

COMMITTEE PRINT

Budget Reconciliation Legislative Recommendations Relating to Child Care Access and Equity

1 **Subtitle C—Child Care Access and** 2 **Equity**

3 **SEC. 132001. CHILD CARE ACCESS.**

4 Part A of title IV of the Social Security Act (42
5 U.S.C. 601–619) is amended by inserting after section
6 418 the following:

7 **“SEC. 418A. CHILD CARE ACCESS.**

8 “(a) ESTABLISHING STATE CHILD CARE INFORMA-
9 TION NETWORKS.—

10 “(1) DEVELOPMENT.—The Secretary shall con-
11 duct a stakeholder engagement process to make rec-
12 ommendations about the development and implemen-
13 tation of the State Child Care Information Networks
14 to be operated by the States, Indian tribes, and ter-
15 ritories. The stakeholder engagement process may
16 include parents, center-based child care providers,
17 home-based child care providers, child care policy ex-
18 perts, trade associations, labor unions, and other or-
19 ganizations representing child care providers.

20 “(2) MODELS.—The Secretary may use funds
21 made available to the Secretary for administrative

1 purposes to establish national technology models for
2 State Child Care Information Networks, and guid-
3 ance on development and establishment of interoper-
4 able data governance systems that address privacy
5 and allow for sharing and storing data across infor-
6 mation systems, including guidance on alignment
7 with State child care consumer education websites.

8 “(3) DATA EXCHANGE STANDARDS AND INTER-
9 OPERABILITY.—

10 “(A) DESIGNATION AND USE OF DATA EX-
11 CHANGE STANDARDS.—

12 “(i) DESIGNATION.—The Secretary
13 shall, in consultation with an interagency
14 work group established by the Office of
15 Management and Budget and considering
16 State government perspectives, designate
17 data exchange standards for necessary cat-
18 egories of information that the Child Care
19 Information Network is required to elec-
20 tronically exchange with another agency
21 under applicable Federal law.

22 “(ii) DATA EXCHANGE STANDARDS
23 MUST BE NONPROPRIETARY AND INTER-
24 OPERABLE.—The data exchange standards
25 designated under clause (i) shall, to the ex-

1 tent practicable, be nonproprietary and
2 interoperable.

3 “(iii) OTHER REQUIREMENTS.—In
4 designating data exchange standards under
5 this subparagraph, the Secretary shall, to
6 the extent practicable, incorporate—

7 “(I) interoperable standards de-
8 veloped and maintained by an inter-
9 national voluntary consensus stand-
10 ards body, as defined by the Office of
11 Management and Budget;

12 “(II) interoperable standards de-
13 veloped and maintained by intergov-
14 ernmental partnerships, such as the
15 National Information Exchange
16 Model; and

17 “(III) interoperable standards
18 developed and maintained by Federal
19 entities with authority over con-
20 tracting and financial assistance.

21 “(B) DATA EXCHANGE STANDARDS FOR
22 FEDERAL REPORTING.—

23 “(i) DESIGNATION.—The Secretary
24 shall, in consultation with an interagency
25 work group established by the Office of

1 Management and Budget, and considering
2 State government perspectives, designate
3 data exchange standards to govern Federal
4 reporting and exchange requirements
5 under applicable Federal law.

6 “(ii) REQUIREMENTS.—The data ex-
7 change reporting standards required by
8 clause (i) shall, to the extent practicable—

9 “(I) incorporate a widely accept-
10 ed, nonproprietary, searchable, com-
11 puter-readable format;

12 “(II) be consistent with and im-
13 plement applicable accounting prin-
14 ciples;

15 “(III) be implemented in a man-
16 ner that is cost-effective and improves
17 program efficiency and effectiveness;
18 and

19 “(IV) be capable of being contin-
20 ually upgraded as necessary.

21 “(iii) INCORPORATION OF NONPROPRI-
22 ETARY STANDARDS.—In designating data
23 exchange standards under this subpara-
24 graph, the Secretary shall, to the extent

1 practicable, incorporate existing nonpropri-
2 etary standards.

3 “(iv) RULE OF INTERPRETATION.—
4 Nothing in this subparagraph shall be con-
5 strued to require a change to existing data
6 exchange standards for Federal reporting
7 under this section if the Secretary finds
8 the standards to be effective and efficient.

9 “(4) STATE REQUIREMENTS.—A State meets
10 the requirements of this paragraph with respect to
11 a quarter if—

12 “(A) during the quarter, the State has
13 maintained an up-to-date, publicly available
14 compilation of child care providers who are reg-
15 istered, licensed, or regulated by the State (in
16 this section referred to as the ‘State Child Care
17 Information Network’), that includes, with re-
18 spect to each such provider—

19 “(i) where the provider is located, and
20 a description of any fees imposed by the
21 provider and the services offered by the
22 provider;

23 “(ii) whether the provider is providing
24 child care services that may be funded
25 under section 418;

1 “(iii) the hours of operation of the
2 provider;

3 “(iv) whether the provider offers child
4 care to the general public, and if so, where
5 an application for child care services from
6 the provider may be obtained, or a direct
7 link to such an application;

8 “(v) the total number of children, by
9 age group, for whom the provider is pro-
10 viding child care services, and how many
11 openings are available with the provider by
12 age group;

13 “(vi) whether the provider has a wait-
14 ing list for child care services, and if so,
15 the average length of time parents are on
16 the waiting list before being offered child
17 care services and how to join the list;

