

118TH CONGRESS
2D SESSION

S. _____

To amend the Child Care and Development Block Grant Act of 1990 to reauthorize and update the Act, and for other purposes.

IN THE SENATE OF THE UNITED STATES

Mrs. FISCHER introduced the following bill; which was read twice and referred to the Committee on _____

A BILL

To amend the Child Care and Development Block Grant Act of 1990 to reauthorize and update the Act, 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 “Child Care and Devel-
5 opment Block Grant Reauthorization Act of 2024”.

6 **SEC. 2. PURPOSES.**

7 (a) **REDESIGNATION.**—Section 658A of the Child
8 Care and Development Block Grant Act of 1990 (42
9 U.S.C. 9857) is redesignated as section 658 of such Act.

1 (b) AMENDMENT.—Subsection (b) of that section 658
2 is amended to read as follows:

3 “(b) PURPOSES.—The purposes of this subchapter
4 are—

5 “(1) to allow each State maximum flexibility in
6 developing and implementing a mixed delivery sys-
7 tem to provide child care that best suits the needs
8 of children and working parents within that State;

9 “(2) to promote parental choice to empower
10 working parents to make their own decisions regard-
11 ing the child care services that best suit their fam-
12 ily’s needs;

13 “(3) to encourage States to provide consumer
14 education information to help parents make in-
15 formed choices about child care services and to pro-
16 mote involvement by parents and family members in
17 the development of their children in child care set-
18 tings;

19 “(4) to assist States in delivering high-quality,
20 coordinated child care services to maximize parents’
21 options to cover the full workday and full work year,
22 to support continuity of care for children, and to
23 support parents trying to achieve independence from
24 public assistance;

1 “(5) to assist States in improving the overall
2 quality of child care by implementing the health,
3 safety, licensing, early learning and development,
4 professional, and oversight standards established in
5 this subchapter and in State law (including State
6 regulations);

7 “(6) to assist States—

8 “(A) in supporting the education and pro-
9 fessional development of child care staff; and

10 “(B) in supporting child care providers in
11 the recruitment of, professional development
12 for, and retention of a qualified child care work-
13 force; and

14 “(7) to increase the number and percentage of
15 low-income children in high-quality child care set-
16 tings.”.

17 **SEC. 3. DEFINITIONS.**

18 (a) IN GENERAL.—Section 658P of the Child Care
19 and Development Block Grant Act of 1990 (42 U.S.C.
20 9858n) is amended—

21 (1) by redesignating paragraphs (5) through
22 (7), (8) and (9), and (10) through (15), as para-
23 graphs (6) through (8), (10) and (11), and (13)
24 through (18), respectively;

25 (2) in paragraph (3)—

1 (A) in subparagraph (B), by inserting
2 “and” at the end;

3 (B) in subparagraph (C), by striking “;
4 and” at the end and inserting a period; and

5 (C) by striking subparagraph (D);

6 (3) by striking paragraph (4) and inserting the
7 following:

8 “(4) ELIGIBLE ACTIVITY.—The term ‘eligible
9 activity’, means an activity consisting of—

10 “(A) full-time or part-time employment;

11 “(B) self-employment;

12 “(C) job search activities;

13 “(D) job training;

14 “(E) secondary, postsecondary, or adult
15 education, including education through a pro-
16 gram of high school classes, a course of study
17 at an institution of higher education, classes to-
18 wards an equivalent of a high school diploma
19 recognized by State law, or English as a second
20 language classes;

21 “(F) health treatment (including mental
22 health and substance use treatment) for a con-
23 dition that prevents the parent involved from
24 participating in other eligible activities;

1 “(G) activities to prevent child abuse or
2 neglect, or family violence prevention or inter-
3 vention activities;

4 “(H) employment and training activities
5 under the employment and training program, of
6 the supplemental nutrition assistance program,
7 established under section 6(d)(4) of the Food
8 and Nutrition Act of 2008 (7 U.S.C.
9 2015(d)(4));

10 “(I) employment and training activities
11 under the Workforce Innovation and Oppor-
12 tunity Act (29 U.S.C. 3101 et seq.); or

13 “(J) a work activity described in sub-
14 section (d) of section 407 of the Social Security
15 Act (42 U.S.C. 607) for which, consistent with
16 clauses (ii) and (iii) of section 402(a)(1)(A) of
17 such Act (42 U.S.C. 602(a)(1)(A)), a parent is
18 treated as being engaged in work for a month
19 in a fiscal year for purposes of the program of
20 block grants to States for temporary assistance
21 for needy families established under part A of
22 title IV of the Social Security Act (42 U.S.C.
23 601 et seq.).

