meets the requirements of section
7 2210(b)(2)(B).

8 “(b) FUNDING FOR PROGRAM ADMINISTRATION.—
9 There are appropriated, out of any funds in the Treasury
10 not otherwise appropriated, such sums as may be nec-
11 essary for the following purposes (including through the
12 use of grants or contracts (including to other State and
13 Federal agencies) except where otherwise specified):

14 “(1) Costs related to taking applications, re-
15 sponding to public inquiries, assisting with problem
16 resolution, taking requests for appeals, and the pro-
17 vision of other necessary assistance to individuals
18 applying for or receiving benefits under this title, in-
19 cluding the following:

20 “(A) Costs related to staffing a national
21 toll-free telephone number (which shall not be
22 carried out through the use of grants or con-
23 tracts).

24 “(B) Costs related to technology to sup-
25 port a national toll-free telephone number and

1 to technology related to the design, construction
2 and maintenance of an online application and
3 customer service portal.

4 “(C) Costs related to mailed notices.

5 “(2) Costs related to determining eligibility
6 (which shall not be carried out through the use of
7 grants or contracts).

8 “(3) Costs related to ensuring program integ-
9 rity and combating fraud, including by issuing regu-
10 lations to do the following:

11 “(A) Ensure identity validation of appli-
12 cants and beneficiaries.

13 “(B) Verify the professional credentials of
14 relevant authorities who provide certifications
15 pursuant to section 2204(b)(2).

16 “(C) Ensure the accuracy of any wage and
17 self-employment income data used in the ad-
18 ministration of this title.

19 “(D) Ensure that the attestation require-
20 ment in section 2204(b)(3) has been satisfied
21 for each applicant and beneficiary.

22 “(E) Ensure the accuracy of monthly ben-
23 efit claim reports.

24 “(F) Provide for post-effectuation quality
25 review of approved claims and quality review of

1 denied claims (which shall not be carried out
2 through the use of grants or contracts).

3 “(4) Costs related to certification of payment of
4 benefits (which shall not be carried out through the
5 use of grants or contracts).

6 “(5) Costs related to appeals (which shall not
7 be carried out through the use of grants or con-
8 tracts).

9 “(6) Costs related to determination of actuarial
10 equivalence of State legacy programs and evaluation
11 and certification of employer leave programs.

12 “(7) Costs related to developing systems of
13 records for purposes of administering the program
14 under this title (which shall not be carried out
15 through the use of grants or contracts, except that
16 costs related to technology to support such systems
17 of records may be carried out through the use of
18 grants or contracts).

19 “(8) Costs related to data exchange and shar-
20 ing, for which the Secretary shall enter into an
21 agreement with relevant data sources including the
22 National Directory of New Hires and shall seek to
23 enter into agreements with States to obtain such in-
24 formation as the Secretary may require to determine
25 eligibility and benefits payable under this title, ad-

1 minister the grants in sections 2209 and 2210, and
2 verify such other information as the Secretary deter-
3 mines may be necessary in carrying out the provi-
4 sions of this title.

5 “(9) Any other costs necessary for the effective
6 administration of this title.

7 **“SEC. 2208. FUNDING FOR RESEARCH.**

8 “There are appropriated, out of any funds in the
9 Treasury not otherwise appropriated, **[\$150,000,000]** for
10 each of fiscal years **[2022 through 2026]** for the Sec-
11 retary to develop and carry out grants for research for
12 the purpose of ensuring full access to the benefits provided
13 by the program under this title, including through the de-
14 tection and prevention of disparities on the basis of race,
15 color, ethnicity, religion, sex, sexual orientation, gender
16 identity, disability, age, or national origin.

17 **“SEC. 2209. STATE ADMINISTRATION OPTION FOR LEGACY**
18 **STATES.**

19 “(a) IN GENERAL.—In each calendar year beginning
20 with 2024, the Secretary shall make a grant to each State
21 that, for the calendar year preceding such calendar year,
22 was a legacy State and that met the data sharing require-
23 ments of subsection (c), in an amount equal to the lesser
24 of—

1 “(1) an amount, as estimated by the Secretary,
2 in consultation with the Secretary of Labor, equal to
3 the total amount of paid family and medical leave
4 benefits that would have been paid to individuals in
5 the State under this title (including the full cost of
6 administering such benefits) for the calendar year
7 preceding such calendar year if the State had not
8 been a legacy State for such preceding calendar
9 year; or

10 “(2) an amount equal to the total cost of the
11 State paid family and medical leave program de-
12 scribed in subsection (b) for the calendar year pre-
13 ceding such calendar year, including—

14 “(A) the total amount of paid family and
15 medical leave benefits that would have been
16 paid to individuals under such program for
17 leave that is exempt under such program on ac-
18 count of being otherwise paid under a program
19 provided by such individual’s employer; and

20 “(B) the full cost of administering such
21 program.

22 In any case in which, during any calendar year, the Sec-
23 retary has reason to believe that a State will be a legacy
24 State and meet the data sharing requirements of sub-
25 section (c) for such calendar year, the Secretary may make

1 estimated payments during such calendar year of the
2 grant which would be paid to such State in the succeeding
3 calendar year, to be adjusted as appropriate in the suc-
4 ceeding calendar year.

5 “(b) LEGACY STATE.—For purposes of this section,
6 the term ‘legacy State’ for a calendar year means a State
7 that the Secretary, in consultation with the Secretary of
8 Labor, determines—

9 “(1) has enacted, not later than the date of en-
10 actment of this title, a State law that provides paid
11 family and medical leave benefits; and

12 【“(2) for any calendar year that begins on or
13 after the date that is 2 years after such date of en-
14 actment, has in effect, throughout such calendar
15 year, a State program enacted into law that provides
16 paid family and medical leave benefits—】

17 【“(A) for at least 60 days during each 12-
18 month period to all individuals in the State who
19 would be eligible for paid family and medical
20 leave benefits under this title during any part
21 of such calendar year but for section
22 2202(c)(2)(D); and】

23 【“(B) in an amount that is at least actu-
24 arially equivalent to the paid family and med-
25 ical leave benefits that would be provided to

1 such individuals under this title but for such
2 section.】

3 “(c) DATA SHARING.—As a condition of receiving a
4 grant under subsection (a) in a calendar year, a State
5 shall enter into an agreement with the Secretary under
6 which the State shall provide the Secretary—

7 “(1) with information, to be provided periodi-
8 cally as determined by the Secretary, concerning in-
9 dividuals who received a paid leave benefit under a
10 State program described in subsection (b), including
11 each individual’s name, social security account num-
12 ber, date of birth, dates for which such paid leave
13 benefits were paid, the amount of such paid leave
14 benefit, and, to the extent available, such other in-
15 formation concerning such individuals as the Sec-
16 retary may require for the purpose of carrying out
17 this section and section 2202(c)(2)(D);

18 “(2) not later than July 1 of such calendar
19 year, the amount described in subsection (a)(2) for
20 the calendar year preceding such calendar year; and

21 “(3) such other information as the Secretary
22 determines may be necessary in carrying out the
23 provisions of this title.

