

115TH CONGRESS
2D SESSION

S. 3520

To provide grants to States, Indian Tribes, and Tribal organizations for activities to increase the availability of child care options and to support the child care workforce, and for other purposes.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 27, 2018

Ms. SMITH introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

A BILL

To provide grants to States, Indian Tribes, and Tribal organizations for activities to increase the availability of child care options and to support the child care workforce, 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 Supply Im-
5 provement Act of 2018”.

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

1 (1) ALLOTMENT PERCENTAGE.—The term “al-

2 lotment percentage”, with respect to a State, means

3 the allotment percentage determined for the State in

4 accordance with section 6580(b)(4) of the Child

5 Care and Development Block Grant Act of 1990 (42

6 U.S.C. 9858m(b)(4)).

7 (2) CHILD.—The term “child” means an indi-

8 vidual—

9 (A) who is age 5 or younger; or

10 (B) who has not yet entered kindergarten.

11 (3) CHILD WITH A DISABILITY.—The term

12 “child with a disability” means—

13 (A) a child with a disability, as defined in

14 section 602 of the Individuals with Disabilities

15 Education Act (20 U.S.C. 1401), except the

16 term “child” shall be limited to a child as de-

17 fined in paragraph (2);

18 (B) a child who is eligible for early inter-

19 vention services under part C of the Individuals

20 with Disabilities Education Act (20 U.S.C.

21 1431 et seq.);

22 (C) a child who is eligible for services

23 under section 504 of the Rehabilitation Act of

24 1973 (29 U.S.C. 794); or

1 (D) a child with a disability, as the term
2 “disability” is defined by the State involved.

3 (4) CHILD CARE PROGRAM.—The term “child
4 care program”—

5 (A) means any program—

6 (i) that provides child care or edu-
7 cation for children, in any setting or
8 through any funding source; and

9 (ii) that is licensed to provide such
10 care or education under licensing require-
11 ments applicable in the State or is exempt
12 from such requirements; and

13 (B) includes—

14 (i) any program operated by a center-
15 based child care provider or a family child
16 care provider;

17 (ii) child care provided by relatives,
18 friends, or neighbor caregivers;

19 (iii) any preschool program funded by
20 the Federal Government, a State, or a
21 local educational agency; or

22 (iv) a Head Start program, including
23 an Early Head Start program, under the
24 Head Start Act (42 U.S.C. 9831 et seq.).

1 (5) CHILD CARE PROVIDER.—The term “child
2 care provider” means the staff of a child care pro-
3 gram.

4 (6) ELIGIBLE COMMUNITY DEVELOPMENT FI-
5 NANCIAL INSTITUTION.—The term “eligible commu-
6 nity development financial institution” means—

7 (A) a community development financial in-
8 stitution (as defined in section 103 of the Com-
9 munity Development Banking and Financial In-
10 stitutions Act of 1994 (12 U.S.C. 4702)) that
11 has been certified by the Community Develop-
12 ment Financial Institutions Fund under section
13 1805.201 of title 12, Code of Federal Regula-
14 tions, or any successor regulation; or

15 (B) an organization that—

16 (i) is described in section 501(c)(3) of
17 the Internal Revenue Code of 1986;

18 (ii) is exempt from taxation under
19 section 501(a) of such Code; and

20 (iii) has demonstrated experience in—

21 (I) providing technical or finan-
22 cial assistance for the acquisition, con-
23 struction, renovation, or improvement
24 of child care facilities;

1 (II) providing technical, financial,
2 or managerial assistance to child care
3 providers; and

4 (III) securing private sources of
5 capital financing for child care or
6 other low-income community develop-
7 ment.

8 (7) FAMILY CHILD CARE PROVIDER.—The term
9 “family child care provider” has the meaning given
10 the term in section 658P of the Child Care and De-
11 velopment Block Grant Act of 1990 (42 U.S.C.
12 9858n).

13 (8) INDIAN TRIBE; TRIBAL ORGANIZATION.—
14 The terms “Indian Tribe” and “Tribal organiza-
15 tion” have the meanings given the terms “Indian
16 tribe” and “tribal organization” in section 658P of
17 the Child Care and Development Block Grant Act of
18 1990.