18 “(vii) the type of child care (such as
19 family child care or center-based care) pro-
20 vided, differentiating between licensed and
21 license-exempt child care providers; and

22 “(viii) information about the lan-
23 guages spoken by staff of the child care
24 provider, and such other information as
25 the Secretary may require to help parents

1 determine whether the provider can meet
2 their child care needs and the parents can
3 enroll a child in care, such as quality indi-
4 cators or accreditation status;

5 “(B) the State Child Care Information
6 Network—

7 “(i) by grant or contract, has been
8 maintained or jointly maintained by—

9 “(I) a child care resource and re-
10 ferral agency that has operated in the
11 last fiscal year;

12 “(II) a local child care resource
13 and referral agency that has operated
14 in the most recently completed fiscal
15 year and has applied to become a
16 State Child Information Network; or

17 “(III) the lead agency, the State
18 licensing entity, or other appropriate
19 entities;

20 “(ii) may have been maintained in co-
21 ordination with, or jointly with, other fed-
22 erally funded systems, so long as there is
23 no supplantation of funding; and

24 “(iii) has been made—

1 “(I) publicly available, including
2 through the Internet and by tele-
3 phone, to families seeking information
4 about obtaining child care services;
5 and

6 “(II) accessible to State, county,
7 and other government staff involved
8 in the provision of child care;

9 “(C) the State requires each provider listed
10 in the State Child Care Information Network
11 (or, at the option of the provider, another entity
12 designated by the provider) to update the infor-
13 mation described in clauses (v) and (vi) of sub-
14 paragraph (A) on a weekly basis, and to update
15 all other information described in subparagraph
16 (A) not less frequently than quarterly, and en-
17 sures that publicly available information in the
18 State Child Care Information Network indicates
19 when the slot availability information about the
20 provider was most recently updated; and

21 “(D) the State has submitted to the Sec-
22 retary a plan that includes an estimate of the
23 total capacity of licensed, regulated, and reg-
24 istered provider slots, and a description of the
25 eligible expenditures the State will make in the

1 quarter, which may be submitted with other
2 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 lead agencies to conduct activi-
9 ties related to the planning and implementation
10 of State Child Care Information Networks,
11 which may include scaling systems such as non-
12 profit community-based referral registries,
13 staffed Family Child Care Networks, and child
14 care resource and referral systems.

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

20 “(C) APPROPRIATION.—Out of any money
21 in the Treasury not otherwise appropriated,
22 there are appropriated to the Secretary
23 \$200,000,000 for each of fiscal years 2022 and
24 2023 for grants under this paragraph.

25 “(2) MATCHING GRANTS.—

1 “(A) IN GENERAL.—The Secretary shall
2 pay to each State that meets the requirements
3 of subsection (a)(4) with respect to a calendar
4 quarter in any of fiscal years 2022 through
5 2026 an amount equal to 75 percent of the eli-
6 gible expenditures of the State in the quarter,
7 subject to subsection (d)(3).

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

13 “(i) STATE CHILD CARE INFORMATION
14 NETWORK.—Expenditures to carry out
15 subsection (a)(4).

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

23 “(I) for a family to file an appli-
24 cation for a subsidized child care cer-
25 tificate with a child care provider, for

1 the provider to submit the application
2 to the State for processing, or for the
3 lead agency, a local child care re-
4 source and referral agency, or other
5 entity under grant or contract to re-
6 spond to the family;

7 “(II) to establish a statewide
8 common application for child care,
9 which—

10 “(aa) allows an application
11 with respect to a child to be sub-
12 mitted simultaneously to multiple
13 child care providers;

14 “(bb) allows the application
15 to be for a particular site and
16 schedule;

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

23 “(dd) safeguards confiden-
24 tial information; and

1 “(ee) allows for such a pro-
2 vider to seek and collect informa-
3 tion not on the common applica-
4 tion so that the provider may de-
5 termine the priority to be given
6 to the applicant on any waiting
7 list or for other specialized ad-
8 mission criteria such as disability
9 services; or

10 “(III) to enable child care pro-
11 viders to respond to families through
12 other application methods.

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

1 “(iv) PARTICIPATION INCENTIVES.—
2 Expenditures to provide financial incen-
3 tives and support to child care providers
4 for whom participating in the State Child
5 Care Information Network would be costly
6 or time consuming. In providing the incen-
7 tives, a lead agency—

8 “(I) shall take into account the
9 differential burden on varying types of
10 providers to ensure that the incentives
11 are sufficient to encourage all types of
12 providers, including family-based pro-
13 viders, to participate in the State
14 Child Care Information Network;

15 “(II) may coordinate with staffed
16 Family Child Care Networks, child
17 care resource and referral organiza-
18 tions, labor unions, labor-management
19 partnerships, or other community-
20 based organizations, to ensure that
21 home-based providers are able to par-
22 ticipate in the State Child Care Infor-
23 mation Network; and

24 “(III) may reimburse coordi-
25 nating partners and other entities for

1 expenses associated with helping pro-
2 viders participate in the Child Care
3 Information Network and provide in-
4 formation required under subsection
5 (a)(4)(A).

6 “(C) APPROPRIATION.—Out of any money
7 in the Treasury not otherwise appropriated,
8 there are appropriated to the Secretary for each
9 of fiscal years 2022 through 2026 such sums as
10 are necessary for grants under this paragraph.