24 “(5) ELIGIBLE CHILD.—The term ‘eligible
25 child’ means an individual—

1 “(A) who is less than 13 years of age;

2 “(B)(i) whose family income does not ex-
3 ceed—

4 “(I) 85 percent of the State median
5 income for a family of the same size; or

6 “(II) a higher percentage of that in-
7 come in a State with a waiver under sec-
8 tion 658I(c)(1)(B); and

9 “(ii) whose family assets do not exceed
10 \$1,000,000 (as certified by a member of such
11 family); and

12 “(C) who—

13 “(i) resides with a parent or parents
14 who are participating in an eligible activ-
15 ity;

16 “(ii) is a child experiencing homeless-
17 ness, a child in kinship care, or a child who
18 is receiving, or needs to receive, child pro-
19 tective services; or

20 “(iii) resides with a parent who is
21 more than 65 years of age.”;

22 (4) in paragraph (7), as so redesignated—

23 (A) in subparagraph (A), by striking “or”
24 at the end;

25 (B) in subparagraph (B)—

1 (i) by inserting “the child (if the
2 spouse of such provider is engaged in an
3 eligible activity),” after “decree,”; and

4 (ii) by striking the period at the end
5 and inserting “; or”; and

6 (C) by added at the end the following:

7 “(C) notwithstanding section 645(a)(1)(B)
8 of the Head Start Act (42 U.S.C.
9 9840(a)(1)(B)), a Head Start agency.”;

10 (5) by striking paragraph (8), as so redesign-
11 nated, and inserting the following:

12 “(8) FAMILY CHILD CARE PROVIDER.—The
13 term ‘family child care provider’ means an individual
14 who provides child care services in a private resi-
15 dence—

16 “(A) for fewer than 24 hours per day per
17 child; or

18 “(B) for 24 hours per day per child due to
19 the nature of the work of the parent involved.

20 “(9) HOMELESS CHILD.—The term ‘homeless
21 child’ means an individual described in section
22 725(2) of the McKinney-Vento Homeless Assistance
23 Act (42 U.S.C. 11434a(2)).”;

1 (6) in paragraph (10), as so redesignated, by
2 striking “(10)” and all that follows through “mean-
3 ing” and inserting the following:

4 “(10) INDIAN TRIBE; INDIAN TRIBE.—The term
5 ‘Indian Tribe’ or ‘Indian tribe’ has the meaning”;

6 (7) by inserting after paragraph (11), as so re-
7 designated, the following:

8 “(12) MIXED DELIVERY SYSTEM.—The term
9 ‘mixed delivery system’ means a system of child care
10 services that—

11 “(A) promotes parental choice to empower
12 working parents to make their own decisions re-
13 garding the child care services that best suit
14 their family’s needs;

15 “(B) delivers services through a combina-
16 tion of programs offered by eligible child care
17 providers (including faith-based and commu-
18 nity-based child care providers) in a variety of
19 settings (including family child care homes,
20 child care centers, Head Start centers, and pub-
21 lic and private schools); and

22 “(C) is supported with a combination of
23 public and private funds.”;

1 (8) in paragraph (15), as so redesignated, by
2 striking “unless the context specifies otherwise” and
3 inserting “except as otherwise specified”; and

4 (9) in paragraph (18), as so redesignated, by
5 striking “(18)” and all that follows through “has the
6 meaning” and inserting the following:

7 “(18) TRIBAL ORGANIZATION; TRIBAL ORGANI-
8 ZATION.—

9 “(A) IN GENERAL.—The term ‘Tribal or-
10 ganization’ or ‘tribal organization’ has the
11 meaning”.

12 (b) REDESIGNATION.—The Child Care and Develop-
13 ment Block Grant Act of 1990 (42 U.S.C. 9857 et seq.)
14 is amended—

15 (1) by redesignating section 658P as section
16 658A; and

17 (2) by moving section 658A, as so redesignated,
18 to follow section 658, as redesignated by section 2.

19 **SEC. 4. AUTHORIZATION OF APPROPRIATIONS.**

20 (a) PART.—The Child Care and Development Block
21 Grant Act of 1990 is amended by inserting before section
22 658B the following:

1 **“PART I—CHILD CARE SERVICES”.**

2 (b) IN GENERAL.—Section 658B of the Child Care
3 and Development Block Grant Act of 1990 (42 U.S.C.
4 9858) is amended to read as follows:

5 **“SEC. 658B. AUTHORIZATION OF APPROPRIATIONS.**

6 “There is authorized to be appropriated to carry out
7 this subchapter (other than section 658T) such sums as
8 may be necessary for each of fiscal years 2025 through
9 2029.”.

