

# 118TH CONGRESS 1ST SESSION H.R. 2976

To increase the quality and supply of child care and lower child care costs for families.

#### IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 2023

Mr. Scott of Virginia (for himself, Ms. Wild, Ms. Bonamici, Mr. Mullin, Mr. Sarbanes, Mrs. Watson Coleman, Ms. Pingree, Mr. Castro of Texas, Mr. García of Illinois, Mr. Casten, Ms. Brownley, Mr. Johnson of Georgia, Mr. Swalwell, Mr. Carter of Louisiana, Ms. Schakowsky, Ms. Norton, Mr. Landsman, Ms. Williams of Georgia, Ms. Stevens, Mr. Cohen, Ms. Kaptur, Ms. Garcia of Texas, Mr. Keating, Ms. Titus, Ms. Underwood, Mr. Goldman of New York, Mr. Blumenauer, Mr. Sablan, Ms. Delauro, Mr. Gallego, Mr. Norcross, Ms. Salinas, Ms. Velázquez, Ms. Barragán, Ms. Jacobs, Ms. Moore of Wisconsin, Ms. Delbene, Ms. Castor of Florida, Mr. Moulton, Ms. Leger Fernandez, Mr. Kilmer, Ms. Sewell, Mr. Gottheimer, Mr. Allred, and Ms. Clark of Massachusetts) introduced the following bill; which was referred to the Committee on Education and the Workforce

## A BILL

To increase the quality and supply of child care and lower child care costs for families.

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

#### SECTION 1. SHORT TITLE.

2	This Act may be cited as the "Child Care for V	Work-
3	ing Families Act".	

## 4 TITLE I—CHILD CARE AND

### 5 EARLY LEARNING PROGRAM

#### 6 SEC. 101. BIRTH THROUGH FIVE CHILD CARE AND EARLY

#### 7 LEARNING PROGRAM.

- 8 (a) CHILD CARE DEFINITIONS.—The definitions in 9 section 658P of the Child Care and Development Block 10 Grant Act of 1990 (42 U.S.C. 9858n) shall apply to this 11 section, except as provided in subsection (b) and as other-12 wise specified.
  - (b) Additional Definitions.—In this section:
    - (1) Child care certificate.—
      - (A) IN GENERAL.—The term "child care certificate" means a certificate (that may be a check or other disbursement) that is issued by a State, Tribal, territorial, or local government under this section directly to a parent who shall use such certificate only as payment for child care services or as a deposit for child care services if such a deposit is required of other children being cared for by the provider.
        - (B) Rule.—Nothing in this section shall preclude the use of such certificates for sectarian child care services if freely chosen by the

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1	parent. For the purposes of this section, child
2	care certificates shall be considered indirect
3	Federal financial assistance to the provider.
4	(2) CHILD EXPERIENCING HOMELESSNESS.—
5	The term "child experiencing homelessness" means
6	an individual who is a homeless child or youth under
7	section 725 of the McKinney-Vento Homeless Assist-
8	ance Act (42 U.S.C. 11434a).
9	(3) Eligible activity.—The term "eligible
10	activity", with respect to a parent, shall include, at
11	minimum, activities consisting of—
12	(A) full-time or part-time employment;
13	(B) self-employment;
14	(C) job search activities;
15	(D) job training;
16	(E) secondary, postsecondary, or adult
17	education, including education through a pro-
18	gram of high school classes, a course of study
19	at an institution of higher education, classes to-
20	wards an equivalent of a high school diploma
21	recognized by State law, or English as a second
22	language classes;
23	(F) health treatment (including mental
24	health and substance use treatment) for a con-

1	dition that prevents the parent from partici-
2	pating in other eligible activities;
3	(G) activities to prevent child abuse and
4	neglect, or family violence prevention or inter-
5	vention activities;
6	(H) employment and training activities
7	under the Workforce Innovation and Oppor-
8	tunity Act (29 U.S.C. 3101 et seq.); and
9	(I) taking leave under the Family and
10	Medical Leave Act of 1993 (29 U.S.C. 2601 et
11	seq.) (or equivalent provisions for Federal em-
12	ployees), a State or local paid or unpaid leave
13	law, or a program of employer-provided leave.
14	(4) Eligible Child.—
15	(A) IN GENERAL.—The term "eligible
16	child" means an individual—
17	(i) who is less than 6 years of age;
18	(ii) who is not yet in kindergarten;
19	and
20	(iii) who—
21	(I) resides with a parent or par-
22	ents who are participating in an eligi-
23	ble activity;
24	(II) is included in a population of
25	vulnerable children identified by the