19 (9) INTERRATER RELIABILITY.—The term
20 “interrater reliability” has the meaning given the
21 term in section 637 of the Head Start Act (42
22 U.S.C. 9832).

23 (10) LOCAL OR REGIONAL ENTITY.—The term
24 “local or regional entity” means—

1 (A) an agency administering a Head Start
2 program, including an Early Head Start pro-
3 gram, under the Head Start Act;

4 (B) a State or local agency responsible for
5 administering a child care program, including a
6 local agency responsible for administering a
7 child care program that is a home visiting pro-
8 gram for children;

9 (C) a local early childhood advisory council
10 or coalition;

11 (D) a local or regional child care resource
12 and referral organization described in section
13 658E(c)(3)(B)(iii) of the Child Care and Devel-
14 opment Block Grant Act of 1990 (42 U.S.C.
15 9858c(c)(3)(B)(iii));

16 (E) an eligible community development fi-
17 nancial institution;

18 (F) a nonprofit organization, professional
19 association, or community-based organization
20 with expertise in child care; or

21 (G) a consortium of entities described in
22 any of subparagraphs (A) through (F).

23 (11) SCHOOL LUNCH FACTOR.—The term
24 “school lunch factor” has the meaning given the
25 term in section 6580(b)(3) of the Child Care and

1 Development Block Grant Act of 1990 (42 U.S.C.
2 9858m(b)(3)).

3 (12) SECRETARY.—The term “Secretary”
4 means the Secretary of Health and Human Services.

5 (13) STATE.—The term “State” has the mean-
6 ing given the term in section 658P of the Child Care
7 and Development Block Grant Act of 1990.

8 (14) YOUNG CHILD FACTOR.—The term “young
9 child factor” has the meaning given the term in sec-
10 tion 658O(b)(4) of the Child Care and Development
11 Block Grant Act of 1990 (42 U.S.C. 9858m(b)(4)).

12 **SEC. 3. CHILD CARE SUPPLY IMPROVEMENT PROGRAM.**

13 (a) ESTABLISHMENT.—The Secretary shall establish
14 a program to award to States, Indian Tribes, and Tribal
15 organizations—

16 (1) grants for child care facilities in accordance
17 with section 4; and

18 (2) grants for the purpose of carrying out the
19 activities described in section 5.

20 (b) APPLICATION PROCESS.—A State, Indian Tribe,
21 or Tribal organization seeking a grant under this Act shall
22 submit an application to the Secretary at such time, in
23 such manner, and containing such information as the Sec-
24 retary may reasonably require.

25 (c) GRANT AMOUNTS.—

1 (1) IN GENERAL.—Each State, Indian Tribe, or
2 Tribal organization that submits an application
3 meeting the requirements of the Secretary under
4 subsection (b) shall be entitled to a grant in an
5 amount that is determined in accordance with the
6 reservations and allotments under this subsection.

7 (2) AMOUNTS RESERVED.—

8 (A) TERRITORIES AND POSSESSIONS.—The
9 Secretary shall reserve not to exceed one-half of
10 1 percent of the amount appropriated under
11 section 8 in each fiscal year for payments to
12 Guam, American Samoa, the Virgin Islands of
13 the United States, and the Commonwealth of
14 the Northern Mariana Islands to be allotted in
15 accordance with their respective needs.

16 (B) INDIAN TRIBES.—The Secretary shall
17 reserve not less than 4 percent of the amount
18 appropriated under section 8 in each fiscal year
19 for grants to Indian Tribes and Tribal organi-
20 zations that submit an application meeting the
21 requirements of the Secretary under subsection
22 (b).

23 (3) STATE ALLOTMENTS.—From the amount
24 appropriated under section 8 for each fiscal year
25 that is remaining after the reservations under para-

1 graph (2), the Secretary shall allot to each State an
2 amount equal to the sum of—

3 (A) an amount that bears the same ratio
4 to 50 percent of such remainder as the product
5 of the young child factor of the State and the
6 allotment percentage of the State bears to the
7 sum of the corresponding products for all
8 States; and

9 (B) an amount that bears the same ratio
10 to 50 percent of such remainder as the product
11 of the school lunch factor of the State and the
12 allotment percentage of the State bears to the
13 sum of the corresponding products for all
14 States.