1 **["SEC. 2210. REIMBURSEMENT OPTION FOR EMPLOYER-**
2 **PROVIDED PAID LEAVE BENEFITS.**

3 **["(a) IN GENERAL.—**In each calendar year begin-
4 ning with 2024, the Secretary shall make a grant to each
5 employer that, for the calendar year preceding such cal-
6 endar year, was an eligible employer, in an amount equal
7 to—**"]**

8 **["(1) in the case of an eligible employer that**
9 **provided paid family and medical leave benefits as**
10 **described in subsection (b)(2)(B) for all of the rea-**
11 **sons for which an individual would be considered to**
12 **be engaged in qualified caregiving under section**
13 **2202(c)(2)(A), the lesser of—"]**

14 **["(A) 40 percent of the reimbursable bene-**
15 **fits paid by the employer during the calendar**
16 **year preceding such calendar year; or"]**

17 **["(B) 40 percent of the total amount, as**
18 **estimated by the Secretary, in consultation with**
19 **the Secretary of Labor, of paid family and med-**
20 **ical leave benefits that would have been paid to**
21 **employees of the employer under this title for**
22 **the calendar year preceding such calendar year**
23 **but for section 2202(c)(2)(C)."]**

24 **["(2) in the case of an eligible employer that**
25 **provided paid family or medical leave benefits as de-**
26 **scribed in subsection (b)(2)(B) for fewer than all of**

1 the reasons for which an individual would be consid-
2 ered to be engaged in qualified caregiving under sec-
3 tion 2202(c)(2)(A), the lesser of—】

4 【“(A) 28 percent of the reimbursable bene-
5 fits paid by the employer during the calendar
6 year preceding such calendar year; or】

7 【“(B) 28 percent of the total amount, as
8 estimated by the Secretary, in consultation with
9 the Secretary of Labor, of paid family and med-
10 ical leave benefits that would have been paid to
11 employees of the employer under this title for
12 the calendar year preceding such calendar year
13 but for section 2202(c)(2)(C).】

14 【“(b) EMPLOYER ELIGIBILITY.—For purposes of
15 subsection (a), an eligible employer for a calendar year
16 is an employer—】

17 【“(1) that has one or more employees during
18 such calendar year whose employment with such em-
19 ployer is not subject to the paid family and medical
20 leave benefit program of any legacy State (as de-
21 fined in section 2209(b)) for such calendar year;】

22 【“(2) not later than January 31 of such cal-
23 endar year (or, if later, not later than 30 days after
24 a plan described in subparagraph (B) goes into ef-
25 fect), that—】

1 【“(A) notifies the Secretary that the em-
2 ployer intends to seek a grant under this sec-
3 tion for such calendar year;】

4 【“(B) certifies to the Secretary that the
5 employer has in effect a written plan during
6 such calendar year—】

7 【“(i) that provides paid family or
8 medical leave benefits—】

9 【“(I) to all employees described
10 in paragraph (1) with at least 1 year
11 of cumulative service with the em-
12 ployer, regardless of job type, mem-
13 bership in a labor organization, se-
14 niority status, or any other employee
15 classification;】

16 【“(II) for one or more of the rea-
17 sons for which an individual would be
18 considered to be engaged in qualified
19 caregiving under section
20 2202(e)(2)(A), regardless of any pre-
21 existing medical conditions;】

22 【“(III) for not less than 15 days
23 of leave (or a prorated number of
24 days in the case of part-time employ-
25 ees);】

1 【“(IV) in an amount that ex-
2 ceeds 50 percent of each individual’s
3 regular rate of pay (as determined
4 under section 7(e) of the Fair Labor
5 Standards Act of 1938);】

6 【“(V) which may require an indi-
7 vidual to take other leave (whether
8 paid or unpaid) during a waiting pe-
9 riod of 1 calendar week before becom-
10 ing eligible for benefits;】

11 【“(VI) which may be paid di-
12 rectly by the employer or through an
13 insurer; and】

14 【“(VII) which may be paid inter-
15 mittently; and】

16 【“(ii) that ensures that the em-
17 ployer—】

18 【“(I) will not interfere with, re-
19 strain, or deny the exercise of, or the
20 attempt to exercise, any right pro-
21 vided under such policy; and】

22 【“(II) will not discharge, or in
23 any other manner discriminate
24 against, any individual for opposing

1 any practice prohibited by such policy;
2 and】

3 【“(C) pays an application fee of \$50, in
4 the case of an employer with fewer than 50 em-
5 ployees, or \$250, in the case of any other em-
6 ployer;】

7 【“(3) whose plan described under paragraph
8 (2)(B) is subsequently approved by the Secretary;
9 and】

10 【“(4) not later than March 31 of the 1st cal-
11 endar year following such calendar year, that sub-
12 mits to the Secretary—】

13 【“(A) information demonstrating that the
14 plan referred to in paragraph (2)(B) with re-
15 spect to the employer remained in effect
16 throughout the calendar year referred to in
17 paragraph (2) (or, if such plan did not remain
18 in effect throughout such calendar year, the
19 dates during which such plan was in effect dur-
20 ing such calendar year);】

21 【“(B) information, with respect to each
22 employee of the employer to whom paid family
23 or medical leave benefits described in paragraph
24 (2)(B) were provided during the calendar year
25 (as so referred), relating to—】

1 【“(i) the regular rate of pay of each
2 such employee (as determined under sec-
3 tion 7(e) of the Fair Labor Standards Act
4 of 1938);】

5 【“(ii) each such employee’s name, so-
6 cial security account number, date of birth,
7 dates for which paid leave benefits were
8 paid, the amount of such paid leave bene-
9 fits; and】

10 【“(iii) to the extent available, such
11 other information concerning such employ-
12 ees as the Secretary may require for the
13 purpose of carrying out this section and
14 section 2202(c)(2)(C); and】

15 【“(C) information on the total amount of
16 reimbursable benefits paid by the employer dur-
17 ing the calendar year (as so referred).】