11 “(c) HHS PARTICIPATING CHILD CARE PROVIDER
12 CERTIFICATION.—

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

14 “(A) maintain current information on child
15 care providers who are qualified to receive the
16 HHS Participating Child Care Provider Certifi-
17 cation for a calendar quarter, and historical in-
18 formation on child care providers who were so
19 qualified for a prior calendar quarter, including
20 a quarter in a prior year, (in this section re-
21 ferred to as the ‘HHS Participating Child Care
22 Provider Certification’) based on the informa-
23 tion submitted by lead agencies;

24 “(B) update the list of providers who are
25 so qualified, 1 month before the end of each

1 quarter, and electronically share with the Inter-
2 nal Revenue Service current and historical in-
3 formation on the providers who are so qualified;
4 and

5 “(C) at the end of each calendar year and
6 on request of any provider listed in the HHS
7 Participating Child Care Provider Certification
8 who has qualified for the certification for an en-
9 tire calendar quarter, provide the provider and
10 the lead agency of the jurisdiction in which the
11 provider is located written documentation of the
12 quarters with respect to which the provider was
13 so qualified.

14 “(2) QUALIFICATIONS.—A child care provider is
15 qualified to receive the HHS Participating Child
16 Care Provider Certification for a calendar quarter if
17 the provider—

18 “(A)(i) is licensed with a State as a pro-
19 vider of child care services, or is in a license-
20 exempt category of providers that meets all
21 health and safety standards and has zero unre-
22 solved violations;

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

1 “(iii) has submitted to the State Child
2 Care Information Network, on a weekly basis,
3 the information on all available child care slots
4 with the provider required under subsection
5 (a)(4)(A)(v), and the waiting list information
6 required under subsection (a)(4)(A)(vi);

7 “(iv) makes child care slots available to the
8 general public, when available, subject to any
9 clearly explained priority system; and

10 “(v) is in compliance with other require-
11 ments set by the State regarding applications
12 for or inquiries about available child care slots;
13 or

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

17 “(d) ADMINISTRATIVE PROVISIONS.—

18 “(1) ACCURACY CHECKS.—The Secretary shall
19 periodically conduct accuracy checks of randomly
20 sampled child care providers participating in any
21 State Child Care Information Network to determine
22 whether the providers are updating their slot avail-
23 ability on a weekly basis, and if not, estimate the
24 statewide rate at which the providers are doing so.

1 “(2) PRIVACY; SECURITY.—The Secretary shall
2 issue guidance regarding data interoperability (in ac-
3 cordance with the data exchange standards for inter-
4 operability) and the privacy and security of person-
5 ally identifiable information in any State Child Care
6 Information Network.

7 “(3) PENALTY FOR EXCESSIVE ERRORS IN
8 STATE CHILD CARE INFORMATION NETWORK.—The
9 percentage specified in subsection (b)(2)(A) with re-
10 spect to a State shall be 70 percent if—

11 “(A) a check conducted under paragraph
12 (1) of this subsection reveals that the number
13 of child care providers erroneously included or
14 erroneously not included in the State Child
15 Care Information Network is at least 10 per-
16 cent of the number of providers included in the
17 network; and

18 “(B) the State has not submitted to the
19 Secretary a report demonstrating that action
20 has been taken to reduce that error rate to less
21 than 10 percent.

22 “(4) ELIGIBLE EXPENDITURES.—The Secretary
23 shall issue guidance to States which specifies the ex-
24 penditures that will be considered eligible expendi-
25 tures for purposes of this section.

1 ovate, or improve child care facilities, including
2 adapting, reconfiguring, or expanding facilities.

3 “(B) DURATION OF GRANTS.—The Sec-
4 retary shall award grants under this paragraph
5 within 12 months after the date of the enact-
6 ment of this section, for a period of not more
7 than 5 years.

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

14 “(i) includes an analysis or assess-
15 ment, in such form and manner as the
16 Secretary may require, of the need of the
17 State for child care infrastructure;

18 “(ii) is submitted at such time, in
19 such manner, and containing such other
20 information as the Secretary may require,
21 which information shall—

22 “(I) be disaggregated as the Sec-
23 retary may require; and

24 “(II) include a plan to use a por-
25 tion of the grant funds to report to

1 the Secretary on the effects of using
2 the grant funds to improve child care
3 facilities, including center-based and
4 home-based child care facilities; and
5 “(iii) complies with paragraph (3), if
6 applicable.

7 “(D) REQUIREMENT.—In allocating grants
8 awards under this paragraph, the Secretary
9 shall require approved plans to include elements
10 that—

11 “(i) provide for improving center-
12 based and home-based child care programs
13 to meet or surpass State health and safety
14 standards, or include a project designed so
15 that a facility is expected to meet or sur-
16 pass State health and safety standards on
17 completion of the project;

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

21 “(iii) show evidence of collaboration
22 with—

23 “(I) local government officials;

24 “(II) other State agencies;

1 “(III) nongovernmental organiza-
2 tions, such as—

3 “(aa) certified community
4 development financial institutions
5 as defined in section 103 of the
6 Community Development Bank-
7 ing and Financial Institutions
8 Act of 1994 (12 U.S.C. 4702)
9 that have been certified by the
10 Community Development Finan-
11 cial Institutions Fund (12 U.S.C.
12 4703); and

13 “(bb) organizations that
14 have demonstrated experience
15 in—

16 “(AA) providing tech-
17 nical or financial assistance
18 for the acquisition, construc-
19 tion, renovation, or improve-
20 ment of child care facilities;

21 “(BB) providing tech-
22 nical, financial, or manage-
23 rial assistance to child care
24 providers; and

1 “(CC) securing private
2 sources of capital financing
3 for child care facilities or
4 other community develop-
5 ment projects eligible for as-
6 sistance from a child care
7 assistance program; and

8 “(IV) local community organiza-
9 tions, such as—

10 “(aa) child care providers;

11 “(bb) community care agen-
12 cies;

13 “(cc) resource and referral
14 agencies; and

15 “(dd) labor unions and other
16 employers of infrastructure
17 trades that pay the prevailing
18 wage; and

19 “(iv) provide for improving the facili-
20 ties of child care providers who qualify for
21 the HHS Participating Child Care Pro-
22 vider Certification for at least 1 fiscal
23 quarter before the date of application for
24 the grant.