10 **SEC. 5. LEAD AGENCY.**

11 Section 658D(b) of the Child Care and Development
12 Block Grant Act of 1990 (42 U.S.C. 9858b(b)) is amend-
13 ed by striking paragraph (2) and inserting the following:

14 “(2) DEVELOPMENT OF PLAN.—The lead agen-
15 cy shall develop the State plan described in para-
16 graph (1)(B) in meaningful consultation with—

17 “(A) parents of children eligible for serv-
18 ices under this subchapter, which shall include
19 parents of children in a priority population de-
20 scribed in section 658E(c)(2)(M);

21 “(B) eligible child care providers that rep-
22 resent the various geographic areas and types
23 of providers in the State;

24 “(C) employers of various sizes and with
25 various hours and days of operations whose em-

1 employees rely on reliable and accessible child care
2 to work; and

3 “(D) appropriate representatives of units
4 of general purpose local government and, as ap-
5 propriate, of Indian Tribes and Tribal organiza-
6 tions.”.

7 **SEC. 6. APPLICATION AND PLAN.**

8 Section 658E(c) of the Child Care and Development
9 Block Grant Act of 1990 (42 U.S.C. 9858c(c)) is amend-
10 ed—

11 (1) in paragraph (2)—

12 (A) in subparagraph (A)(i)(I), by striking
13 “a child” and inserting “an eligible child”;

14 (B) in subparagraph (D), by striking “,
15 not later” and all that follows through “sub-
16 paragraph (K)(i),”;

17 (C) in subparagraph (E)(i)—

18 (i) in the matter preceding subclause
19 (I), by inserting “, offered through a mixed
20 delivery system,” after “full diversity of
21 child care services”;

22 (ii) in subclause (I), by inserting “(in-
23 cluding information on the hours and days
24 of operation and ages served)” after “of
25 child care services”; and

12

1 (iii) in subclause (IV)—

2 (I) by striking “and” before “the
3 Medicaid”; and

4 (II) by inserting before the semi-
5 colon the following: “, and the Mater-
6 nal, Infant, and Early Childhood
7 Home Visiting Programs under sec-
8 tion 511 of the Social Security Act
9 (42 U.S.C. 711)”;

10 (D) in subparagraph (G)—

11 (i) in the subparagraph heading, by
12 striking “TRAINING AND PROFESSIONAL”
13 and inserting “PROFESSIONAL”;

14 (ii) in clause (i) and clause (ii) (in the
15 matter preceding subclause (I)), by strik-
16 ing “training and” before “professional de-
17 velopment”;

18 (iii) in clause (ii)(II), by striking “,
19 and may engage” and all that follows
20 through “training framework”; and

21 (iv) in clause (iii), by striking “train-
22 ing” and inserting “professional develop-
23 ment”;

24 (E) in subparagraph (I)(i)(IX), by striking
25 “if applicable,”;

1 (F) in subparagraph (J)—

2 (i) by striking “that procedures” and
3 inserting the following: “that—

4 “(i) procedures”;

5 (ii) by striking the period at the end
6 and inserting “; and”; and

7 (iii) by adding at the end the fol-
8 lowing:

9 “(ii) the State will undertake a review
10 of State and local health and safety re-
11 quirements (including requirements for in-
12 spections under this subchapter and the
13 child and adult care food program estab-
14 lished under section 17 of the Richard B.
15 Russell National School Lunch Act (42
16 U.S.C. 1766)) to determine redundancies
17 and oversights that may exist, to ensure—

18 “(I) children receive child care
19 services in healthy and safe environ-
20 ments; and

21 “(II) child care providers can
22 easily identify, understand, and com-
23 ply with applicable health and safety
24 requirements.”;

25 (G) in subparagraph (K)(i)—

14

1 (i) in the matter preceding subclause
2 (I), by striking “, not later” and all that
3 follows through “2014,”; and

4 (ii) in subclause (IV), by striking
5 “section 658P(6)(B)” and inserting “sec-
6 tion 658A(7)(B)”;

7 (H) in subparagraph (M)—

8 (i) by redesignating clauses (ii)
9 through (iv) as clauses (iii) through (v), re-
10 spectively;

11 (ii) by striking clause (i) and inserting
12 the following:

13 “(i) children in underserved areas, in-
14 cluding areas that have significant con-
15 centrations of poverty and unemployment
16 and that do not have a supply of eligible
17 child care providers;