1 lead agency involved, which at a min-2 imum shall include children with dis-3 abilities, infants and toddlers with dis-4 abilities, children experiencing homelessness, children in foster care, chil-6 dren in kinship care, children in a 7 family that is eligible for assistance 8 through the special supplemental nu-9 trition program for women, infants, 10 and children established by section 17 11 of the Child Nutrition Act of 1966 12 (42 U.S.C. 1786), a household that is 13 eligible to receive assistance through 14 the supplemental nutrition assistance 15 program established under the Food 16 and Nutrition Act of 2008 (7 U.S.C. 17 2011 et seq.), or a family that is eligi-18 ble to receive assistance through the 19 program of block grants to States for 20 temporary assistance for needy fami-21 lies established under part A of title 22 IV of the Social Security Act (42) 23 U.S.C. 601 et seq.), and children who 24 are receiving, or need to receive, child 25 protective services; or

1	(III) resides with—
2	(aa) a parent who is more
3	than 65 years of age;
4	(bb) a parent who is em-
5	ployed by an eligible child care
6	provider; or
7	(cc) a parent who is enrolled
8	in high school and has not ex-
9	ceeded the maximum age of en-
10	rollment in high school.
11	(B) Longer-term period eligibility.—
12	An individual who is determined to be an eligi-
13	ble child, and is a child in foster care or a child
14	experiencing homelessness, shall not be required
15	to reverify eligibility for purposes of this title
16	during the period after the determination and
17	before the individual becomes 6 years of age or
18	enters kindergarten, whichever occurs earlier.
19	(5) Eligible Child Care Provider.—
20	(A) IN GENERAL.—The term "eligible child
21	care provider" means a center-based child care
22	provider, a family child care provider, or other
23	provider of child care services for compensation
24	that—

1	(i) is licensed to provide child care
2	services under State law applicable to the
3	child care services it provides or, in the
4	case of an Indian Tribe or Tribal organiza-
5	tion, meets the rules set by the Secretary;
6	(ii) participates in the State's tiered
7	system for recognizing and supporting the
8	quality of child care services described in
9	subsection (f)(3)(B), or, in the case of an
10	Indian Tribe or Tribal organization, meets
11	the rules set by the Secretary—
12	(I) not later than 4 years after
13	the State first receives funds under
14	this section; and
15	(II) for the remainder of the pe-
16	riod for which the provider receives
17	funds under this section; and
18	(iii) satisfies the State and local re-
19	quirements, including those requirements
20	described in section $658E(c)(2)(I)$ of the
21	Child Care and Development Block Grant
22	Act of 1990 (42 U.S.C. $9858e(e)(2)(I)$ ),
23	applicable to the child care services it pro-
24	vides.

- 1 (B) Special rule.—A child care provider 2 who is eligible to provide child care services in 3 a State for children receiving assistance under 4 the Child Care and Development Block Grant 5 Act of 1990 (42 U.S.C. 9857 et seq.) on the 6 date the State submits an application for funds 7 under this section, and remains in compliance 8 with any licensing or registration standards, or 9 regulations, of the State, shall be deemed to be 10 an eligible child care provider under this section for 3.5 years after the State first receives fund-12 ing under this section.
  - (6) FMAP.—The term "FMAP" has the meaning given the term "Federal medical assistance percentage" in the first sentence of section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)).
  - (7) Family Child Care Provider.—The term "family child care provider" means one or more individuals who provide child care services, in a private residence other than the residences of the children involved, for less than 24 hours per day per child, or for 24 hours per day per child due to the nature of the work of the parent involved.