25 “(E) MATCHING REQUIREMENT.—

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

11 “(ii) DETERMINATION OF AMOUNT
12 CONTRIBUTED.—Such a matching con-
13 tribution may include philanthropic or pri-
14 vate-sector funds.

15 “(F) AMOUNT LIMIT.—The annual amount
16 of a grant under this paragraph may not exceed
17 \$250,000,000.

18 “(G) PROHIBITION.—The Secretary may
19 not, as a condition of making a grant under
20 this paragraph or section 418D, retain an inter-
21 est in any property, including any project in-
22 volving a privately-owned family child care
23 home or tribal land.

24 “(H) REPORT.—Not later than 6 months
25 after the last day of the grant period, a State

1 to which a grant is made under this paragraph
2 shall submit to the Secretary the report re-
3 ferred to in subparagraph (C)(ii)(II)—

4 “(i) to determine the effects of the
5 grant in constructing, renovating, or im-
6 proving child care facilities, including any
7 changes in response to public health guide-
8 lines or efforts associated with natural dis-
9 aster emergency preparedness and re-
10 sponse and any effects on access to child
11 care; and

12 “(ii) to provide such other information
13 as the Secretary may require.

14 “(I) RETURN OF GRANT IF PLAN NOT AP-
15 PROVED WITHIN 2 YEARS.—A State to which a
16 grant is made under this paragraph shall remit
17 the grant to the Secretary if the Secretary has
18 not provided the approval required by subpara-
19 graph (C) within 2 years after the date the
20 grant is made.

21 “(2) GRANTS TO INTERMEDIARY ORGANIZA-
22 TIONS.—

23 “(A) IN GENERAL.—The Secretary may
24 award grants to intermediary organizations,
25 such as certified community development finan-

1 cial institutions or other organizations with
2 demonstrated experience in child care facilities
3 financing, for the purpose of providing technical
4 assistance, capacity-building, and financial
5 products to develop or finance child care facili-
6 ties.

7 “(B) APPLICATION.—A grant under this
8 paragraph may be made only to an inter-
9 mediary organization that submits to the Sec-
10 retary an application at such time, in such
11 manner, and containing such information as the
12 Secretary may require, that complies with para-
13 graph (3) if applicable.

14 “(C) CONSULTATION.—In selecting inter-
15 mediary organizations for grants under this
16 paragraph, the Secretary shall conduct con-
17 sultations with organizations that—

18 “(i) demonstrate experience in child
19 care facility financing or related commu-
20 nity facility financing;

21 “(ii) demonstrate the capacity to as-
22 sist States and local governments in devel-
23 oping child care facilities and programs;

24 “(iii) demonstrate the ability to lever-
25 age grant funding to support financing

1 tools to build the capacity of child care
2 providers, such as through credit enhance-
3 ments;

4 “(iv) propose to focus on child care
5 facilities that operate under nontraditional
6 hours;

7 “(v) propose to meet a diversity of
8 needs across urban, suburban, and rural
9 areas at varying types of center-based,
10 home-based, and other child care settings,
11 including early care programs located in
12 buildings in which the care center is the
13 sole occupant or in mixed-use properties;
14 and

15 “(vi) propose to focus on child care
16 facilities primarily serving low-income pop-
17 ulations and children who have not at-
18 tained 13 years of age.

19 “(D) AMOUNT LIMIT.—The amount of a
20 grant under this paragraph may not exceed
21 \$15,000,000.

22 “(E) ANNUAL REPORT REQUIRED.—As a
23 condition of receiving funds under this para-
24 graph, the recipient shall submit annual reports
25 to the lead agency of the jurisdiction in which

1 the recipient is located documenting how the re-
2 recipient has expended the funds and updating
3 the planned future expenditures described in
4 the application submitted by the recipient for
5 the funds.

6 “(3) LABOR STANDARDS.—In the case of an
7 application for a grant under this subsection for a
8 project to construct, renovate, or improve a child
9 care facility, including a project to adapt, recon-
10 figure, or expand such a facility, the application
11 shall include a written assurance that all laborers
12 and mechanics employed by contractors or sub-
13 contractors in the performance of construction, al-
14 teration, or repair, as part of the project, shall be
15 paid wages at rates not less than those prevailing on
16 similar work in the locality as determined by the
17 Secretary of Labor in accordance with subchapter
18 IV of chapter of part A of subtitle II of title 40,
19 United States Code (commonly referred to as the
20 ‘Davis-Bacon Act’), and with respect to the labor
21 standards specified in such subchapter, the Sec-
22 retary of Labor shall have the authority and func-
23 tions set forth in Reorganization Plan Numbered 14
24 of 1950 (15 Fed. Reg. 3176; 5 U.S.C. App.).