18 【“(c) PENALTY FOR EXCEEDING SUBMISSION DEAD-
19 LINE.—In any case in which the requirements of sub-
20 section (b)(4) are not satisfied by the date specified in
21 such subsection with respect to a calendar year referred
22 to in subsection (b)(2), the amount of a grant paid to the
23 employer in the succeeding calendar year under subsection
24 (a) shall be reduced by 2 percent for each 7 days by which
25 the satisfaction of such requirements exceeds such date.】

1 **【“(d) REIMBURSABLE BENEFITS.—**For purposes of
2 subsection (a), the term ‘reimbursable benefits’ means
3 benefits (other than wage compensation, including paid
4 vacation or paid sick leave) paid by an employer, or by
5 an insurer on behalf of the employer, under the terms of
6 a plan that meets the requirements of section (b)(2)(B)—
7 **】**

8 **【“(1) for which all employees described in sub-**
9 section (b)(1) with at least 1 year of cumulative
10 service with the employer are eligible;**】**

11 **【“(2) paid for a reason for which an individual**
12 would be considered to be engaged in qualified
13 caregiving under section 2202(c)(2)(A);**】**

14 **【“(3) paid to employees whose employment**
15 with such employer is not subject to the paid family
16 and medical leave benefit program of any legacy
17 State (as defined in section 2209(b)); and**】**

18 **【“(4) for which the employer is not eligible for**
19 any form of reimbursement from the Federal Gov-
20 ernment (other than under this title) or any State
21 or local government.**】**

22 **【“(e) GREATER BENEFITS PERMITTED.—**Nothing in
23 this section shall be construed to prohibit an eligible em-
24 ployer from providing paid family and medical leave bene-

1 fits that exceed the requirements described in this sec-
2 tion.】

3 **“SEC. 2211. DEFINITIONS.**

4 “For purposes of this title the following definitions
5 apply:

6 “(1) SECRETARY.—The term ‘Secretary’ means
7 the Secretary of the Treasury.

8 “(2) STATE.—The term ‘State’ means any
9 State of the United States or the District of Colum-
10 bia or any territory or possession of the United
11 States.

12 “(3) WAGES.—The term ‘wages’—

13 “(A) has the meaning given such term in
14 section 3121(a) of the Internal Revenue Code
15 of 1986 for purposes of the taxes imposed by
16 sections 3101(b) and 3111(b) of such Code;
17 and

18 “(B) includes compensation, as defined in
19 section 3231(e) of such Code for purposes of
20 the Railroad Retirement Tax Act.

21 “(4) SELF-EMPLOYMENT INCOME.—The term
22 ‘self-employment income’ has the meaning given the
23 term in section 1402(b) of the Internal Revenue
24 Code of 1986 for purposes of the taxes imposed by
25 section 1401(b) of such Code.”.

1 **SEC. 102. ACCESS TO WAGE AND SELF-EMPLOYMENT IN-**
2 **COME INFORMATION.**

3 (a) DISCLOSURE OF WAGE INFORMATION FROM THE
4 NATIONAL DIRECTORY OF NEW HIRES.—

5 (1) IN GENERAL.—Section 453(j) of the Social
6 Security Act (42 U.S.C. 653(j)) is amended—

7 (A) by redesignating paragraphs (5)
8 through (11) as paragraphs (6) through (12),
9 respectively; and

10 (B) by adding after paragraph (4) the fol-
11 lowing:

12 “(5) PROVISION OF NEW HIRE INFORMATION
13 FOR PURPOSES OF FAMILY AND MEDICAL LEAVE
14 PROGRAM.—

15 “(A) IN GENERAL.—The National Direc-
16 tory of New Hires shall provide the Secretary
17 of the Treasury with all information in the Na-
18 tional Directory relating to wages paid to indi-
19 viduals.

20 “(B) USE AND MAINTENANCE OF INFOR-
21 MATION BY THE SECRETARY OF THE TREAS-
22 URY.—The Secretary of the Treasury may use
23 information provided under this paragraph only
24 for purposes of administering the paid family
25 and medical leave benefit program under title
26 XXII of the Social Security Act, and shall

1 maintain such information in the records of the
2 Secretary of the Treasury for such time as the
3 Secretary of the Treasury deems necessary for
4 the administration of such program.”.

5 (2) CONFORMING AMENDMENT.—Section
6 453(i)(2)(C) of such Act (42 U.S.C. 653(i)(2)(C)) is
7 amended by striking “(j)(5)” and inserting “(j)(6)”.

8 (b) DISCLOSURE OF SELF-EMPLOYMENT INCOME IN-
9 FORMATION FROM TAX RETURNS.—Section 6103(l) of
10 the Internal Revenue Code of 1986 is amended by adding
11 at the end the following new paragraph:

12 “(23) DISCLOSURE OF CERTAIN RETURN IN-
13 FORMATION TO CARRY OUT PAID FAMILY AND MED-
14 ICAL LEAVE BENEFIT PROGRAM.—

15 “(A) IN GENERAL.—The Secretary shall,
16 upon written request, disclose to officers and
17 employees of the Department of the Treasury
18 return information with respect to a taxpayer
19 whose self-employment income is relevant in de-
20 termining eligibility for, or the correct amount
21 of, a paid family and medical leave benefit
22 under title XXII of the Social Security Act.
23 Such information shall be limited to—

24 “(i) the taxpayer identity information
25 with respect to the taxpayer,

1 “(ii) the self-employment income of
2 the taxpayer, and

3 “(iii) the taxable year to which such
4 self-employment income relates.

5 “(B) RESTRICTION ON DISCLOSURE.—Re-
6 turn information disclosed under subparagraph
7 (A) may be used by officers and employees of
8 the Department of the Treasury solely for the
9 purpose of administering the paid family and
10 medical leave benefit program under title XXII
11 of the Social Security Act.

12 “(C) SELF-EMPLOYMENT INCOME.—For
13 purposes of this paragraph, the term ‘self-em-
14 ployment income’ has the meaning given such
15 term in section 1402(b) for purposes of the
16 taxes imposed by section 1401(b).”.