18 “(ii) children in rural areas;”; and

19 (iii) in clause (iv), as so redesignated,
20 by striking “, as defined by the State”;

21 (I) in subparagraph (N)(iii), by striking
22 “At the option of the State, the” and inserting
23 “The”;

1 (J) in subparagraph (O)(i), by striking
2 “full-day services” and inserting “full workday
3 and full work year services”;

4 (K) in subparagraph (S)(ii), by striking “,
5 to the extent” and all that follows through
6 “fixed costs” and inserting “implement enroll-
7 ment and eligibility policies that support the
8 fixed and operational costs”;

9 (L) in subparagraph (T)(i), by striking “or
10 implement” and all that follows through “of
11 2014)” and inserting “and implement develop-
12 mental guidelines”; and

13 (M) in subparagraph (U)—

14 (i) in clause (ii), by inserting “State
15 and local health agencies,” after “licensing
16 of child care providers,”; and

17 (ii) in clause (iii)(II), by striking “fol-
18 lowing the emergency or disaster, which
19 may include” and inserting “during and
20 following the emergency or disaster, which
21 shall include guidelines for the”;

22 (N) in subparagraph (V), by striking “de-
23 velop” and all that follow through “services.”
24 and inserting “support child care business tech-
25 nical assistance including supporting—

1 “(i) provision of strategies to support
2 management coaching and the use of core
3 best business practices;

4 “(ii) development and use of shared
5 services initiatives including initiatives in-
6 volving provider networks such as child
7 care center alliances and family child care
8 provider networks; and

9 “(iii) coordination of activities with
10 programs of the Small Business Adminis-
11 tration, programs of the Department of
12 Agriculture, and other Federal, State, and
13 local programs supporting child care busi-
14 nesses.”;

15 (2) in paragraph (3)—

16 (A) in subparagraph (B)(ii), by striking
17 “Not later” and all that follows through “shall
18 prepare” and inserting “Not later than Sep-
19 tember 30 of each fiscal year, the Secretary
20 shall prepare”; and

21 (B) in subparagraph (D)—

22 (i) by striking “with respect to” and
23 all that follows through “2020” and insert-
24 ing “with respect to each fiscal year”;

1 (ii) by striking “described in clause
2 (i), (ii), (iii), or (iv) of” and inserting “in
3 priority populations described in”;

4 (3) in paragraph (4)—

5 (A) by striking subparagraphs (A) and (B)
6 and inserting the following:

7 “(A) IN GENERAL.—The State plan shall
8 certify that, not later than the later of the date
9 that is 5 years after the date of submission of
10 the application, and September 30, 2030, pay-
11 ment rates for the provision of child care serv-
12 ices for which assistance is provided in accord-
13 ance with this subchapter—

14 “(i) will be sufficient to meet the cost
15 of providing the child care services, includ-
16 ing the fixed and operational costs of pro-
17 viding the child care services; and

18 “(ii) will be set and paid in accord-
19 ance with a cost estimation model de-
20 scribed in subparagraph (B).

21 “(B) COST ESTIMATION MODEL.—The
22 State plan shall—

23 “(i) demonstrate that the State, after
24 consulting with eligible child care providers
25 that represent the various geographic areas

1 of the State and types of providers within
2 the State’s mixed delivery system, local
3 child care program administrators, local
4 child care resource and referral agencies,
5 and other appropriate entities, has devel-
6 oped and uses (or if the State has not used
7 such a model certify that the State, after
8 such consultation but not later than the
9 later of the date that is 5 years after the
10 date of submission of the application de-
11 scribed in subsection (a), and September
12 30, 2030, will develop and use) a statis-
13 tically valid and reliable cost estimation
14 model for the payment rates for providers
15 of child care services in the State, that—

16 “(I) reflects the costs of service
17 delivery, including fixed costs, oper-
18 ating expenses, and staff salaries and
19 benefits necessary to recruit, train,
20 and retain qualified staff;

21 “(II) reflects variations in the
22 costs of service delivery by submarket,
23 type of provider, and children served,
24 including by—

1 “(aa) geographic area (such
2 as location in a urban or rural
3 area);

4 “(bb) ages of children;

5 “(cc) whether the children
6 have particular needs (such as
7 needs of children with disabilities
8 and children served by child pro-
9 tective services);

10 “(dd) whether the providers
11 provide services during weekend
12 and other nontraditional hours;
13 and

14 “(ee) quality of child care
15 provider as determined by the
16 State; and

17 “(III) is reviewed not less often
18 than once every 2 years and adjusted
19 as may be necessary to—