25 “(4) USE OF FUNDS.—

1 “(A) INFRASTRUCTURE IMPROVEMENT.—

2 “(i) IN GENERAL.—A recipient of
3 funds under this subsection may use the
4 funds only to acquire, construct, renovate,
5 or otherwise physically improve the infra-
6 structure of a building primarily used for
7 the provision of child care services by a
8 child care provider, subject to clause (ii).

9 “(ii) PROHIBITION.—A recipient of
10 funds under this subsection may not use
11 the funds for modernization, renovation, or
12 repair of facilities—

13 “(I) that are primarily used for
14 sectarian instruction or religious wor-
15 ship; or

16 “(II) in which a substantial por-
17 tion of the functions of the facilities
18 are subsumed in a religious mission.

19 “(B) RULES APPLICABLE TO LEAD AGEN-
20 CIES.—A lead agency that is a recipient of
21 funds under this subsection may use not more
22 than 5 percent of the funds for administrative
23 purposes which may be in addition to evaluation
24 and reporting activities, and shall use the bal-
25 ance of the funds to enter into grants or con-

1 tracts, on a competitive basis, with entities to
2 carry out projects to acquire, construct, ren-
3 ovate, or complete other physical improvements
4 to buildings in which child care services are
5 provided or will be provided on completion of
6 the project.

7 “(b) APPROPRIATION.—Out of any funds in the
8 Treasury not otherwise appropriated, there is appro-
9 priated \$15,000,000,000 for fiscal year 2022 to carry out
10 this section, which shall remain available through fiscal
11 year 2026.

12 “(c) RESERVATIONS OF FUNDS.—

13 “(1) TERRITORIES.—The Secretary shall re-
14 serve \$100,000,000 of the amount made available to
15 carry out this section, for grants to territories.

16 “(2) ADMINISTRATION.—The Secretary may re-
17 serve not more than \$200,000,000 of the amount
18 made available to carry out this section, for adminis-
19 trative costs.

20 “(3) ASSESSMENTS AND DEVELOPMENT
21 PLANS.—The Secretary shall reserve for each lead
22 agency not more than \$100,000 to conduct assess-
23 ments and develop plans for obligating and expend-
24 ing funds provided under this section, which may be
25 expended by a lead agency immediately on receipt.

1 “(4) DATA EXCHANGE STANDARDS FOR INTER-
2 OPERABILITY.—The Secretary may reserve not more
3 than \$200,000 of the amount made available to
4 carry out this section to implement data exchange
5 standards for interoperability.

6 “(d) LIMITATION ON AVAILABILITY OF FUNDS FOR
7 GRANTS FOR INTERMEDIARY ORGANIZATIONS.—Not more
8 than \$2,250,000,000 of the total amount made available
9 to carry out this section may be used to carry out sub-
10 section (a)(2).”.

11 **SEC. 132003. TECHNICAL ASSISTANCE.**

12 Part A of title IV of the Social Security Act (42
13 U.S.C. 601–619) is further amended by inserting after
14 section 418B the following:

15 **“SEC. 418C. TECHNICAL ASSISTANCE.**

16 “(a) IN GENERAL.—

17 “(1) CHILD CARE INFORMATION NETWORK.—

18 The Secretary shall provide technical assistance to
19 lead agencies to support the development and imple-
20 mentation of, and ongoing full participation in, State
21 Child Care Information Networks provided for in
22 section 418A(a)(4).

23 “(2) CHILD CARE INFRASTRUCTURE.—The Sec-
24 retary shall provide technical assistance—

1 “(A) to child care small business owners,
2 entrepreneurs, nonprofit organizations, and
3 child care infrastructure grant recipients, for
4 the purpose of starting new licensed child care
5 businesses, or re-opening a closed child care fa-
6 cility, in areas in which there is a child care
7 shortage or that are at risk of having such a
8 shortage;

9 “(B) to State and local governments to
10 incentivize public-private partnerships to iden-
11 tify excess buildings and land and conduct fea-
12 sibility studies, for new or expanded child care
13 options that could be available to child care en-
14 trepreneurs and infrastructure grantees, or
15 used for publicly-run child care facilities; and

16 “(C) to support child care business tech-
17 nical assistance, which may include strategies to
18 support management training and shared serv-
19 ices initiatives including provider networks such
20 as child care center alliances and family child
21 care home provider networks, as well as funda-
22 mental business support needs such as budg-
23 eting and fiscal management skills, business
24 planning, understanding the cost of quality, and

1 core best business practices such as record-
2 keeping and payment reconciliation.

3 “(3) SUPPLEMENTING NATIONAL TECHNICAL
4 ASSISTANCE EFFORTS.—The Secretary may provide
5 technical assistance to States (and submit to the
6 Congress reports on technical assistance activities)
7 to increase child care availability and affordability,
8 including by—

9 “(A) providing technical assistance on best
10 practices for conducting market rate surveys
11 and establishing State reimbursement rates and
12 price-per-child rates for child care for children
13 who have not attained 13 years of age;

14 “(B) increasing child care availability in
15 tribal communities for families with children
16 who have not attained 13 years of age;

17 “(C) improving the effectiveness and af-
18 fordability of child care assistance programs in
19 meeting the needs of low-income parents; or

20 “(D) collecting, managing, analyzing, and
21 reporting child care administrative data, and
22 use the data to support documentation of
23 changes in child care availability and afford-
24 ability.

1 “(b) ADMINISTRATIVE PROVISION.—The Secretary
2 may carry out this section through means including the
3 use of grants or cooperative agreements.

4 “(c) APPROPRIATION.—Out of any funds in the
5 Treasury not otherwise appropriated, there is appro-
6 priated \$17,500,000 for each of fiscal years 2022 through
7 2026 to carry out this section.”.