17 **DIVISION B—GUARANTEED**
18 **ACCESS TO CHILD CARE**

19 **SEC. 201. CHILD CARE INNOVATION FUNDS.**

20 Part A of title IV of the Social Security Act (42
21 U.S.C. 601-619) is amended by inserting after section 418
22 the following:

1 **“SEC. 418A. CHILD CARE INNOVATION FUNDS.**

2 “(a) ESTABLISHING STATE CHILD CARE INFORMA-
3 TION NETWORKS.—A State meets the requirements of this
4 subsection with respect to a quarter if—

5 “(1) during the quarter, the State has main-
6 tained an up-to-date, publicly available network of
7 child care providers who are registered, licensed, or
8 regulated by the State (in this section referred to as
9 the ‘State Child Care Information Network’), that
10 includes, with respect to each such provider—

11 “(A) where the provider is located, and a
12 description of any fees imposed by the provider
13 and the services offered by the provider;

14 “(B) whether the provider is providing
15 child care services that may be funded under
16 section 418;

17 “(C) the hours of operation of the pro-
18 vider;

19 “(D) whether the provider offers child care
20 to the general public, and if so, where an appli-
21 cation for child care services from the provider
22 may be obtained, or a direct link to such an ap-
23 plication;

24 “(E) the total number of children, by age
25 group, for whom the provider is capable of pro-
26 viding child care services, and how many open-

1 ings are available with the provider by age
2 group;

3 “(F) whether the provider has a waiting
4 list for child care services, and if so, the aver-
5 age length of time parents are on the waiting
6 list before being offered child care services and
7 how to join the list;

8 “(G) the type of child care (such as family
9 child care or center-based care) provided, dif-
10 ferentiating between licensed and license-exempt
11 child care providers; and

12 “(H) such other information as the Sec-
13 retary may require to help parents determine
14 whether the provider can meet their child care
15 needs and the parents can enroll a child in care,
16 such as quality indicators or accreditation sta-
17 tus;

18 “(2) the State Child Care Information Net-
19 work—

20 “(A) has been maintained—

21 “(i) by the lead agency of the State;

22 “(ii) by the State licensing entity; or

23 “(iii) through other appropriate enti-
24 ties, by grant or contract;

1 【“(B) may have been maintained in co-
2 ordination with, or jointly with, other federally
3 funded systems, so long as there is no supplan-
4 tation of funding; and】

5 “(C) has been made—

6 “(i) publicly available, including
7 through the Internet and by telephone, to
8 families seeking information about obtain-
9 ing child care services; and

10 “(ii) accessible to State, county, and
11 other government staff involved in the pro-
12 vision of child care;

13 “(3) the State requires each provider listed in
14 the State Child Care Information Network to update
15 the information described in paragraph (1)(E) on a
16 weekly basis, and to update all other information de-
17 scribed in paragraph (1) not less frequently than
18 quarterly, and ensures that publicly available infor-
19 mation in the State Child Care Information Network
20 indicates when the slot availability information about
21 the provider was most recently updated; and

22 “(4) the State has submitted to the Secretary
23 a plan that includes an estimate of the total capacity
24 of licensed, regulated, and registered provider slots,
25 and a description of the eligible expenditures the

1 State will make in the quarter, which may be sub-
2 mitted with other plans required by the Secretary.

3 “(b) FUNDING STATE CHILD CARE INFORMATION
4 NETWORKS.—

5 “(1) START-UP FUNDS.—

6 “(A) GRANTS.—For each fiscal year speci-
7 fied in subparagraph (C), the Secretary shall
8 make grants to State lead agencies to conduct
9 activities related to the planning and implemen-
10 tation of State Child Care Information Net-
11 works.

12 “(B) DISTRIBUTION.—The Secretary shall
13 distribute the grant funds to the States that are
14 not territories in accordance with the formula
15 referred to in section 418(a)(2)(B), and to the
16 territories according to relative need.

17 “(C) APPROPRIATION.—Out of any money
18 in the Treasury not otherwise appropriated,
19 there are appropriated to the Secretary
20 \$200,000,000 for each of fiscal years 2022 and
21 2023 for grants under this paragraph.

22 “(2) MATCHING GRANTS.—

23 “(A) IN GENERAL.—The Secretary shall
24 pay to each State that meets the requirements
25 of subsection (a) with respect to a calendar

1 quarter in any of fiscal years 2022 through
2 2026 an amount equal to 75 percent of the eli-
3 gible expenditures of the State in the quarter,
4 subject to subsection (c)(3)(C).

5 “(B) ELIGIBLE EXPENDITURES.—In this
6 section, the term ‘eligible expenditures’ means
7 all of the following, but only to the extent
8 supplementing, and not supplanting, funds
9 made available under other law:

10 “(i) STATE CHILD CARE INFORMATION
11 NETWORK.—Expenditures to carry out
12 subsection (a).

13 “(ii) EASE OF APPLICATION FOR SUB-
14 SIDIZED CHILD CARE CERTIFICATE.—Ex-
15 penditures to establish an option, as indi-
16 cated by the State in a plan describing
17 planned eligible expenditures (which may
18 be submitted with other plans required by
19 the Secretary)—

20 “(I) for a family to file an appli-
21 cation for a subsidized child care cer-
22 tificate with a child care provider, for
23 the provider to submit the application
24 to the State for processing, or for the
25 lead agency of the State, a local child

1 care resource and referral agency, or
2 other entity under grant or contract,
3 to respond to the family;

4 “(II) to establish a statewide
5 common application for child care,
6 which—

7 “(aa) allows an application
8 with respect to a child to be sub-
9 mitted simultaneously to multiple
10 child care providers;

11 “(bb) allows the application
12 to be for a particular site and
13 schedule;

14 “(cc) is considered an appli-
15 cation directly to each such pro-
16 vider involved for purposes of any
17 decision of the provider regarding
18 a wait list or an open slot based
19 on the application date;

20 “(dd) safeguards confiden-
21 tial information; and

22 “(ee) allows for such a pro-
23 vider to seek and collect informa-
24 tion not on the common applica-
25 tion so that the provider may de-

1 termine the priority to be given
2 to the applicant on any waiting
3 list or for other specialized ad-
4 mission criteria such as disability
5 services; or

6 “(III) to enable child care pro-
7 viders to respond to families through
8 other application methods.

9 “(iii) EXPENDITURES FOR TECH-
10 NOLOGY NEEDED TO PARTICIPATE IN THE
11 STATE CHILD CARE INFORMATION NET-
12 WORK.—Expenditures for child care pro-
13 viders, lead agencies, and contractors to
14 support system-building and system-imple-
15 mentation activities associated with the
16 State Child Care Information Network, in-
17 cluding the installation and maintenance of
18 equipment and software needed to develop,
19 implement, maintain, and provide elec-
20 tronic access to the State Child Care Infor-
21 mation Network.

