

116TH CONGRESS  
2D SESSION

# H. R. 7778

To provide for grants to support access to child care through the establishment and operation of child care programs by businesses.

---

IN THE HOUSE OF REPRESENTATIVES

JULY 24, 2020

Mr. JOHNSON of South Dakota introduced the following bill; which was referred to the Committee on Education and Labor

---

## A BILL

To provide for grants to support access to child care through the establishment and operation of child care programs by businesses.

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 “Expanding Child Care  
5 Access Grants Act of 2020”.

6 **SEC. 2. EXPANDING CHILD CARE ACCESS GRANTS.**

7 (a) PURPOSE.—The purpose of this section is to sup-  
8 port the recovery of the United States economy by pro-  
9 viding grants to businesses to aid in opening child care  
10 programs or establishing partnerships with existing pro-

1 viders to meet the demand for child care across the coun-  
2 try as parents return to work.

3 (b) DEFINITIONS.—In this section:

4 (1) COVID–19 PUBLIC HEALTH EMERGENCY.—

5 The term “COVID–19 public health emergency”  
6 means the public health emergency declared by the  
7 Secretary of Health and Human Services under sec-  
8 tion 319 of the Public Health Service Act (42  
9 U.S.C. 247d) on January 31, 2020, with respect to  
10 COVID–19, including any renewal of such declara-  
11 tion.

12 (2) ELIGIBLE BUSINESS.—The term “eligible  
13 business” means a business that does not currently  
14 provide child care services for the children of such  
15 business’ employees, offer care or oversight for the  
16 school age children of such employees, or partner  
17 with an eligible child care provider for such services.

18 (3) ELIGIBLE CHILD CARE PROVIDER.—The  
19 term “eligible child care provider” means—

20 (A) an eligible child care provider as de-  
21 fined in section 658P(6)(A) of the Child Care  
22 and Development Block Grant Act of 1990 (42  
23 U.S.C. 9858n(6)(A)); and

24 (B) a child care provider that—

1 (i) is license-exempt and operating le-  
2 gally in the State;

3 (ii) is not providing child care services  
4 to relatives; and

5 (iii) satisfies State and local require-  
6 ments, including those referenced in sec-  
7 tion 658E(c)(2)(I) of the Child Care and  
8 Development Block Grant Act of 1990  
9 ((42 U.S.C. 9858c)(c)(2)(I)).

10 (4) INDIAN TRIBE; TRIBAL ORGANIZATION.—  
11 The terms “Indian tribe” and “tribal organization”  
12 have the meanings given the terms in section 658P  
13 of the Child Care and Development Block Grant Act  
14 of 1990 (42 U.S.C. 9858n).

15 (5) LEAD AGENCY.—The term “lead agency”  
16 has the meaning given the term in section 658P of  
17 the Child Care and Development Block Grant Act of  
18 1990 (42 U.S.C. 9858n).

19 (6) QUALIFIED BUSINESS.—The term “quali-  
20 fied business” means an eligible business with an  
21 application approved under subsection (g) for the  
22 program involved.

23 (7) SECRETARY.—The term “Secretary” means  
24 the Secretary of Health and Human Services.

1           (8) STATE.—The term “State” has the mean-  
2           ing given the term in section 658P of the Child Care  
3           and Development Block Grant Act of 1990 (42  
4           U.S.C. 9858n).

5           (c) GRANTS FOR BUSINESSES TO PROVIDE CHILD  
6 CARE SERVICES.—From the funds appropriated to carry  
7 out this Act, the Secretary shall make Expanding Child  
8 Care Access grants to States, Indian tribes, and tribal or-  
9 ganizations, that submit notices of intent to provide assur-  
10 ances under subsection (d)(2). The grants shall provide  
11 for subgrants to businesses for a transition period of not  
12 more than 9 months to assist in paying for the establish-  
13 ment and operation of child care services.

14          (d) PROCESS FOR ALLOCATION OF FUNDS.—

15           (1) NOTICE.—Not later than 7 days after funds  
16           are appropriated to carry out this Act, the Secretary  
17           shall provide to States, Indian tribes, and tribal or-  
18           ganizations a notice of funding availability for Ex-  
19           panding Child Care Access grants under subsection  
20           (c) from allotments and payments under subsection  
21           (e)(2). The Secretary shall issue a notice of the  
22           funding allocations for each State, Indian tribe, and  
23           tribal organization not later than 14 days after  
24           funds are appropriated to carry out this Act.