8 **SEC. 132004. TRIBAL CHILD CARE ACCESS AND GROWTH.**

9 Part A of title IV of the Social Security Act (42
10 U.S.C. 601–619) is further amended by inserting after
11 section 418C the following:

12 **“SEC. 418D. TRIBAL CHILD CARE ACCESS AND GROWTH.**

13 “(a) HHS CONSULTATIONS WITH INDIAN TRIBES.—
14 Of the amount appropriated under subsection (e) for each
15 fiscal year, the Secretary shall use not more than
16 \$1,000,000 to—

17 “(1) conduct such consultations with Indian
18 tribes and tribal organizations as are necessary to
19 determine how to better conduct consumer outreach
20 and education and provide timely availability for
21 child care slots, improve child care infrastructure,
22 and otherwise inform best practices and guidelines
23 for carrying out the activities described in subsection
24 (b); and

1 “(2) provide technical assistance to the lead
2 agencies of Indian tribes and tribal organizations
3 with respect to carrying out the activities.

4 “(b) ACTIVITIES DESCRIBED.—The activities de-
5 scribed in this subsection are the following:

6 “(1) Planning, start-up, implementation, and
7 maintenance costs associated with establishing and
8 funding a Child Care Information Network designed
9 to help parents determine which child care providers
10 can meet their child care needs and to give parents
11 ease of access in enrolling their children in child
12 care.

13 “(2) Coordinating with the Secretary regarding
14 the HHS Participating Child Care Provider Certifi-
15 cation provided for in section 418A(e).

16 “(3) Conducting infrastructure projects to im-
17 prove the safety of child care facilities.

18 “(c) GRANTS.—

19 “(1) IN GENERAL.—Of the amount appro-
20 priated under subsection (e) for each fiscal year, the
21 Secretary shall use not less than \$199,000,000 to
22 make grants to the lead agencies of Indian tribes
23 and tribal organizations for activities described in
24 subsection (b), which are to be carried out in accord-
25 ance with such rules as the Secretary may prescribe,

1 taking into account the results of the consultations
2 conducted under subsection (a)(1).

3 “(2) ALLOCATION.—The Secretary may make
4 grants under this subsection according to relative
5 need.

6 “(d) NONSUPPLANTATION.—An entity to which an
7 amount is provided under this section shall use the
8 amount to supplement, but not supplant, other funds pro-
9 vided for any purpose or activity for which the amount
10 is used.

11 “(e) APPROPRIATION.—Out of any funds in the
12 Treasury not otherwise appropriated, there is appro-
13 priated to the Secretary \$200,000,000 for each of fiscal
14 years 2022 through 2026 to carry out this section.”.

15 **SEC. 132005. RAISING THE FLOOR FOR CHILD CARE PRO-**
16 **VIDER WAGES.**

17 (a) PLANNING FOR CHILD CARE WAGE GRANTS FOR
18 SMALL BUSINESSES.—

19 (1) IN GENERAL.—For the purpose of main-
20 taining an effective and diverse child care workforce,
21 effective upon enactment, through the end of fiscal
22 year 2022, the Secretary of Health and Human
23 Services shall, regarding the development and imple-
24 mentation of the Child Care Wage Grant program

1 provided for in section 418E of the Social Security
2 Act (as added by subsection (b) of this section)—

3 (A) issue guidance to lead agencies (as de-
4 fined in such section) with respect to—

5 (i) consultation with field engagement
6 organizations (as defined in such section);

7 (ii) wage supplement calculations,
8 with the option of providing a bonus that
9 may not be more than the equivalent of an
10 annual wage;

11 (iii) application requirements;

12 (iv) reporting requirements;

13 (v) anti-discrimination protection
14 measures; and

15 (vi) other related activities;

16 (B) engage in hiring, training, developing
17 work plans, developing outreach materials, and
18 other administrative overhead activities; and

19 (C) consult with relevant entities such as
20 tribal leaders, governors, county and local gov-
21 ernment, and community stakeholders.

22 (2) FUNDING.—Out of any money in the Treas-
23 ury not otherwise appropriated, there is appro-
24 priated to the Secretary of Health and Human Serv-

1 “(2) CONSULTATION REQUIRED AS A CONDI-
2 TION OF ELIGIBILITY.—A lead agency shall not be
3 eligible for a grant under this section with respect
4 to a child care wage grant program unless the lead
5 agency has consulted with field engagement organi-
6 zations in developing and implementing the program,
7 including application process, eligibility determina-
8 tions, community outreach, and such other aspects
9 of the program as the Secretary deems appropriate,
10 and if, after the consultation, the lead agency in-
11 tends to operate a child care wage grant program
12 for small businesses, the lead agency shall submit to
13 the Secretary a certification that the lead agency has
14 conducted such a consultation and intends to submit
15 a claim for reimbursement with respect to program
16 expenditures at the end of the fiscal year.

17 “(b) STATE CHILD CARE WAGE GRANT PROGRAM.—

18 “(1) IN GENERAL.—A lead agency child care
19 wage grant program is a program operated by a lead
20 agency under which a child care wage grant is made
21 to a qualified child care provider for the 1-year pe-
22 riod covered by the grant, in an amount equal to the
23 aggregate of the eligible child care wage supplements
24 provided by the qualified child care provider during

1 the year, which year shall not begin before October
2 1, 2022.