22 “(iv) PARTICIPATION INCENTIVES.—
23 Expenditures to provide financial incen-
24 tives to child care providers for whom par-
25 ticipating in the State Child Care Informa-

tion Network would be costly or time consuming. In providing the incentives, a lead agency—

“(I) shall take into account the differential burden on varying types of providers to ensure that the incentives are sufficient to encourage all types of providers, including family-based providers, to participate in the State Child Care Information Network; and

“(II) may coordinate with staffed Family Child Care Networks to ensure that home-based providers are able to participate in the State Child Care Information Network.

“(v) PROVISION OF INFORMATION TO THE SECRETARY.—Expenditures to provide information to, or comply with a request for information made by, the Secretary regarding the HHS Participating Child Care Provider Certification provided for in subsection (c).

“(C) APPROPRIATION.—Out of any money in the Treasury not otherwise appropriated, there are appropriated to the Secretary for each

1 of fiscal years 2022 through 2026 such sums as
2 are necessary for grants under this paragraph.

3 “(c) HHS PARTICIPATING CHILD CARE PROVIDER
4 CERTIFICATION.—

5 “(1) IN GENERAL.—The Secretary shall—

6 “(A) maintain current information on child
7 care providers who are qualified to receive the
8 HHS Participating Child Care Provider Certifi-
9 cation for a calendar quarter, and historical in-
10 formation on child care providers who were so
11 qualified for a prior calendar quarter, including
12 a quarter in a prior year, (in this section re-
13 ferred to as the ‘HHS Participating Child Care
14 Provider Certification’) based on the informa-
15 tion submitted by lead agencies;

16 “(B) update the list of providers who are
17 so qualified, 1 month before the end of each
18 quarter, and electronically share with the Inter-
19 nal Revenue Service current and historical in-
20 formation on the providers who are so qualified;
21 and

22 “(C) at the end of each calendar year and
23 on request of any provider listed in the HHS
24 Participating Child Care Provider Certification
25 who has qualified for the certification for an en-

1 tire calendar quarter, provide the provider and
2 the lead agency of the jurisdiction in which the
3 provider is located written documentation of the
4 quarters with respect to which the provider was
5 so qualified.

6 “(2) QUALIFICATIONS.—A child care provider is
7 qualified to receive the HHS Participating Child
8 Care Provider Certification for a calendar quarter if
9 the provider—

10 “(A)(i) is licensed with a State as a pro-
11 vider of child care services, or is in a license-
12 exempt category of providers that the Secretary
13 has identified as meeting equivalent health and
14 safety standards;

15 “(ii) is providing child care services that
16 may be funded under section 418;

17 “(iii) has submitted to the State Child
18 Care Information Network, on a weekly basis,
19 all available child care slots with the provider;

20 “(iv) makes child care slots available to the
21 general public, when available, subject to any
22 clearly explained priority system; and

23 “(v) is in compliance with other require-
24 ments set by the State regarding applications

1 for or inquiries about available child care slots;
2 or

3 “(B) was so qualified for the entire 3-
4 month period preceding the most recent update
5 made under paragraph (1)(B).

6 “(3) ADMINISTRATIVE PROVISIONS.—

7 “(A) ACCURACY CHECKS.—The Secretary
8 shall periodically conduct accuracy checks of
9 randomly sampled child care providers partici-
10 pating in any State Child Care Information
11 Network to determine whether the providers are
12 updating their slot availability on a weekly
13 basis, and if not, estimate the statewide rate at
14 which the providers are doing so.

15 “(B) PRIVACY; SECURITY.—The Secretary
16 shall issue guidance regarding the privacy and
17 security of personally identifiable information in
18 any State Child Care Information Network.

19 “(C) PENALTY FOR EXCESSIVE ERRORS IN
20 STATE CHILD CARE INFORMATION NETWORK.—

21 The percentage specified in subsection (b)(2)(A)
22 with respect to a State shall be 70 percent if—

23 “(i) a check conducted under subpara-
24 graph (A) of this paragraph reveals that
25 the number of child care providers erro-

neously included or erroneously not included in the State Child Care Information Network is at least **[10 percent]** of the number of providers included in the network; and

“(ii) the State has not submitted to the Secretary a report demonstrating that action has been taken to reduce that error rate to less than **[10 percent]**.”

“(D) ELIGIBLE EXPENDITURES.—The Secretary shall issue guidance to States which specifies the expenditures that will be considered eligible expenditures for purposes of this section.

“(E) PUBLICATION OF AMOUNT OF ELIGIBLE EXPENDITURES OF EACH STATE.—The Secretary, in consultation with the States, shall annually publish the amount of eligible expenditures of each State in the preceding fiscal year.

“(4) APPROPRIATION.—Out of any funds in the Treasury not otherwise appropriated, there is appropriated \$100,000,000 for each of fiscal years 2022 through 2026 for administrative expenses in carrying out this subsection.

1 “(d) INAPPLICABILITY OF PAYMENT LIMITATION.—
2 Section 1108(a) shall not apply with respect to any
3 amount paid under this section or section 418B, 418C,
4 or 418D.”.

5 **SEC. 202. CHILD CARE SUPPLY GROWTH FUNDS.**

6 Part A of title IV of the Social Security Act (42
7 U.S.C. 601-619), as amended by section 201 of this divi-
8 sion, is amended by inserting after section 418A the fol-
9 lowing:

10 **“SEC. 418B. CHILD CARE SUPPLY GROWTH FUNDS.**

11 “(a) INITIAL SUPPLY GROWTH FUNDING.—

12 “(1) GRANTS.—The Secretary shall pay to each
13 State that meets the conditions in paragraph (3) for
14 a fiscal year an amount equal to the State share for
15 the fiscal year of the amount specified in paragraph
16 (5).

17 “(2) STATE SHARE.—The State share for a fis-
18 cal year is—

19 “(A) the population of children in the
20 State who have not attained 13 years of age,
21 according to the most recently available annual
22 estimate of population in the States by the Bu-
23 reau of the Census; divided by

24 “(B) the total population of such children
25 in all States.

1 “(3) CONDITIONS.—A State is eligible for a
2 grant under paragraph (1) for a fiscal year if—

3 “(A)(i) at least 50 percent of the licensed
4 child care slots in the State are listed in the
5 State Child Care Information Network and up-
6 dated as described in section 418A(c)(3)(A); or

7 “(ii)(I) the network includes registered,
8 regulated, and licensed child care providers; and

9 “(II) at least 40 percent of all child care
10 slots in the State are listed in the State Child
11 Care Information Network and updated as de-
12 scribed in section 418A(c)(3)(A); and

13 “(B) the State has at least 1 county in
14 which there is a child care shortage.