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1	(8) Inclusive care.—The term "inclusive"
2	with respect to care (including child care), means
3	care provided by an eligible child care provider—
4	(A) for whom the percentage of children
5	served by the provider who are children with
6	disabilities or infants or toddlers with disabil-
7	ities reflects the prevalence of children with dis-
8	abilities and infants and toddlers with disabil-
9	ities (whichever the provider serves) among chil-
10	dren within the State involved; and
11	(B) that provides care and full participa-
12	tion for children with disabilities and infants
13	and toddlers with disabilities (whichever the
14	provider serves) alongside children who are—
15	(i) not children with disabilities; and
16	(ii) not infants and toddlers with dis-
17	abilities.
18	(9) Infant or toddler.—The term "infant
19	or toddler" means an individual who is less than 3
20	years of age.
21	(10) Infant or toddler with a dis-
22	ABILITY.—The term "infant or toddler with a dis-
23	ability" has the meaning given the term in section
24	632 of the Individuals with Disabilities Education
25	Act (20 U.S.C. 1432).

1	(11) Lead agency.—The term "lead agency"
2	means the agency designated under subsection (e).
3	(12) Provider Type.—The term "provider
4	type" means a type that is—
5	(A) a center-based child care provider;
6	(B) a family child care provider; or
7	(C) another non-center-based child care
8	provider.
9	(13) Staffed family child care net-
10	WORK.—The term "staffed family child care net-
11	work" means a nonprofit organization—
12	(A) that may be a component of a child
13	care resource and referral organization;
14	(B) that has at least one paid staff mem-
15	ber; and
16	(C) that offers evidence-based professional
17	development, quality improvement support,
18	business support, and technical assistance, in-
19	cluding on achieving licensure as a child care
20	provider, to family child care providers.
21	(14) STATE.—The term "State" means any of
22	the 50 States and the District of Columbia.
23	(15) Territory.—The term "territory" means
24	the Commonwealth of Puerto Rico, the Virgin Is-
25	lands of the United States, Guam, American Samoa,

and the Commonwealth of the Northern Mariana Islands.

#### (c) APPROPRIATIONS.—

- (1) Entitlement.—In addition to amounts otherwise available, there is appropriated to the Department of Health and Human Services, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for each of fiscal years 2024 through 2029, for payments to States, territories, and Indian Tribes and Tribal organizations, and for carrying out this section (other than carrying out activities described in paragraph (2) or (3)).
- (2) Grants to localities; Awards to Head Start agencies described in subsection (i).
- (3) Federal administration.—In addition to amounts otherwise available, there is appropriated to the Department of Health and Human Services for

- 1 fiscal year 2024, out of any money in the Treasury
- 2 not otherwise appropriated, \$1,300,000,000, to re-
- 3 main available until September 30, 2029, to carry
- 4 out subsections (k) and (l).
- 5 (d) Establishment of Birth Through Five
- 6 CHILD CARE AND EARLY LEARNING ENTITLEMENT PRO-
- 7 GRAM.—
- 8 (1) In general.—The Secretary is authorized
- 9 to administer a child care and early learning entitle-
- ment program under which an eligible child, in a
- 11 State, territory, or Indian Tribe, or served by a
- 12 Tribal organization with an approved application
- under subsection (f) or (g), shall be provided an op-
- portunity to obtain high-quality child care services,
- subject to the requirements of this section.
- 16 (2) Assistance for every eligible
- 17 CHILD.—Beginning on October 1, 2024, every child
- who applies for assistance under this section, who is
- in a State with an approved application under sub-
- section (f), or in a territory or Indian Tribe or
- served by a Tribal organization with an approved
- application under subsection (g), and who is deter-
- 23 mined, by a lead agency (or other entity designated
- by a lead agency) for the State, territory, Indian
- Tribe, or Tribal organization involved, following

- 1 standards and procedures established by the Sec-
- 2 retary by rule, to be an eligible child, shall be offered
- and shall be entitled to receive assistance for direct
- 4 child care services in accordance with and subject to
- 5 the requirements and limitations of this section.
- 6 (e) Lead Agency.—The Governor of a State or the
- 7 head of a territory or Indian Tribe, desiring for the State,
- 8 territory, or Indian tribe or a related tribal organization
- 9 to receive a payment under this section, shall designate
- 10 a lead agency (such as a State agency or joint interagency
- 11 office) to administer the child care program carried out
- 12 under this section.