3 “(2) REPORTING REQUIREMENT.—

4 “(A) IN GENERAL.—A recipient of a child
5 care wage grant from a lead agency shall sub-
6 mit to the lead agency every fiscal quarter a re-
7 port that includes documentation of how the
8 grant has been expended including the number
9 of full or part-time workers providing child care
10 and whether each such worker worked for the
11 full year, a description of the wage levels and
12 demographics of the child care employees of the
13 qualified child care provider, and such other in-
14 formation as the Secretary may require, and
15 may allow field engagement organizations to
16 support grant recipients in meeting quarterly
17 reporting requirements.

18 “(B) AUTHORITY TO EXTEND DEAD-
19 LINE.—A lead agency may approve a request
20 from such a recipient to extend the reporting
21 deadline for 90 days, but shall accompany such
22 an approval with a notice that failure to submit
23 all information required in the report will result
24 in future ineligibility for such a grant.

1 “(c) REIMBURSEMENT; ADVANCE ESTIMATED PAY-
2 MENT.—A lead agency may submit to the Secretary a re-
3 quest for reimbursement or estimated advance payment of
4 the costs of operating the lead agency child care wage
5 grant program for the 1-year period covered by the re-
6 quest, which shall include documentation of the grant
7 awards made to qualified child care providers under the
8 program, an assurance that not more than 5 percent of
9 the costs in the reimbursement request are for administra-
10 tive costs, an assurance that the State will repay any ad-
11 vances based on payments to child care providers that
12 were in excess of costs allowable under this section (includ-
13 ing payments for workers who did not work for the full
14 year) or based on State administrative costs in excess of
15 5 percent, and the following:

16 “(1) Qualified child care provider application
17 data, including the number of qualified child care
18 providers and the proportion of applications that
19 were approved under the program, documentation of
20 rejected applications, including the reason for dis-
21 qualification, and demographic data of applicants.

22 “(2) Qualified child care provider wage subsidy
23 data, including wage levels, the size and type of the
24 qualified child care provider, the number of children
25 served by the qualified child care provider,

1 verification that the child care wage grant provided
2 to the qualified child care provider was not used to
3 supplant Federal funds, verification that the quali-
4 fied child care provider performs child care services
5 as the primary function of the qualified child care
6 provider, verification that qualifying child care pro-
7 vider applications are approved for 1 year, and docu-
8 mentation of the number of full-time and part-time
9 child care employees (which may include sole propri-
10 etors) including the portion of the year for which
11 each employee was employed with that provider to
12 provide child care.

13 “(3) Certification that each qualified child care
14 provider is not eligible to receive a child care payroll
15 tax credit under section 3135 of the Internal Rev-
16 enue Code of 1986 with respect to wages paid to any
17 child care employee of the qualified child care pro-
18 vider.

19 “(4) Qualified child care provider demographic
20 data, including racial, ethnic, and gender data of the
21 qualified child care provider and child care employ-
22 ees.

23 “(5) Documentation of qualified child care pro-
24 vider wages, and documentation of child care wages
25 that, in the absence of a grant made under this sec-

1 tion, would have been paid at not less than the ap-
2 plicable minimum rate.

3 “(6) Documentation that each qualified child
4 care provider is licensed by, registered with, or regu-
5 lated by the State.

6 “(7) Documentation that each qualified child
7 care provider was so qualified throughout the year
8 with respect to which reimbursement is sought.

9 “(8) Documentation that each employee for
10 which a grant is sought was employed for the full
11 year, or if not, for what portion of the year they
12 were employed.

13 “(9) Such other relevant items as the Secretary
14 may require.

15 “(d) PENALTIES.—

16 “(1) MISUSE OF CHILD CARE WAGE GRANT.—

17 If the Secretary finds that a qualified child care pro-
18 vider has used funds provided under this section
19 with respect to a year other than to supplement the
20 applicable minimum rate of child care wages for an
21 employee engaged in child care work for the reported
22 period, the qualified child care provider shall—

23 “(A) repay to the lead agency all funds so
24 provided to the child care provider for the year;
25 and

1 “(B) be ineligible for the succeeding 2
2 years to receive funds made available under this
3 section.

4 “(2) DECREASE IN NUMBER OF CHILD CARE
5 EMPLOYEES.—If a recipient of a child care wage
6 grant for a year reports under subsection (b)(2)(A)
7 that the number of child care employees of the re-
8 cipient has decreased during the year, then—

9 “(A) the lead agency shall proportionately
10 decrease the amount of the child care wage
11 grant (if any) payable to the recipient for the
12 next year; or

13 “(B) if the recipient is not awarded a child
14 care wage grant for the next year, the recipient
15 shall remit to the lead agency a portion of the
16 grant equal to the proportionate decrease in the
17 number of child care employees of the provider.

18 “(e) APPROPRIATION.—Out of any money in the
19 Treasury not otherwise appropriated, there is appro-
20 priated to the Secretary for each of fiscal years 2023
21 through 2026 such sums as may be necessary for reim-
22 bursements or estimated payments referred to in sub-
23 section (a).

24 “(f) DEFINITIONS.—In this section:

1 “(1) APPLICABLE MINIMUM RATE.—The term
2 ‘applicable minimum rate’ means the rate at which
3 basic pay is payable for a position at level 3, step
4 1, of the General Schedule under subchapter III of
5 chapter 53 of title 5, United States Code, including
6 any applicable locality-based comparability payment
7 under section 5304 of such title or similar authority,
8 at the time such wages are paid and determined
9 with respect to the locality in which services are pro-
10 vided.