15 “(4) USE OF FUNDS.—A State to which an
16 amount is paid under paragraph (1) may use the
17 amount to increase the number of child care slots
18 and providers in the parts of the State in which
19 there is a child care shortage, or increase the types
20 of child care services provided in the State, through
21 means such as—

22 “(A) providing technical assistance and
23 startup funds to support individuals seeking to
24 start providing child care services;

1 “(B) providing technical assistance and
2 funds to child care providers seeking to expand
3 their capacity to provide child care services;

4 “(C) assisting providers to become licensed
5 to provide child care services; or

6 “(D) assisting providers to qualify for tax
7 credits under Section 3135 of the Internal Rev-
8 enue Code of 1986.

9 “(5) APPROPRIATION FOR GRANTS.—Out of
10 any funds in the Treasury not otherwise appro-
11 priated, there is appropriated \$200,000,000 for each
12 of fiscal years 2022 through 2026 to carry out this
13 subsection.

14 “(b) CHILD CARE SHORTAGE FUNDING ADJUST-
15 MENT.—

16 “(1) GRANT.—

17 “(A) IN GENERAL.—In addition to any
18 amount payable under section 418(a), the lead
19 agency of any State that meets the require-
20 ments of subparagraph (B) for a fiscal year
21 shall be entitled to receive a grant from the
22 Secretary in the amount determined under sub-
23 paragraph (C) with respect to the State for the
24 fiscal year.

1 “(B) REQUIREMENTS.—A State meets the
2 requirements of this subparagraph for a fiscal
3 year if the State—

4 “(i) has submitted to the Secretary an
5 assessment of the supply of child care serv-
6 ices in the State for the fiscal year, which
7 includes an assessment of the number of
8 counties in the State that have a child care
9 shortage and how many children in the
10 State reside in such a county;

11 “(ii) has demonstrated to the Sec-
12 retary that at least 40 percent of the chil-
13 dren under age 13 residing in the State re-
14 side in a county which is experiencing a
15 child care shortage; and

16 “(iii) obligated for child care assist-
17 ance all amounts paid to the State under
18 section 418(a)(1) for the preceding fiscal
19 year, and the child care assistance expendi-
20 tures of the State in the preceding fiscal
21 year entitled the State to the maximum
22 amount payable to the State under section
23 418(a)(2) for the preceding fiscal year.

24 “(C) GRANT AMOUNT.—The amount deter-
25 mined under this subparagraph with respect to

1 a State for a fiscal year shall be an amount
2 equal to the lesser of—

3 “(i)(I) 100 percent of the total
4 amount payable to the State under section
5 418(a) for the fiscal year; multiplied by

6 “(II) the percentage of children in the
7 State who live in a county in which there
8 is a child care shortage for the fiscal year;
9 or

10 “(ii) 50 percent of the total amount
11 so payable to the State.

12 “(2) USE OF FUNDS.—A lead agency to which
13 an amount is paid under paragraph (1) may use the
14 amount to—

15 “(A) enter into grants or contracts with
16 child care providers to pay for specified num-
17 bers of child care slots, including slots in home-
18 based child care;

19 “(B) provide technical assistance to child
20 care providers to become licensed as such, in-
21 cluding direct financial assistance to fund com-
22 pliance with licensing requirements or fees and
23 costs associated with becoming licensed or
24 maintaining a license;

1 “(C) provide technical assistance to, and
2 financing for start-up costs of, new child care
3 providers, or child care providers seeking to ex-
4 pand their capacity to provide child care serv-
5 ices;

6 “(D) increase the supply of child care cer-
7 tificates;

8 “(E) provide support for improving busi-
9 ness practices, including management training
10 and supporting shared services, of child care
11 providers;

12 “(F) provide technical assistance to child
13 care providers seeking to recruit and retain
14 staff;

15 “(G) support career pathway training op-
16 portunities for child care workers; or

17 “(H) support higher wages for child care
18 workers.

19 “(3) EXPENDITURE REQUIREMENTS.—

20 “(A) LOCATION.—A State lead agency to
21 which an amount is paid under this subsection
22 for a fiscal year shall not expend the amount
23 except to address child care shortages identified
24 in the assessment submitted by the State for
25 the fiscal year pursuant to paragraph (1)(B)(i).

1 “(B) NONSUPPLANTATION.—A State lead
2 agency to which an amount is paid under this
3 subsection shall not use the amount to supplant
4 any other State or Federal funds, and shall
5 work with the Secretary to identify the baseline
6 spending level.

7 “(4) MAINTENANCE OF EFFORT.—

8 “(A) IN GENERAL.—The Secretary may
9 not make a payment under this subsection to a
10 State lead agency for a fiscal year if the num-
11 ber of child care slots in the State calculated
12 under paragraph (5) for the fiscal year, minus
13 the number of slots funded using a grant re-
14 ceived under paragraph (1), is less than the
15 number of child care slots in the State so cal-
16 culated when the lead agency first qualified for
17 such a payment.

18 “(B) USE OF CERTAIN DATA AUTHOR-
19 IZED.—The Secretary may use non-personally
20 identifiable data, including the volume and loca-
21 tion of inquiries and applications submitted as
22 part of the child care information network, in
23 making real-time estimates of child care de-
24 mand for purposes of subparagraph (A).

“(C) PUBLICATION OF STATE MAINTENANCE OF EFFORT LEVELS.—The Secretary, in consultation with States, shall annually publish the number of child care slots calculated under paragraph (5) for each State, for the fiscal year in which the State lead agency first qualified for a payment under this subsection.

“(5) VERIFICATION OF CHILD CARE SHORTAGE ASSESSMENT.—Not less than once each fiscal year, the Secretary shall—

“(A) calculate the number of total child care slots in each State with respect to which a lead agency is entitled to a payment under this subsection, and may do so using data from State licensing agencies, child care information systems, or other sources that document and track the supply of child care services;

“(B) make the results of the calculation publicly available; and

“(C) give a State lead agency—

“(i) the option to appeal or submit additional data if the number is incorrect or otherwise does not match the data contained in the State Child Care Information Network; and

1 “(ii) the option to provide the Sec-
2 retary with a rationale for why using the
3 3:1 ratio described in section 419(6) is an
4 ineffective way to determine whether there
5 is a child care shortage in the State, and
6 submit for the approval of the Secretary
7 an alternate means of making that deter-
8 mination with respect to the State.

9 “(6) APPROPRIATION FOR GRANTS.—Out of
10 any money in the Treasury not otherwise appro-
11 priated, there are appropriated to the Secretary for
12 each of fiscal years 2023 through 2026 such sums
13 as are necessary for grants under this subsection.