#### 13 (f) APPLICATIONS AND STATE PLANS.—

- 14 (1) APPLICATION.—To be eligible to receive as-15 sistance under this section, a State shall prepare 16 and submit to the Secretary for approval an applica-17 tion containing a State plan that meets the require-18 ments under paragraph (3) and contains that infor-
- mation.
- 20 (2) Period Covered by Plan.—A State plan
- 21 contained in the application shall be designed to be
- implemented during a period of not more than 3
- 23 years.
- 24 (3) REQUIREMENTS FOR STATE PLANS.—The
- 25 Secretary shall award funds under this section to

1	States with an approved application that contains a
2	State plan, submitted under paragraph (1), at such
3	time, in such manner, and containing such informa-
4	tion as the Secretary shall by rule require, including,
5	at a minimum, the following:
6	(A) PAYMENT RATES AND COST ESTI-
7	MATION.—
8	(i) PAYMENT RATES.—The State plan
9	shall certify that payment rates for the
10	provision of direct child care services for
11	which assistance is provided in accordance
12	with this section for the period covered by
13	the plan, within 3 years after the State
14	first receives funds under this section—
15	(I) will be sufficient to meet the
16	cost of child care (including fixed
17	costs such as rent or mortgage and
18	salaries), and set (with pay being
19	paid) in accordance with a cost esti-
20	mation model or cost study described
21	in clause (ii) that is approved by the
22	Secretary; and
23	(II) will correspond to differences
24	in quality (including improved quality)
25	based on the State's tiered system for

1	recognizing and supporting the quality
2	of child care services described in sub-
3	paragraph (B).
4	(ii) Cost Estimation.—Such State
5	plan shall—
6	(I) demonstrate that the State
7	has, after consulting with the entities
8	and administrators described in sub-
9	clause (II), developed and uses a sta-
10	tistically valid and reliable cost esti-
11	mation model or cost study for the
12	payment rates for direct child care
13	services in the State (that are suffi-
14	cient to cover providers' fixed costs
15	and take into account payments made
16	through BASE grants under title II),
17	for the cost of child care at each of
18	the tiers of the State's tiered system
19	for recognizing and supporting the
20	quality of child care services described
21	in subparagraph (B), and for vari-
22	ations in the cost of direct child care
23	services by geographic area, provider
24	type, and age of child, and the addi-

1	tional costs associated with providing
2	inclusive care;
3	(II) certify that the entities and
4	administrators consulted included the
5	State Advisory Council on Early
6	Childhood Education and Care des-
7	ignated or established in section
8	642B(b)(1)(A)(i) of the Head Start
9	Act (42 U.S.C. 9837b(b)(1)(A)(i))
10	(including State Head Start collabora-
11	tion office directors), administrators
12	of local child care programs and Head
13	Start agencies, organizations rep-
14	resenting child care directors, teach-
15	ers, and other staff, local child care
16	resource and referral organizations,
17	organizations representing parents of
18	children with disabilities and parents
19	of infants and toddlers with disabil-
20	ities, the State interagency coordi-
21	nating council established under sec-
22	tion 641 of the Individuals with Dis-
23	abilities Education Act (20 U.S.C.
24	1441), the State advisory panel estab-
25	lished under section 612(a)(21) of the

1	Individuals with Disabilities Edu-
2	cation Act (20 U.S.C. 1412(a)(21)),
3	and other appropriate entities;
4	(III) certify that the State—
5	(aa) not later than 30 days
6	after finalizing the cost esti-
7	mation model or cost study, pub-
8	lished a detailed report con-
9	taining the child care costs esti-
10	mated with the cost estimation
11	model or cost study, and includ-
12	ing an explanation detailing how
13	the wage requirements described
14	in subclause (IV)(cc) were ap-
15	plied in the estimation of such
16	costs; and
17	(bb) not later than 60 days
18	after publishing the report, estab-
19	lished a system to receive public
20	comment on the report about
21	making changes to the cost esti-
22	mation model or cost study, pro-
23	vided an opportunity for the pub-
24	lie to comment on the report
25	through that system, and sub-