1           (2) NOTICE OF INTENT.—Not later than 14  
2 days after issuance of a notice of funding allocations  
3 under paragraph (1), a State, Indian tribe, or tribal  
4 organization that seeks such a grant shall submit to  
5 the Secretary a notice of intent to provide assur-  
6 ances for such grant. The notice of intent shall in-  
7 clude a certification that the State, Indian tribe, or  
8 tribal organization will repay the grant funds if such  
9 State, Indian tribe, or tribal organization fails to  
10 provide assurances that meet the requirements of  
11 subsection (f) or to comply with such an assurance.

12           (3) GRANTS TO LEAD AGENCIES.—The Sec-  
13 retary may make grants under subsection (c) to the  
14 lead agency of each State, Indian tribe, or tribal or-  
15 ganization, upon receipt of the notice of intent to  
16 provide assurances for such grant.

17           (4) PROVISION OF ASSURANCES.—Not later  
18 than 15 days after receiving the grant, the State, In-  
19 dian tribe, or tribal organization shall provide assur-  
20 ances that meet the requirements of subsection (f).

21           (e) FEDERAL RESERVATION; ALLOTMENTS AND PAY-  
22 MENTS.—

23           (1) RESERVATION.—The Secretary shall reserve  
24 not more than 1 percent of the amount appropriated  
25 to carry out this Act to pay for the costs of the Fed-

1 eral administration of this section. The amount ap-  
2 propriated to carry out this Act and reserved under  
3 this paragraph shall remain available through fiscal  
4 year 2021.

5 (2) ALLOTMENTS AND PAYMENTS.—The Sec-  
6 retary shall use the remaining portion of such  
7 amount to make allotments and payments, to States,  
8 Indian tribes, and tribal organizations that submit  
9 such a notice of intent to provide assurances, in ac-  
10 cordance with paragraphs (1) and (2) of subsection  
11 (a), and subsection (b), of section 6580 of the Child  
12 Care and Development Block Grant Act of 1990 (42  
13 U.S.C. 9858m) for the grants described in sub-  
14 section (c).

15 (f) ASSURANCES.—A State, Indian tribe, or tribal or-  
16 ganization that receives a grant under subsection (c) shall  
17 provide to the Secretary assurances that the lead agency  
18 will—

19 (1) require as a condition of subgrant funding  
20 under subsection (g) that each business applying for  
21 a subgrant from the lead agency—

22 (A)(i) will use subgrant funds for the sole  
23 purpose of establishing a child care program  
24 and providing child care services for the chil-  
25 dren of such business' employees; or

1           (ii) will operate in partnership with an eli-  
2           gible child care provider serving children  
3           through a child care program prior to March 1,  
4           2020;

5           (B) agree to follow all applicable State,  
6           local, and tribal health and safety requirements  
7           and, if applicable, enhanced protocols for child  
8           care services related to COVID–19 or another  
9           health or safety condition;

10          (C) agree to comply with the documenta-  
11          tion and reporting requirements under sub-  
12          section (h); and

13          (D) certify in good faith that the child care  
14          program of the business will remain open for  
15          not less than 1 year after receiving such a  
16          subgrant unless such program is closed due to  
17          extraordinary circumstances, including a state  
18          of emergency declared by the Governor or a  
19          major disaster or emergency declared by the  
20          President under section 401 or 501, respec-  
21          tively, of the Robert T. Stafford Disaster Relief  
22          and Emergency Assistance Act (42 U.S.C.  
23          5170, 5191);

24          (2) ensure eligible businesses in urban, subur-  
25          ban, and rural areas can readily apply for and ac-

1       cess funding under this section, which shall include  
2       the provision of technical assistance either directly  
3       or through resource and referral agencies;

4               (3) through at least December 31, 2020, con-  
5       tinue to expend funds provided under the Child Care  
6       and Development Block Grant Act of 1990 (42  
7       U.S.C. 9857 et seq.) for the purpose of continuing  
8       payments and assistance to qualified child care pro-  
9       viders on the basis of tiered reimbursements prior to  
10      March 2020;

11              (4) give priority for subgrant awards according  
12      to geographically based child care service needs  
13      across the State or tribal community;

14              (5) undertake a review of burdensome State,  
15      local, and tribal regulations and requirements that  
16      hinder the opening of new licensed child care pro-  
17      grams to meet the needs of the working families in  
18      the State or tribal community, as applicable; and

19              (6) make available to the public, which shall in-  
20      clude, at a minimum, posting to an internet website  
21      of the lead agency—

22                      (A) notice of funding availability through  
23                      subgrants for qualified businesses under this  
24                      section; and



1 (B) the criteria for awarding subgrants for  
2 qualified businesses.