14 “(c) APPROPRIATION FOR ADMINISTRATIVE EX-
15 PENSES.—Out of any funds in the Treasury not otherwise
16 appropriated, there is appropriated \$100,000,000 for each
17 of fiscal years 2022 through 2026 for administrative ex-
18 penses in carrying out this section.”.

19 **SEC. 203. INCREASE IN CHILD CARE ENTITLEMENT FUND-**
20 **ING.**

21 (a) IN GENERAL.—Section 418(a)(3) of the Social
22 Security Act (42 U.S.C. 618(a)(3)) is amended to read
23 as follows:

1 “(3) APPROPRIATION.—Out of any money in
2 the Treasury not otherwise appropriated, there is
3 appropriated for grants under this subsection—

4 “(A) \$10,000,000,000 for fiscal year 2022;
5 and

6 “(B) the amount determined under para-
7 graph (7) with respect to this paragraph for
8 any succeeding fiscal year.”.

9 (b) FUNDING FOR TERRITORIES.—Section 418(a)(4)
10 of such Act (42 U.S.C. 618(a)) is amended to read as fol-
11 lows:

12 “(4) TERRITORIES.—

13 “(A) RESERVATION OF FUNDS.—Of the
14 amount appropriated by paragraph (3) for each
15 fiscal year, the Secretary shall reserve for
16 grants to territories not less than—

17 “(i) \$250,000,000 for fiscal year
18 2022; and

19 “(ii) the amount determined under
20 paragraph (7) with respect to this sub-
21 paragraph for any succeeding fiscal year.

22 “(B) ALLOTMENTS.—The amount reserved
23 under subparagraph (A) for each fiscal year
24 shall be allotted among the territories [in pro-

1 portion to the share of the relative need of each
2 territory】.

3 “(C) INAPPLICABILITY OF PAYMENT LIM-
4 TATION.—Section 1108(a) shall not apply with
5 respect to any amount paid under this para-
6 graph.”.

7 (c) FUNDING FOR INDIAN TRIBES.—Section 418(a)
8 of such Act (42 U.S.C. 618(a)) is amended by adding at
9 the end the following:

10 “(6) RESERVATION OF FUNDS FOR INDIAN
11 TRIBES.—Of the amount appropriated by paragraph
12 (3) for each fiscal year, the Secretary shall reserve
13 for grants to Indian tribes and tribal organizations
14 not less than—

15 “(A) \$250,000,000 for fiscal year 2022;
16 and

17 “(B) the amount determined under para-
18 graph (7) with respect to this paragraph for
19 any succeeding fiscal year.”.

20 (d) INFLATION ADJUSTMENT.—Section 418(a) of
21 such Act (42 U.S.C. 618(a)), as amended by subsection
22 (c) of this section, is amended by adding at the end the
23 following:

24 “(7) INFLATION ADJUSTMENT.—

1 “(A) AMOUNT DETERMINED.—The amount
2 determined under this paragraph with respect
3 to paragraph (3), (4)(A), or (6) for a fiscal year
4 is the amount specified in paragraph (3)(A),
5 the amount specified in paragraph (4)(A)(i), or
6 the amount specified in paragraph (6)(A), re-
7 spectively, multiplied by—

8 “(i) 1.00 plus the percentage (if any)
9 by which the average of the Consumer
10 Price Index for the most recent 12-month
11 period for which data are available exceeds
12 the average of the Index for the preceding
13 12-month period, expressed as a decimal;
14 and

15 “(ii) 1.00 plus the percentage (if any)
16 by which the then most recent estimate by
17 the Bureau of the Census of the population
18 of the United States that has not attained
19 13 years of age exceeds the then most re-
20 cent prior estimate by the Bureau of the
21 Census of that population, expressed as a
22 decimal.

23 “(B) CONSUMER PRICE INDEX.—In sub-
24 paragraph (A), the term ‘Consumer Price
25 Index’ means the Consumer Price Index for All

1 Urban Consumers most recently published by
2 the Department of Labor for the period in-
3 volved.”.

4 (e) CONFORMING AMENDMENT.—Section
5 418(a)(2)(A) of such Act (42 U.S.C. 618(a)(2)(A)), as
6 amended by section 9801(a)(2) of the American Rescue
7 Plan Act of 2021, is amended by striking “(3)(A)” and
8 inserting “(3)”.

9 **SEC. 204. INFRASTRUCTURE GRANTS TO IMPROVE CHILD**
10 **CARE SAFETY.**

11 Part A of title IV of the Social Security Act (42
12 U.S.C. 601-619), as amended by sections 201 and 202
13 of this division, is amended by inserting after section 418C
14 the following:

15 **“SEC. 418D. INFRASTRUCTURE GRANTS TO IMPROVE CHILD**
16 **CARE SAFETY.**

17 “(a) CHILD CARE FACILITIES GRANTS.—

18 “(1) GRANTS TO STATES.—

19 “(A) IN GENERAL.—The Secretary shall
20 award grants to States for the purpose of help-
21 ing child care providers acquire, construct, ren-
22 ovate, or improve child care facilities, including
23 adapting, reconfiguring, or expanding facilities.

24 “(B) DURATION OF GRANTS.—The Sec-
25 retary shall award grants under this paragraph

1 within 12 months after the date of the enact-
2 ment of this section, for a period of not more
3 than 5 years.

4 “(C) PLAN APPROVAL REQUIRED BEFORE
5 USING GRANT.—A State to which a grant is
6 made under this paragraph shall not obligate or
7 expend the grant funds unless the State has
8 submitted to the Secretary, and the Secretary
9 has approved, a plan that—

10 “(i) includes an analysis or assess-
11 ment, in such form and manner as the
12 Secretary may require, of the need of the
13 State for child care infrastructure;

14 “(ii) is submitted at such time, in
15 such manner, and containing such other
16 information as the Secretary may require,
17 which information shall—

18 “(I) be disaggregated as the Sec-
19 retary may require; and

20 “(II) include a plan to use a por-
21 tion of the grant funds to report to
22 the Secretary on the effects of using
23 the grant funds to improve child care
24 facilities; and

1 “(iii) complies with paragraph (3), if
2 applicable.