1 mitted the report to the Sec-
2 retary; and
3 (IV) certify that the State's pay-
4 ment rates for direct child care serv-
5 ices for which assistance is provided
6 in accordance with this section—
7 (aa) are set (with pay being
8 paid) in accordance with the
9 most recent estimates from the
most recent cost estimation
model or cost study under sub-
clause (I), so that providers at
each tier of the tiered system for
recognizing and supporting the
quality of child care services de-
scribed in subparagraph (B) re-
ceive a payment that is sufficient
to fully meet the requirements of
such tier;
(bb) are set so as to provide
payments to providers not at the
top tier of the tiered system that
are sufficient to enable the pro-
viders to increase quality to meet

1	the requirements for the next
2	tier;
3	(cc) ensure adequate wages
4	for staff of child care providers
5	providing such direct child care
6	services that—
7	(AA) at a minimum,
8	provide a living wage for all
9	staff of such child care pro-
10	viders; and
11	(BB) are equivalent to
12	wages for elementary edu-
13	cators with similar creden-
14	tials and experience in the
15	State; and
16	(dd) are adjusted on an an-
17	nual basis for cost-of-living in-
18	creases to ensure those payment
19	rates remain sufficient to meet
20	the requirements of this section;
21	(V) certify that the State will up-
22	date, not less often than once every 3
23	years, the cost estimation model or
24	cost study, following the process and

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1	in accordance with the requirements
2	of this subparagraph; and
3	(VI) certify that the State has es-
4	tablished a system for appeals of the
5	child care costs estimated with the
6	cost estimation model or cost study.
7	(iii) Payment practices.—Such
8	State plan shall include an assurance that
9	the State will implement payment practices
10	that support the fixed costs of providing
11	direct child care services.

(B) Tiered system for recognizing AND SUPPORTING THE QUALITY OF CHILD CARE SERVICES.—Such State plan shall certify that the State has implemented, or assure that the State will develop or revise within 3 years after first receiving funds under this section, with input (from early childhood education and development experts, from a diverse group of child care providers of a variety of provider types, from families, and from organizations representing child care directors, teachers, and other staff), a tiered system for recognizing and supporting the quality of child care services for which assistance is made available under this

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1	section, and that are inclusive and appropriate
2	for such child care providers. Such tiered sys-
3	tem shall—
4	(i) include a set of standards, for de-
5	termining the tier of quality of a child care
6	provider, that—
7	(I) uses standards for a highest
8	tier that at a minimum are equivalent
9	to Head Start program performance
10	standards described in section
11	641A(a)(1)(B) of the Head Start Act
12	(42 U.S.C. 9836a(a)(1)(B)) or other
13	equivalent evidence-based standards
14	approved by the Secretary;
15	(II) includes quality indicators
16	and thresholds that are appropriate
17	for child development for different
18	types of provider types, including cen-
19	ter-based child care providers and
20	family child care providers, and are
21	appropriate for providers serving dif-
22	ferent age groups (including mixed
23	age groups) of children; and
24	(III) aligns standards for the
25	lowest tier with State licensing re-

1	quirements for child care providers
2	described in subparagraph (K);
3	(ii) include a different set of stand-
4	ards that includes indicators, when appro-
5	priate, for care during nontraditional hours
6	of operation; and
7	(iii) provide for sufficient resources
8	and supports for child care providers at
9	tiers lower than the highest tier to facili-
10	tate progression toward meeting higher
11	quality standards.
12	(C) Achieving high quality for all
13	CHILDREN.—Such State plan shall certify the
14	State has implemented, or will implement with-
15	in 3 years after first receiving funds under this
16	section, policies and financing practices that
17	will ensure all eligible children can choose to at-
18	tend child care with services at the highest
19	quality tier within 10 years after the date of en-
20	actment of this Act.
21	(D) Number and percentage of pro-
22	VIDERS AT EACH TIER.—Such plan shall pro-
23	vide information on the number and percentage
24	of eligible child care providers with services at
25	each tier of the State's tiered system for recog-

nizing and supporting the quality of child care services described in subparagraph (B), in total and disaggregated by geographic area, by provider race and ethnicity, and by race and ethnicity and age of the children served, unless the disaggregation involved would reveal personally identifiable information about an individual provider or child.