11 “(2) CHILD CARE WAGES.—The term ‘child
12 care wages’ means—

13 “(A) wages paid to an employee for serv-
14 ices in providing child care; and

15 “(B) an owner’s draw in lieu of wages, in
16 the case of a sole proprietor who provides child
17 care services or an owner who directly provides
18 child care services alongside employees.

19 “(3) CHILD CARE EMPLOYEE.—The term ‘child
20 care employee’ means an employee—

21 “(A) who is employed by a qualified child
22 care provider;

23 “(B) who provides child care services as a
24 primary function of employment; and

1 “(C) whose wages do not qualify under
2 section 3135(a) of the Internal Revenue Code
3 of 1986.

4 “(4) ELIGIBLE CHILD CARE WAGE SUPPLE-
5 MENT.—

6 “(A) IN GENERAL.—The term ‘eligible
7 child care wage supplement’ means, with re-
8 spect to a year, a supplement to child care
9 wages of an employee (or owner), but only to
10 the extent that the total amount of the child
11 care wage supplements provided to the em-
12 ployee (or owner) during the year—

13 “(i) in the case of a full-time em-
14 ployee (or an owner who works on a full-
15 time basis), is not more than \$16,000; or

16 “(ii) in the case of a part-time em-
17 ployee (or an owner who works on a part-
18 time basis), is not more than \$10,000.

19 In the case of any employee who is not em-
20 ployed as a child care employee for the full
21 year, the maximum dollar amounts set forth in
22 the preceding sentence shall be proportionately
23 reduced.

24 “(B) INFLATION ADJUSTMENT.—Each dol-
25 lar amount in effect under subparagraph (A)

1 with respect to a year shall be increased by a
2 percentage equal to the percentage (if any) by
3 which the Consumer Price Index for all urban
4 consumers (U.S. city average) increased during
5 the 12-month period ending with the last month
6 for which Consumer Price Index data is avail-
7 able.

8 “(5) FIELD ENGAGEMENT ORGANIZATION.—
9 The term ‘field engagement organization’ means any
10 nonprofit, community-based organization, labor
11 union, trade association, staffed family child care
12 network, child care resource and referral organiza-
13 tion, or local government entity with experience pro-
14 viding representation, technical assistance, or com-
15 munity supports to child care providers or individ-
16 uals seeking to enter or re-enter the child care mar-
17 ket.

18 “(6) QUALIFIED CHILD CARE PROVIDER.—The
19 term ‘qualified child care provider’ means an entity
20 who—

21 “(A) provides child care services as the pri-
22 mary function of the entity;

23 “(B) is registered with, or regulated or li-
24 censed by, the State as a child care provider;

1 “(C) at the time of application for a child
2 care wage grant under this section, does not
3 have an unresolved violation of a State law or
4 regulation pertaining to health or safety in the
5 provision of child care services;

6 “(D) has at least 1 employee whose wages
7 may not be taken into account under section
8 3135(a) of the Internal Revenue Code of 1986
9 because the employee is a sole proprietor or re-
10 ports self-employment income;

11 “(E) as of the time of the application, pays
12 child care wages at a rate that is at least the
13 applicable minimum rate, and certifies that the
14 entity will not reduce the hourly wage rate of
15 any employee during the 1-year period for
16 which the entity has applied for a child care
17 wage grant under this section; and

18 “(F) has submitted to the lead agency all
19 data requested by the Secretary under this sec-
20 tion;

21 “(G) has submitted the application to the
22 lead agency, which has approved the applica-
23 tion; and

24 “(H) has not failed to include all informa-
25 tion required to be included in any quarterly re-

1 port required by subsection (b)(2) to be sub-
2 mitted by the entity with respect to the year
3 preceding the year for which the application is
4 submitted.”.

5 **SEC. 132006. COMMON PROVISIONS.**

6 (a) DEFINITIONS.—Section 419 of the Social Secu-
7 rity Act (42 U.S.C. 619) is amended by adding at the end
8 the following:

9 “(6) LEAD AGENCY.—The term ‘lead agency’
10 means, with respect to a jurisdiction, the lead agen-
11 cy responsible for administering the child care as-
12 sistance program of the jurisdiction.

13 “(7) TERRITORY.—The term ‘territory’ means
14 the Commonwealth of Puerto Rico, the United
15 States Virgin Islands, Guam, American Samoa, and
16 the Commonwealth of the Northern Mariana Is-
17 lands.”.

18 (b) REPORTS TO THE CONGRESS.—Section 411 of
19 such Act (42 U.S.C. 611) is amended by adding at the
20 end the following:

21 “(e) REPORTS ON CERTAIN STATE CHILD CARE EX-
22 PENDITURES.—The Secretary shall submit to the Com-
23 mittee on Ways and Means of the House of Representa-
24 tives and the Committee on Finance of the Senate biennial
25 reports on—

1 “(1) eligible expenditures (as defined in section
2 418A(b)(2)(B)) by the States, and on expenditures
3 by the Secretary under section 418A during the pe-
4 riod covered by the report;

5 “(2) the extent to which payments under sec-
6 tion 418A have been made with respect to the ex-
7 penditures;

8 “(3) to the extent that any funds made avail-
9 able to carry out such section have not been ex-
10 pended, the reasons therefor; and

11 “(4) expenditures under section 418C.”.

12 (c) INAPPLICABILITY OF PAYMENT LIMITATION.—
13 Section 1108(a) of such Act (42 U.S.C. 1308(a)) is
14 amended by inserting “418A, 418B, 418C, 418D, 418E,”
15 before “or”.