20 “(aa) ensure payment rates
21 remain sufficient to meet the re-
22 quirements of this subchapter;
23 and

24 “(bb) provide a cost of living
25 increase to maintain the level of

1 services provided during the year
2 prior to the review; and

3 “(ii) describe how the State will pro-
4 vide for timely payments, set in accordance
5 with the model described in clause (i), for
6 child care services provided under this sub-
7 chapter.”;

8 (B) in subparagraph (C)—

9 (i) by striking clause (ii); and

10 (ii) by striking “(C)” and all that fol-
11 lows through “Nothing” and inserting the
12 following:

13 “(C) CONSTRUCTION.—Nothing”; and

14 (C) by adding at the end the following:

15 “(D) NO FEDERAL CONTROL.—The Sec-
16 retary may offer guidance to States on cost es-
17 timation models described in subparagraph (B),
18 but shall not require a State to adopt a par-
19 ticular cost estimation model or element of a
20 particular cost estimation model.”; and

21 (4) by striking paragraph (5) and inserting the
22 following:

23 “(5) SLIDING FEE SCALE.—

24 “(A) IN GENERAL.—The State plan shall
25 provide that the State will establish and peri-

1 odically revise by rule a sliding fee scale to de-
2 termine a full copayment for a family receiving
3 assistance under this subchapter (or, for a fam-
4 ily receiving part-time care, a reduced copay-
5 ment that is an appropriate amount of the full
6 copayment) and that is not a barrier that re-
7 stricts families from accessing child care serv-
8 ices under this subchapter.

9 “(B) NO FEDERAL CONTROL.—The Sec-
10 retary may offer guidance to States on sliding
11 fee scales described in subparagraph (A), but
12 shall not require a State to adopt a particular
13 sliding fee scale or element of a particular slid-
14 ing fee scale.”.

15 **SEC. 7. ACTIVITIES TO IMPROVE THE QUALITY OF CHILD**
16 **CARE.**

17 Section 658G(a) of the Child Care and Development
18 Block Grant Act of 1990 (42 U.S.C. 9858e(a))—

19 (1) in paragraph (1), by adding at the end the
20 following: “The State shall include, in the State’s ac-
21 tivities, developing and expanding initiatives to assist
22 child care providers in their efforts to recruit, train,
23 and retain qualified staff.”; and

24 (2) in paragraph (2)—

1 (A) by striking subparagraph (A) and in-
2 serting the following:

3 “(A) to carry out the activities described in
4 paragraph (1), not less than 9 percent of the
5 funds described in paragraph (1) for each fiscal
6 year; and”; and

7 (B) in subparagraph (B), by striking “re-
8 ceived not later” and all that follows through
9 “succeeding full fiscal year” and inserting “re-
10 ceived for each fiscal year”.

11 **SEC. 8. WAIVERS OF INCOME REQUIREMENT.**

12 Section 658I(c) of the Child Care and Development
13 Block Grant Act of 1990 (42 U.S.C. 9858g(c)) is amend-
14 ed—

15 (1) in paragraph (1)—

16 (A) in the matter preceding subparagraph
17 (A), by striking “of not more than three years”
18 and inserting “described in paragraph (5)”;

19 (B) in subparagraph (A), by striking “(A)”
20 and inserting “(A)(i)”;

21 (C) in subparagraph (B), by striking
22 “(B)” and inserting the following:

23 “(ii)”;

24 (D) in subparagraph (C), by striking
25 “(C)” and inserting the following:

1 “(iii)”; and

2 (E) in subparagraph (D)—

3 (i) by striking “(D)” and inserting the
4 following:

5 “(iv)”; and

6 (ii) in clause (iv), as so redesignated,
7 by striking the period and inserting “; or”;
8 and

9 (F) by adding at the end the following:

10 “(B) the State, on the date of the request,
11 has a maximum income standard that meets
12 section 658A(5)(B)(i), and requests the waiver
13 to raise that standard.”;

14 (2) in paragraph (2)—

15 (A) in subparagraph (B), by striking
16 “and” at the end;

17 (B) in subparagraph (C), by striking the
18 period and inserting “; and”; and

19 (C) by adding at the end the following:

20 “(D) if the State seeks a waiver of section
21 658A(5)(B)(i)(I) under paragraph (1)(B), state
22 the maximum income standard that the State
23 wishes to use, information demonstrating that
24 the State is serving all eligible children below
25 the maximum income standard in that section,