15 **SEC. 4. GRANTS FOR CHILD CARE FACILITIES.**

16 (a) IN GENERAL.—A grant awarded under section
17 3(a)(1) shall be used to award a subgrant to an eligible
18 community development financial institution, which may
19 partner with other local or regional entities, for the pur-
20 pose of—

21 (1) providing technical or financial assistance
22 for the acquisition, construction, or improvements of
23 child care facilities;

24 (2) providing technical, financial, or managerial
25 assistance to child care programs;

1 (3) subject to subsection (b), renovating child
2 care facilities to comply with State or local health
3 and safety requirements;

4 (4) establishing low-cost—

5 (A) loan programs for child care programs;

6 or

7 (B) loan forgiveness programs for child
8 care programs in accordance with subsection

9 (c); or

10 (5) developing and piloting local, voluntary best
11 practices related to community zoning standards to
12 support the provision and expansion of child care
13 services.

14 (b) RESIDENTIAL RENOVATIONS.—A renovation to a
15 private residence in which a family child care provider pro-
16 vides child care services may be supported through a grant
17 under section 3(a)(1), only if necessary to comply with
18 State or local health and safety requirements. Such a ren-
19 ovation may include—

20 (1) indoor or outdoor modifications, including
21 such modifications to support accessibility for chil-
22 dren with disabilities; or

23 (2) lead remediation and abatement activities.

24 (c) LOAN FORGIVENESS PROGRAMS.—A loan forgive-
25 ness program supported under subsection (a)(4)(B)—

1 (1) shall provide loan forgiveness for child care
2 programs over a period of time;

3 (2) shall prioritize loan forgiveness for child
4 care programs that are or become licensed, regu-
5 lated, or registered under State law and become na-
6 tionally accredited or rated under a tiered quality
7 rating system described in section 658G(b)(3) of the
8 Child Care and Development Block Grant Act of
9 1990 (42 U.S.C. 9858e(b)(3)); and

10 (3) may prioritize child care programs—

11 (A) providing high-quality care for infants
12 and toddlers during non-traditional hours;

13 (B) providing inclusive care for children
14 with disabilities;

15 (C) serving children in a geographic area
16 for which there is a shortage of child care; or

17 (D) that otherwise meet the needs identi-
18 fied in the community needs assessment con-
19 ducted by the State, Indian Tribe, or Tribal or-
20 ganization under section 6.

21 **SEC. 5. GRANTS FOR QUALITY SERVICES, COMPLIANCE RE-**
22 **QUIREMENTS, BUSINESS SUPPORT, AND AD-**
23 **MINISTRATIVE IMPROVEMENT ACTIVITIES.**

24 (a) SUBGRANTS.—A State, Indian Tribe, or Tribal
25 organization awarded a grant under section 3(a)(2) may

1 make subgrants to, or partner with, local or regional enti-
2 ties to carry out any activity supported by the grant in
3 accordance with this section.

4 (b) ACTIVITIES.—A grant awarded under section
5 3(a)(2) shall be used for any of the following activities:

6 (1) Activities to provide—

7 (A) pathways for child care programs oper-
8 ating legally without a child care license to ob-
9 tain such license;

10 (B) pre-licensing orientation for individuals
11 seeking a child care license;

12 (C) technical assistance throughout the
13 child care licensing process; or

14 (D) pathways to accreditation of child care
15 programs and quality improvement for such
16 programs, including entry into or improvement
17 on a tiered quality rating system described in
18 section 658G(b)(3) of the Child Care and De-
19 velopment Block Grant Act of 1990 (42 U.S.C.
20 9858e(b)(3)).

21 (2) Activities, in accordance with subsection (c),
22 to provide ongoing, job-embedded professional devel-
23 opment for child care programs, including structured
24 training, coaching, mentoring, professional develop-
25 ment visits, and peer support activities, or profes-

1 sional opportunities, to reduce isolation of child care
2 providers, including through cohort-based models.

3 (3) Activities to provide business start-up sup-
4 port for child care programs as described in sub-
5 section (d).

6 (4) Activities to improve the administration of
7 child care programs, by States, Indian Tribes, or
8 Tribal organizations, which shall include activities as
9 described in subsection (e).