- (E) COMPENSATION.—Such plan shall provide a certification that the State has or will have within 3 years after first receiving funds under this section, a wage ladder for staff of eligible child care providers receiving assistance under this section, including a certification that wages for such staff, at a minimum, will meet the requirements of subparagraph (A)(ii)(IV)(cc).
- (F) SLIDING FEE SCALE FOR COPAY-MENTS.—
  - (i) IN GENERAL.—Except as provided in clause (ii)(I), the State plan shall provide an assurance that the State will for the period covered by the plan use a sliding fee scale, which shall gradually increase copayments as a percentage of fam-

1	ily income for families with greater family
2	incomes as described in clause (ii), to de-
3	termine a copayment for a family receiving
4	assistance under this section (or, for a
5	family receiving part-time care, a reduced
6	copayment that is the proportionate
7	amount of the full copayment).
8	(ii) Sliding fee scale.—A full co-
9	payment described in clause (i) shall be de-
10	termined using a sliding fee scale that pro-
11	vides that, for a family with a family in-
12	come—
13	(I) of not more than 85 percent
14	of State median income for a family
15	of the same size, the family shall not
16	pay a copayment, toward the cost of
17	the child care involved for all eligible
18	children in the family;
19	(II) of more than 85 percent but
20	not more than 100 percent of State
21	median income for a family of the
22	same size, the copayment shall be
23	more than 0 but not more than 2 per-
24	cent of that family income, toward

such cost for all such children;

1	(III) of more than 100 percent
2	but not more than 125 percent of
3	State median income for a family of
4	the same size, the copayment shall be
5	more than 2 but not more than 4 per-
6	cent of that family income, toward
7	such cost for all such children;
8	(IV) of more than 125 percent
9	but not more than 150 percent of
10	State median income for a family of
11	the same size, the copayment shall be
12	more than 4 but not more than 7 per-
13	cent of that family income, toward
14	such cost for all such children; and
15	(V) of more than 150 percent of
16	the State median income for a family
17	of the same size, the copayment shall
18	be 7 percent of that family income, to-
19	ward such cost for all such children.
20	(G) Prohibition on Charging More
21	THAN COPAYMENT.—The State plan shall cer-
22	tify that, after the State develops and uses the
23	cost estimation model or cost study described in
24	subparagraph (A)(ii), the State will not permit
25	a child care provider receiving financial assist-

1	ance under this section to charge, for direct
2	child care services for an eligible child, more
3	than the total of—
4	(i) the financial assistance provided
5	for the child under this section; and
6	(ii) any applicable copayment pursu-
7	ant to subparagraph (F).
8	(H) REDUCTION OF BARRIERS.—The State
9	plan shall assure that each child who receives
10	assistance under this section will be considered
11	to meet all eligibility requirements for such as-
12	sistance, and will receive such assistance, for
13	not less than 12 months unless the child has
14	aged out of the program, and the child's eligi-
15	bility determination and redetermination, in-
16	cluding any determination based on the State's
17	definition of eligible activities, shall be imple-
18	mented in a manner that supports child well-
19	being and reduces barriers to enrollment, in-
20	cluding continuity of services.
21	(I) Policies to support access to
22	CHILD CARE FOR UNDERSERVED POPU-
23	LATIONS.—The State plan shall demonstrate
24	that the State will prioritize increasing access

to, and the quality and the supply of, child care

in the State for underserved populations, including at a minimum, children from low-income families, children in underserved areas, infants and toddlers, children with disabilities and infants and toddlers with disabilities, children who are dual language learners, children experiencing homelessness, children in foster or kinship care, children who receive care during non-traditional hours, and vulnerable children as defined by the lead agency pursuant to subsection (b)(4)(A)(iii)(II).

(J) Policies.—The State plan shall include a certification that the State will apply, under this section, the policies and procedures described in subparagraphs (A), (B), (I), (J), (K)(i), (R), and (U) of section 658E(c)(2) of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858c(c)(2)), and the policies and procedures described in section 658H of such Act (42 U.S.C. 9858f), to child care services provided under this section.