3 (g) LEAD AGENCY USE OF FUNDS.—

4 (1) IN GENERAL.—A lead agency that receives  
5 an Expanding Child Care Access grant under this  
6 section—

7 (A) shall use a portion that is not less  
8 than 97 percent of the grant funds to award  
9 subgrants to qualified businesses as described  
10 in the lead agency's assurances pursuant to  
11 subsection (f);

12 (B) shall reserve not more than 3 percent  
13 of the funds to—

14 (i) use not less than 1 percent of the  
15 funds to provide technical assistance and  
16 support in applying for and accessing  
17 funding through such subgrants to eligible  
18 businesses; and

19 (ii) use the remainder of the reserved  
20 funds to—

21 (I) administer subgrants to quali-  
22 fied businesses under paragraph (3),  
23 which shall include monitoring the  
24 compliance of qualified businesses

1 with applicable State, local, and tribal  
2 health and safety requirements; and

3 (II) comply with the reporting  
4 and documentation requirements de-  
5 scribed in subsection (h); and

6 (C)(i) shall not make more than 1  
7 subgrant under paragraph (3) to a qualified  
8 business.

9 (2) OBLIGATION AND RETURN OF FUNDS.—

10 (A) OBLIGATION.—The lead agency shall  
11 obligate at least 80 percent of the grant funds  
12 in the portion described in paragraph (1)(A) for  
13 subgrants to qualified businesses by the date  
14 that is 6 months after the date of enactment of  
15 this Act.

16 (B) RETURN OF FUNDS.—Not later than  
17 the date that is 12 months after a grant is  
18 awarded to a lead agency in accordance with  
19 this section, the lead agency shall return to the  
20 Secretary any of the grant funds that are not  
21 obligated by the lead agency by such date. The  
22 Secretary shall return any funds received under  
23 this subparagraph to the Treasury of the  
24 United States.

25 (3) SUBGRANTS.—

1 (A) IN GENERAL.—A lead agency that re-  
2 ceives a grant under subsection (c) shall make  
3 subgrants to qualified businesses to assist in  
4 paying for the establishment and operation of  
5 child care services, including fixed costs and op-  
6 erating expenses, for a transition period of not  
7 more than 9 months, so that parents have a  
8 safe place for their children to receive child care  
9 as the parents return to the workplace.

10 (B) USE OF FUNDS.—A qualified business  
11 may use subgrant funds for carrying out activi-  
12 ties related to establishing a child care program  
13 or contracting with an eligible child care pro-  
14 vider to offer child care services for the employ-  
15 ees of such business.

16 (C) SUBGRANT APPLICATION.—To be  
17 qualified to receive a subgrant under this para-  
18 graph, an eligible business shall submit an ap-  
19 plication to the lead agency in such form and  
20 containing such information as the lead agency  
21 may reasonably require, including—

22 (i) a plan for offering access to child  
23 care services for the employees of such  
24 business that includes—

1 (I) information describing how  
2 the eligible business will use the  
3 subgrant funds to cover slots for the  
4 children of their employees;

5 (II) if applicable, the amount of  
6 tuition or copayments employees will  
7 be expected to pay;

8 (III) child care enrollment and  
9 attendance projections; and

10 (IV) a demonstration of how the  
11 eligible business will sustain its oper-  
12 ations after the cessation of funding  
13 under this section;

14 (ii) assurances that the eligible busi-  
15 ness will—

16 (I) report to the lead agency data  
17 on current average enrollment and at-  
18 tendance;

19 (II) provide the necessary docu-  
20 mentation under subsection (h) to the  
21 lead agency, including providing docu-  
22 mentation of expenditures of subgrant  
23 funds; and

24 (III) implement all applicable  
25 State, local, and tribal health and

1 safety requirements and, if applicable,  
2 enhanced protocols for child care serv-  
3 ices and related to COVID–19 or an-  
4 other health or safety condition; and  
5 (iii) a certification in good faith that  
6 the child care program will remain open  
7 for not less than 1 year after receiving a  
8 subgrant under this paragraph unless such  
9 program is closed due to extraordinary cir-  
10 cumstances described in subsection  
11 (f)(1)(D).