10 (c) PROFESSIONAL DEVELOPMENT ACTIVITIES.—

11 (1) ACCESSIBILITY.—The professional develop-
12 ment activities described in subsection (b)(2) shall—

13 (A) be appropriate, relevant, accessible and
14 affordable for family child care providers in
15 home-based settings; and

16 (B) be culturally responsive and linguis-
17 tically appropriate for the applicable commu-
18 nity.

19 (2) ACTIVITIES.—Such professional develop-
20 ment activities may include—

21 (A) assistance for child care providers in
22 obtaining qualified, temporary substitute child
23 care or reimbursing such child care providers
24 for obtaining such child care;

1 (B) the creation, expansion, or replication
2 of staffed family child care networks;

3 (C) the creation, expansion, or replication
4 of infant-toddler specialist networks; and

5 (D) cross-sector training and partnership
6 opportunities for teachers and staff of—

7 (i) Head Start programs, including
8 Early Head Start programs, under the
9 Head Start Act;

10 (ii) early intervention programs;

11 (iii) infant and early childhood mental
12 health programs;

13 (iv) home visiting child care programs;

14 (v) State-funded pre-kindergarten and
15 preschool programs that receive funds
16 under part A of title I of the Elementary
17 and Secondary Education Act of 1965 (20
18 U.S.C. 6301 et seq.); or

19 (vi) any other child care program.

20 (d) BUSINESS START-UP ACTIVITIES.—The busi-
21 ness-start up activities described in subsection (b)(3)—

22 (1) shall—

23 (A) promote sound, sustainable business
24 practices, including business planning practices,
25 to child care programs, including through ori-

1 entations for child care programs and related
2 programs, such as the child and adult care food
3 program established under section 17 of the
4 Richard B. Russell National School Lunch Act
5 (42 U.S.C. 1766);

6 (B) provide financial aid or technical as-
7 sistance to assist child care providers in com-
8 plying with licensing requirements, or health
9 and safety requirements;

10 (C) provide technical assistance or finan-
11 cial assistance for costs associated with begin-
12 ning a business, including costs for equipment
13 or supplies, including diapers and diapering
14 supplies; and

15 (D) develop shared service models for child
16 care programs with respect to business activi-
17 ties including accounting, marketing, commu-
18 nications, health insurance, and legal support
19 activities; and

20 (2) may include activities to promote innovative
21 solutions or support the development of innovative
22 models or arrangements for child care providers,
23 such as co-located child care programs or employer-
24 sponsored child care programs, which may be identi-
25 fied through the community needs assessment con-

1 ducted by the State, Indian Tribe, or Tribal organi-
2 zation under section 6.

3 (e) IMPROVING ADMINISTRATION.—

4 (1) IN GENERAL.—The activities described in
5 subsection (b)(4) shall include activities to—

6 (A) improve data collection with respect to
7 child care services, including the collection of
8 information by States under section 658K of
9 the Child Care and Development Block Grant
10 Act of 1990 (42 U.S.C. 9858j);

11 (B) improve coordination between States
12 and Indian Tribes or Tribal organizations re-
13 ceiving assistance under such Act, the Head
14 Start Act, or this Act;

15 (C) improve coordination between States
16 and local governments with respect to licensing
17 and other regulatory requirements for child
18 care providers, and, if applicable, the State's
19 tiered quality rating system described in section
20 658G(b)(3) of the Child Care and Development
21 Block Grant Act of 1990 (42 U.S.C.
22 9858e(b)(3));

23 (D) increase interrater reliability in licens-
24 ing inspections or other evaluations of child
25 care programs by training licensing inspectors

1 of child care providers and providing such in-
2 spectors with additional professional develop-
3 ment;

4 (E) identify and eliminate barriers to child
5 care licensure, such as through reducing fees
6 for background checks, translating licensing
7 regulations into languages other than English,
8 collaborating with housing authorities or local
9 governments, or addressing other barriers that
10 may be identified through the community needs
11 assessment conducted under section 6; or

12 (F) improve the functionality of activities
13 related to State and local regulatory require-
14 ments, including requirements with respect to
15 licensing and licensing inspections, in accord-
16 ance with paragraph (2).