3 “(D) PRIORITY.—In allocating grants
4 awards under this paragraph, the Secretary
5 shall place emphasized consideration on plans
6 that—

7 “(i) provide for improving center-
8 based and home-based child care pro-
9 grams;

10 “(ii) aim to meet specific needs across
11 urban, suburban, or rural areas as deter-
12 mined by the State;

13 “(iii) show evidence of collaboration
14 with—

15 “(I) local government officials;

16 “(II) other State agencies;

17 “(III) nongovernmental organiza-
18 tions, such as—

19 “(aa) philanthropic organi-
20 zations;

21 “(bb) certified community
22 development financial institutions
23 as defined in section 103 of the
24 Community Development Bank-
25 ing and Financial Institutions

1 Act of 1994 (12 U.S.C. 4702)
2 that have been certified by the
3 Community Development Finan-
4 cial Institutions Fund (12 U.S.C.
5 4703); and

6 “(cc) organizations that
7 have demonstrated experience
8 in—

9 “(AA) providing tech-
10 nical or financial assistance
11 for the acquisition, construc-
12 tion, renovation, or improve-
13 ment of child care facilities;

14 “(BB) providing tech-
15 nical, financial, or manage-
16 rial assistance to child care
17 providers; and

18 “(CC) securing private
19 sources of capital financing
20 for child care facilities or
21 other community develop-
22 ment projects eligible for as-
23 sistance from a child care
24 assistance program; and

1 “(IV) local community organiza-
2 tions, such as—

3 “(aa) child care providers;
4 “(bb) community care agen-
5 cies;

6 “(cc) resource and referral
7 agencies; and

8 “(dd) labor unions and other
9 employers of infrastructure
10 trades that pay the prevailing
11 wage; and

12 “(iv) provide for improving child care
13 providers who qualify for the HHS Partici-
14 pating Child Care Provider Certification
15 for at least 1 fiscal quarter before the date
16 of application for the grant.

17 “(E) CONSIDERATION.—In allocating
18 grant awards under this paragraph, the Sec-
19 retary shall consider—

20 “(i) whether the applicant—
21 “(I) has or is developing a plan
22 to address child care facility needs;

23 “(II) demonstrates the capacity
24 to execute such a plan; and

1 “(ii) after the date the plan required
2 by subparagraph (C) is submitted in ac-
3 cordance with such section, the needs of
4 the applicant based on the results of the
5 assessment contained in the plan.

6 “(F) MATCHING REQUIREMENT.—

7 “(i) IN GENERAL.—As a condition of
8 the receipt of a grant under this para-
9 graph, a State shall agree to make avail-
10 able, directly or through donations from
11 public or private entities, contributions
12 with respect to the costs to be covered by
13 the grant, which may be provided in cash
14 or in kind, in an amount equal to 10 per-
15 cent of the funds provided through the
16 grant.

17 “(ii) DETERMINATION OF AMOUNT
18 CONTRIBUTED.—Such a matching con-
19 tribution may include—

20 “(I) amounts provided by the
21 Federal Government, or services as-
22 sisted or subsidized to any significant
23 extent by the Federal Government; or

24 “(II) philanthropic or private-sec-
25 tor funds.

1 “(G) AMOUNT LIMIT.—The annual amount
2 of a grant under this paragraph may not exceed
3 \$250,000,000.

4 “(H) PROHIBITION.—The Secretary may
5 not, as a condition of making a grant under
6 this paragraph or section 418E, retain an inter-
7 est in any property, including any project in-
8 volving a privately-owned family child care
9 home.

10 “(I) REPORT.—Not later than 6 months
11 after the last day of the grant period, a State
12 to which a grant is made under this paragraph
13 shall submit to the Secretary the report re-
14 ferred to in subparagraph (C)(ii)(II)—

15 “(i) to determine the effects of the
16 grant in constructing, renovating, or im-
17 proving child care facilities, including any
18 changes in response to public health guide-
19 lines or efforts associated with natural dis-
20 aster emergency preparedness and re-
21 sponse and any effects on access to child
22 care; and

23 “(ii) to provide such other information
24 as the Secretary may require.

1 “(J) RETURN OF GRANT IF PLAN NOT AP-
2 PROVED WITHIN 2 YEARS.—A State to which a
3 grant is made under this paragraph shall remit
4 the grant to the Secretary if the Secretary has
5 not provided the approval required by subpara-
6 graph (C) within 2 years after the date the
7 grant is made.

8 “(2) GRANTS TO INTERMEDIARY ORGANIZA-
9 TIONS.—

10 “(A) IN GENERAL.—The Secretary may
11 award grants to intermediary organizations,
12 such as certified community development finan-
13 cial institutions or other organizations with
14 demonstrated experience in child care facilities
15 financing, for the purpose of providing technical
16 assistance, capacity-building, and financial
17 products to develop or finance child care facili-
18 ties.

19 “(B) APPLICATION.—A grant under this
20 paragraph may be made only to an inter-
21 mediary organization that submits to the Sec-
22 retary an application at such time, in such
23 manner, and containing such information as the
24 Secretary may require, that complies with para-
25 graph (3) if applicable.

1 “(C) PRIORITY.—In selecting intermediary
2 organizations for grants under this paragraph,
3 the Secretary shall give priority to organiza-
4 tions that—

5 “(i) demonstrate experience in child
6 care facility financing or related commu-
7 nity facility financing;

8 “(ii) demonstrate the capacity to as-
9 sist States and local governments in devel-
10 oping child care facilities and programs;

11 “(iii) demonstrate the ability to lever-
12 age grant funding to support financing
13 tools to build the capacity of child care
14 providers, such as through credit enhance-
15 ments;

16 “(iv) propose to focus on child care
17 facilities that operate under nontraditional
18 hours;

19 “(v) propose to meet a diversity of
20 needs across urban, suburban, and rural
21 areas at varying types of center-based,
22 home-based, and other child care settings,
23 including early care programs located in
24 buildings in which the care center is the

1 sole occupant or in mixed-use properties;
2 and

3 “(vi) propose to focus on child care
4 facilities primarily serving low-income pop-
5 ulations and children who have not at-
6 tained 5 years of age.

7 “(D) AMOUNT LIMIT.—The amount of a
8 grant under this paragraph may not exceed
9 \$10,000,000.

10 “(E) ANNUAL REPORT REQUIRED.—As a
11 condition of receiving funds under this para-
12 graph, the recipient shall submit annual reports
13 to the lead agency of the jurisdiction in which
14 the recipient is located documenting how the re-
15 cipient has expended the funds and updating
16 the planned future expenditures described in
17 the application submitted by the recipient for
18 the funds.

19 “(3) LABOR STANDARDS.—In the case of an
20 application for a grant under this subsection for a
21 project to construct, renovate, or improve a child
22 care facility, including a project to adapt, recon-
23 figure, or expand such a facility, the application
24 shall include a written assurance that all laborers
25 and mechanics employed by contractors or sub-