1 information demonstrating that the State is
2 meeting the requirements of the State plan
3 under section 658E(c), particularly the require-
4 ments of subparagraphs (M) and (Q) of para-
5 graph (2) of that section, and (effective on the
6 later of the 2 dates specified in section
7 658E(c)(4)(A)) information demonstrating that
8 the payment rates described in that section are
9 set and paid in accordance with a cost esti-
10 mation model described in section
11 658E(c)(4)(B).”; and

12 (3) in paragraph (7)—

13 (A) by striking “The Secretary may” and
14 inserting the following:

15 “(A) GENERAL RENEWALS.—The Sec-
16 retary may”;

17 (B) in the first sentence, by inserting be-
18 fore the period the following: “, in the case of
19 a request for a waiver of a provision other than
20 section 658A(5)(B)(i)(I)”;

21 (C) in the second sentence, by striking
22 “seeking to renew their waiver approval must”
23 and inserting “seeking that renewal shall”;

1 (D) in the third sentence, by striking “ex-
2 tension request” and inserting “renewal re-
3 quest”; and

4 (E) by adding at the end the following:

5 “(B) RENEWALS OF INCOME REQUIRE-
6 MENT WAIVERS.—A State may seek a renewal,
7 of an existing waiver of section
8 658A(5)(B)(i)(I) under paragraph (1)(B) (in-
9 cluding a previously renewed waiver), for a pe-
10 riod no longer than 3 years. A State seeking
11 that renewal shall inform the Secretary of this
12 intent no later than 30 days prior to the expira-
13 tion date of the waiver. The State shall re-cer-
14 tify in its renewal request the provisions in
15 paragraph (2). On determining that the State
16 has accurately re-certified those provision, the
17 Secretary shall grant the renewal.”; and

18 (4) in paragraph (8), by inserting “, other than
19 paragraph (1)(B),” after “this subchapter”.

20 **SEC. 9. REPORTS AND AUDITS.**

21 Section 685K(a)(2) of the Child Care and Develop-
22 ment Block Grant Act of 1990 (42 U.S.C. 9858i(a)(2))
23 is amended—

24 (1) in the matter preceding subparagraph (A)—

1 (A) by striking “Not later than” and all
2 that follows through “a State” and inserting “A
3 State”; and

4 (B) by inserting “annually” before “pre-
5 pare”;

6 (2) in subparagraph (A), by striking “section
7 658P(6)” and inserting “section 658A(7)”; and

8 (3) in subparagraph (F), by striking “section
9 658P(6)(B)” and inserting “section 658A(7)(B)”.

10 **SEC. 10. REPORTS, HOTLINE, AND WEBSITE.**

11 Section 658L(a) of the Child Care and Development
12 Block Grant Act of 1990 (42 U.S.C. 9858j(a)) is amended
13 by striking “Not later” and all that follows through “the
14 Secretary shall” and inserting “The Secretary shall bien-
15 nially”.

16 **SEC. 11. TECHNICAL AMENDMENTS.**

17 Section 658O(a) of the Child Care and Development
18 Block Grant Act of 1990 (42 U.S.C. 9858m(a)) is amend-
19 ed—

20 (1) in paragraphs (1), (3), and (4) by striking
21 “this subchapter” and inserting “section 658B”;
22 and

23 (2) in paragraph (5) by striking “this sub-
24 chapter” the first place it appears and inserting
25 “section 658B”.

1 **SEC. 12. CHILD CARE SUPPLY AND FACILITIES GRANTS.**

2 The Child Care and Development Block Grant Act
3 of 1990 (42 U.S.C. 9857 et seq.) is amended by adding
4 at the end the following:

5 **“PART II—CHILD CARE SUPPLY AND FACILITIES**

6 **“SEC. 658T. CHILD CARE SUPPLY AND FACILITIES GRANTS.**

7 “(a) PURPOSES.—The purposes of this section are to
8 provide grants to States, territories described in section
9 658O(a)(1) (referred to individually in this part as a ‘ter-
10 ritory’), Indian Tribes, and Tribal organization to—

11 “(1) expand the supply and capacity of child
12 care providers so that working parents have multiple
13 high-quality child care options to choose from in
14 making their own decisions regarding the child care
15 services that best suit their family’s needs; and

16 “(2) ensure child care facilities are designed
17 and equipped to keep children healthy and safe and
18 to enhance children’s physical, cognitive, and behav-
19 ioral development.

20 “(b) QUALIFIED CHILD CARE PROVIDER.—In this
21 section, the term ‘qualified child care provider’ means—

22 “(1) an eligible child care provider as defined in
23 section 658A(7)(A) that is providing, or seeking to
24 provide, child care services to children eligible for
25 services under this subchapter; or

1 “(2) a child care provider that has applied
2 under this subchapter to become an eligible child
3 care provider as defined in section 658A(7)(A) and
4 that commits to provide child care services to chil-
5 dren eligible for services under this subchapter.