12 (D) SUBGRANT DISBURSEMENT.—In pro-  
13 viding funds through a subgrant under this  
14 paragraph—

15 (i) the lead agency shall disburse such  
16 subgrant funds to a qualified business in  
17 an initial payment, with additional install-  
18 ments for maintained operation, as appli-  
19 cable;

20 (ii) the lead agency may, notwith-  
21 standing subparagraph (D)(i), disburse an  
22 initial subgrant installment to a provider  
23 in a greater amount than that subpara-  
24 graph provides for, as applicable.

1 (E) REPAYMENT OF SUBGRANT FUNDS.—

2 A qualified business that receives a subgrant  
3 under this paragraph shall be required to repay  
4 the subgrant funds if the lead agency deter-  
5 mines that the business fails to provide the as-  
6 surances described in subparagraph (C)(ii)(II),  
7 or to comply with such an assurance.

8 (4) SUPPLEMENT NOT SUPPLANT.—Amounts  
9 made available to carry out this section shall be used  
10 to supplement and not supplant other Federal,  
11 State, tribal, and local public funds expended to pro-  
12 vide child care services, including funds provided  
13 under the Child Care and Development Block Grant  
14 Act of 1990 (42 U.S.C. 9857 et seq.) and State and  
15 tribal child care programs.

16 (h) DOCUMENTATION AND REPORTING REQUIRE-  
17 MENTS.—

18 (1) DOCUMENTATION.—A State, Indian tribe,  
19 or tribal organization receiving a grant under sub-  
20 section (c) shall provide documentation of any State  
21 or tribal expenditures from grant funds received  
22 under subsection (c) in accordance with section  
23 658K(b) of the Child Care Development Block  
24 Grant Act of 1990 (42 U.S.C. 9858i(b)), and to the  
25 independent entity described in that section.

## 1 (2) REPORTS.—

2 (A) LEAD AGENCY REPORT.—A lead agen-  
3 cy receiving a grant under subsection (c) shall,  
4 not later than 12 months after receiving such  
5 grant, submit a report to the Secretary that in-  
6 cludes for the State or tribal community in-  
7 volved a description of the program of sub-  
8 grants carried out to meet the objectives of this  
9 section, including—

10 (i) a description of how the lead agen-  
11 cy determined—

12 (I) the criteria for awarding sub-  
13 grants for qualified businesses, includ-  
14 ing the methodology the lead agency  
15 used to determine and disburse funds  
16 in accordance with subparagraph (D)  
17 of subsection (g)(3); and

18 (II) the types of businesses that  
19 received priority for the subgrants, in-  
20 cluding considerations related to geo-  
21 graphically based child care service  
22 needs across the State or tribal com-  
23 munity;

24 (ii) the number of qualified businesses  
25 that received a subgrant under subsection

1 (g)(3), disaggregated by age of children  
2 served, geography, region, the average and  
3 range of the amounts of the subgrants  
4 awarded, and whether such businesses  
5 were operating their own child care pro-  
6 gram or partnering with an eligible child  
7 care provider; and

8 (iii) information concerning how quali-  
9 fied businesses receiving subgrants under  
10 subsection (g)(3) used the subgrant fund-  
11 ing received.

12 (B) REPORT TO CONGRESS.—Not later  
13 than 90 days after receiving the lead agency re-  
14 ports required under subparagraph (A), the  
15 Secretary shall make publicly available and pro-  
16 vide to the Committee on Health, Education,  
17 Labor, and Pensions of the Senate and the  
18 Committee on Education and Labor of the  
19 House of Representatives a report summarizing  
20 the findings of the lead agency reports.

21 (i) AUTHORIZATION OF APPROPRIATIONS.—There is  
22 authorized to be appropriated \$1,000,000,000 to carry out  
23 this Act.

○