17 (2) FUNCTIONALITY ACTIVITIES.—The activi-
18 ties described in paragraph (1)(F) may include de-
19 veloping modern technology in accordance with para-
20 graph (3) to assist and improve with—

21 (A) outreach, including communication to
22 child care providers of—

23 (i) licensing and other regulatory re-
24 quirements described in subparagraph (K)
25 of section 658E(c)(2) of the Child Care

1 and Development Block Grant Act of 1990
2 (42 U.S.C. 9858c(c)(2)); and

3 (ii) health and safety requirements de-
4 scribed in subparagraph (I) of such sec-
5 tion;

6 (B) enforcement of the requirements de-
7 scribed in clauses (i) and (ii) of subparagraph
8 (A);

9 (C) assistance to child care providers in
10 complying with such requirements; or

11 (D) efforts to streamline State and local
12 paperwork requirements for child care providers
13 without diminishing any health and safety re-
14 quirements applicable to such providers.

15 (3) MODERN TECHNOLOGY.—Any modern tech-
16 nology developed under paragraph (2) shall—

17 (A) focus on the needs of child care pro-
18 viders subject to the requirements described in
19 clauses (i) and (ii) of paragraph (2)(A); and

20 (B) take into consideration, to the extent
21 possible, best practices related to technology de-
22 velopment practices, including user-centered de-
23 sign, as detailed in applicable Federal guide-
24 lines, such as the Digital Services Playbook.

1 **SEC. 6. COMMUNITY NEEDS ASSESSMENT.**

2 (a) IN GENERAL.—Each State, Indian Tribe, or
3 Tribal organization receiving a grant under this Act shall,
4 prior to undertaking any activity supported by such a
5 grant, conduct an assessment of the needs of the State,
6 Indian Tribe, or Tribal organization with respect to issues
7 including—

8 (1) the overall supply of child care programs,
9 including the supply of high-quality child care pro-
10 grams;

11 (2) geographic shortages and diversity of child
12 care providers;

13 (3) child care offered during nontraditional
14 hours;

15 (4) cultural and linguistic needs of children,
16 parents, and child care providers; and

17 (5) relevant trends in child care supply and de-
18 mand.

19 (b) CONSULTATION.—In preparing the needs assess-
20 ment required under subsection (a), the State, Indian
21 Tribe, or Tribal organization shall consult with parents,
22 child care stakeholder groups, relevant local governments,
23 interested businesses and employers, related professional
24 associations, and community-based organizations.

25 (c) RESULTS.—A State, Indian Tribe, or Tribal orga-
26 nization receiving a grant under this Act shall—

1 (1) use the results of the needs assessment re-
2 quired under subsection (a) to determine how to use
3 the funds awarded through such grant to address
4 the needs of children, parents, and child care pro-
5 viders; and

6 (2) to the greatest extent possible, use the
7 funds awarded through such grant in proportion to
8 the needs determined through such assessment to in-
9 crease the supply of high-quality child care, which
10 may include a focus on a particular issue described
11 in any of paragraphs (1) through (5) of subsection
12 (a).

13 **SEC. 7. ADMINISTRATIVE REQUIREMENTS.**

14 (a) **SUPPLEMENT AND NOT SUPPLANT.**—Funds
15 made available through a grant or subgrant under this Act
16 shall supplement, and not supplant, other Federal, State,
17 or local funds that are available for child care programs
18 or other family engagement programs.

19 (b) **MAINTENANCE OF EFFORT.**—A State, Indian
20 Tribe, or Tribal organization that receives funds through
21 a grant under this Act for a fiscal year shall maintain
22 the fiscal effort provided by the State, Indian Tribe, or
23 Tribal organization for the activities supported by such
24 funds at a level equal to or greater than the level of such
25 fiscal effort for the preceding fiscal year.

1 (c) VOLUNTARY PARTICIPATION.—A State, Indian
2 Tribe, or Tribal organization that receives a grant under
3 this Act shall ensure that family participation in any pro-
4 gram supported by such grant shall be voluntary and not
5 preclude the family from participating in any other Fed-
6 eral, State, or local program.

7 **SEC. 8. AUTHORIZATION OF APPROPRIATIONS.**

8 There are authorized to be appropriated such sums
9 as may be necessary to carry out this Act.

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