6 “(c) AUTHORIZATION OF APPROPRIATIONS.—There
7 is authorized to be appropriated to carry out this section
8 such sums as may be necessary for each of fiscal years
9 2026 through 2028.

10 “(d) GRANTS AUTHORIZED; ALLOTMENTS.—

11 “(1) IN GENERAL.—From funds made available
12 under subsection (c), the Secretary shall make
13 grants to States, territories, Indian Tribes, and
14 Tribal organizations to carry out the activities de-
15 scribed in subsection (f).

16 “(2) RESERVATION.—The Secretary shall re-
17 serve not more than 1 percent of the amount appro-
18 priated under subsection (c) for a fiscal year to
19 carry out this section to pay for the costs of the
20 Federal administration of this section.

21 “(3) ALLOTMENTS.—From the amount appro-
22 priated to carry out this section for a fiscal year
23 that remains after the Secretary makes the reserva-
24 tion under paragraph (2), the Secretary shall award
25 to each lead agency with an approved plan under

1 subsection (e), a child care supply and facilities
2 grant in accordance with paragraphs (1) and (2) of
3 subsection (a), and subsection (b), of section 6580,
4 for the grants authorized under paragraph (1). A
5 grant made under this paragraph in accordance with
6 paragraph (1) or (2) of that subsection shall be for
7 the purpose of carrying out the program described
8 in this section, consistent, to the extent practicable
9 as determined by the Secretary, with the require-
10 ments applicable to States.

11 “(e) STATE PLAN.—

12 “(1) IN GENERAL.—In order to receive a grant
13 under this section, a State shall submit a plan to the
14 Secretary, at such time and in such manner as the
15 Secretary may reasonably require.

16 “(2) CONTENTS.—Each plan submitted by a
17 State under this section shall include each of the fol-
18 lowing:

19 “(A) A description of how the State will
20 use funds received under this section for State-
21 level activities under subsection (f)(1).

22 “(B) A description of how the State will
23 ensure that qualified child care providers in
24 rural, suburban, and urban areas can readily
25 apply for and access funding under this section,

1 which shall include providing technical assist-
2 ance either directly or through a third party
3 which may include a resource and referral agen-
4 cy or a staffed family child care provider net-
5 work.

6 “(C) A description of how the State will
7 determine the prioritization of subgrants to
8 qualified child care providers in accordance with
9 subsection (f)(5).

10 “(D) An assurance that the State will
11 make available to the public, which shall in-
12 clude, at a minimum, posting to an internet
13 website of the lead agency—

14 “(i) a notice of funding availability
15 through subgrants for qualified child care
16 providers under this section; and

17 “(ii) the criteria for awarding sub-
18 grants for qualified child care providers,
19 including the methodology the lead agency
20 will use to determine the amounts of such
21 subgrants for qualified child care pro-
22 viders.

23 “(f) STATE USE OF FUNDS.—

24 “(1) RESERVATION.—A lead agency that re-
25 ceives a grant under subsection (d) shall reserve not

1 more than 10 percent of the grant funds for State-
2 level activities, consisting of administering subgrants
3 and providing technical assistance and support, for
4 activities supported under this section.

5 “(2) SUBGRANTS.—The lead agency shall use
6 the remainder of the grant funds awarded pursuant
7 to subsection (d) to make subgrants as described in
8 paragraphs (3) and (4).

9 “(3) STARTUP AND SUPPLY EXPANSION SUB-
10 GRANTS.—

11 “(A) IN GENERAL.—The lead agency shall
12 make startup and supply expansion subgrants
13 to qualified child care providers that are pro-
14 viding, or seeking to provide, child care services
15 under this subchapter to eligible children, to—

16 “(i) support the providers in paying
17 for startup and expansion costs;

18 “(ii) assist such providers in meet-
19 ing—

20 “(I) the health and safety re-
21 quirements (including the require-
22 ments referred to in section
23 658E(c)(2)(I)) of the State, territory,
24 Indian Tribe, or local government in-
25 volved, as the case may be;

1 “(II) licensing and other regu-
2 latory standards of the State, terri-
3 tory, Indian Tribe, or local govern-
4 ment involved, as the case may be, for
5 child care providers; and

6 “(III) as applicable, the require-
7 ments of a State’s tiered quality rat-
8 ing system for child care providers;
9 and

10 “(iii) establishing or expanding the
11 operation of community- or neighborhood-
12 based family child care networks.

13 “(B) REQUIREMENT.—As a condition of
14 receiving a startup or supply expansion
15 subgrant under this paragraph, a qualified child
16 care provider shall commit to meeting the re-
17 quirements for an eligible child care provider
18 under this subchapter and to providing child
19 care services under this subchapter to eligible
20 children, on an ongoing basis.

21 “(4) FACILITIES SUBGRANTS.—

22 “(A) IN GENERAL.—The lead agency shall
23 make facilities subgrants to qualified child care
24 providers that are providing, or seeking to pro-
25 vide, child care services under this subchapter

1 to eligible children, for, notwithstanding section
2 658F(b)—

3 “(i) remodeling, renovation, or repair
4 of a building or facility used for providing
5 direct child care services; and

6 “(ii) construction, permanent improve-
7 ment, or major renovation of a building or
8 facility used for providing direct child care
9 services.

10 “(B) REQUIREMENT.—As a condition of
11 receiving a facilities subgrant under this para-
12 graph, a child care provider shall commit to
13 meeting the requirements for an eligible child
14 care provider under this subchapter and to pro-
15 viding child care services under this subchapter
16 to eligible children on an ongoing basis.

17 “(C) FEDERAL INTEREST.—

18 “(i) FAMILY CHILD CARE HOMES.—
19 Federal law regarding a Federal interest in
20 real property shall not apply to the renova-
21 tion, remodeling, repair, or permanent im-
22 provement of privately owned family child
23 care homes with funds provided under this
24 paragraph, and the Secretary shall develop

1 parameters for the use of such funds for
2 family child care homes.

3 “(ii) RETENTION.—If the Secretary
4 retains a Federal interest in any facility
5 constructed, renovated, remodeled, re-
6 paired, or permanently improved with
7 funds provided under this paragraph, the
8 Secretary shall not retain the Federal in-
9 terest for more than 10 years.

10 “(5) PRIORITY.—In awarding subgrants under
11 paragraphs (3) and (4), the lead agency shall give
12 priority to qualified child care providers providing or
13 seeking to provide child care services to priority pop-
14 ulations of children described in section
15 658E(c)(2)(M).

16 “(g) SUPPLEMENT NOT SUPPLANT.—Amounts made
17 available to carry out this section shall be used to supple-
18 ment and not supplant other Federal, State, and local
19 public funds expended to increase the supply of child care
20 and to improve child care facilities.

21 “(h) DOCUMENTATION AND REPORTING REQUIRE-
22 MENTS.—

23 “(1) DOCUMENTATION.—A State receiving a
24 grant under subsection (d) shall provide documenta-
25 tion of any State expenditures from grant funds re-

1 grant period and the number of such slots
2 11 months later, disaggregated by age of
3 children served, geographic region, and
4 child care setting (including whether the
5 slot was in a center-based or family child
6 care setting), and each priority population
7 of children described in section
8 658E(c)(2)(M);

9 “(iii)(I) the number and percentage of
10 qualified child care providers that received
11 a subgrant under subsection (f)(3),
12 disaggregated by age of children served,
13 geographic region, and child care setting
14 (including whether the provider was in a
15 center-based or family child care setting),
16 and the average and range of the amounts
17 of the subgrants awarded; and

18 “(II) the number and percentage of
19 qualified child care providers that received
20 a subgrant under subsection (f)(4),
21 disaggregated by age of children served,
22 geographic region, and child care setting
23 (including whether the provider was in a
24 center-based or family child care setting),

1 and the average and range of the amounts
2 of the subgrants awarded; and

3 “(iv) information concerning how
4 qualified child care providers receiving sub-
5 grants under subsection (f)(3) or (f)(4)
6 used the subgrant funding received.

7 “(B) REPORT TO CONGRESS.—The Sec-
8 retary shall transmit annually to the Committee
9 on Health, Education, Labor, and Pensions of
10 the Senate and the Committee on Education
11 and the Workforce of the House of Representa-
12 tives a report that provides national and State-
13 level data for the information collected under
14 subparagraph (A).

15 “(i) CONSTRUCTION.—No reference in part 1 to ‘this
16 subchapter’ shall be considered to refer to a provision of
17 this part.”.

18 **SEC. 13. DEPARTMENT OF AGRICULTURE LOAN RESTRIC-**
19 **TIONS.**

20 The Secretary of Agriculture shall revise section
21 3555.102(c) of title 7, Code of Federal Regulations, as
22 in effect on the date of enactment of this Act, to exclude
23 a business that is licensed, regulated, or registered as a
24 child care provider under State law.