#### (K) Licensing.—

(i) Consultation.—The State plan shall demonstrate that the State has consulted or will consult with organizations

1 (including labor organizations and child 2 care and early learning organizations) rep-3 resenting eligible child care providers (in-4 cluding family child care providers), child associations, child care directors, 6 teachers, or other staff (including direc-7 tors, teachers, or staff from child care pro-8 viders serving higher proportions of under-9 served populations as identified under sub-10 paragraph (I)), early childhood education 11 and development experts, maternal and 12 child health experts, and families in the de-13 velopment of licensing standards described 14 in this subparagraph, including identifying 15 barriers to such licensing for child care 16 providers who are exempt from such licens-17 ing under the Child Care and Development 18 Block Grant of 1990 (42 U.S.C. 9857 et 19 seq.).

#### (ii) Licensing standards.—

(I) IN GENERAL.—The State plan shall certify that the State will develop or revise, within 2.5 years after first receiving funds under this section, licensing standards appro-

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1 priate for child care providers of a va-
2 riety of provider types and provider
3 sizes (which may, when appropriate,
4 include a different set of licensing
5 standards with respect to care during
6 nontraditional hours of operation) and
a pathway to licensure described in
8 this clause that is available to and ap-
9 propriate for such child care pro-
0 viders, that will offer providers eligible
1 under the Child Care and Develop-
2 ment Block Grant Act of 1990 (42
3 U.S.C. 9857 et seq.) a reasonable
4 pathway to become eligible providers
5 under this section, and that will as-
6 sure an adequate supply of child care.
7 (II) Determination.—For pur-
8 poses of subclause (I), provider size
9 shall be determined by measuring the
number of children served by the pro-
vider.
(iii) Timeline.—Such plan shall de-
scribe the timeline the State will use to en-
sure sufficient time for providers described
in subsection (b)(5)(B) to comply with

1	such licensing standards in order to remain
2	eligible providers after 3.5 years after the
3	State first receives funding under this sec-
4	tion.
5	(iv) Financial support for pro-
6	VIDERS.—Such plan shall describe how the
7	State will use funds reserved under sub-
8	section (h)(3)(A) to enable a variety of
9	provider types to achieve licensure, includ-
10	ing paying for the costs of required back-
11	ground checks, health screening, and initial
12	and ongoing training, and other costs asso-
13	ciated with achieving licensure.
14	(L) Prohibition on suspensions, ex-
15	PULSIONS, AND AVERSIVE BEHAVIORAL INTER-
16	VENTIONS.—The State plan shall provide an as-
17	surance that the State will—
18	(i) provide assistance to carry out this
19	section only to eligible child care providers
20	that prohibit—
21	(I) the use of suspension and ex-
22	pulsion of children; and
23	(II) the use of aversive behavioral
24	interventions; and

(ii) provide training resources to eligible child care providers and information to families to support the prohibition of practices described in subclauses (I) and (II) of clause (i).

(M) MULTITIERED SYSTEMS OF SUP-PORT.—The State plan shall provide an assurance that the State will provide assistance to eligible child care providers to implement multitiered systems of support such as systems with positive behavioral interventions and supports, infant and early childhood mental health consultation and trauma-informed care that promote positive social and emotional development and reduce challenging behaviors.

#### (N) Enrollment practices.—

(i) IN GENERAL.—The State plan shall describe how the lead agency will ensure that families have access to a low-barrier enrollment (including re-enrollment) process that is accessible to and minimizes burdens for families with diverse characteristics, by implementing activities such as allowing for simplified enrollment for siblings, coordinating with other State agen-

cies to streamline enrollment processes
across public assistance programs, requiring minimal paperwork, allowing for enrollment through a State or local website, and
providing flexible submission deadlines.

graph, the term "family with diverse characteristics" includes families with adults with disabilities, with children with disabilities, or with infants and toddlers with disabilities, families experiencing homelessness, families with limited access to internet connectivity, families living in rural areas, families of dual language learners, and families with children in underserved populations identified under subparagraph (I).

(O) Implementation for Low-Income Families.—The State plan shall include a certification that the applicant, not later than October 1, 2024, will provide assistance described in subsection (d)(2) to every child in the State who is described in that subsection, and is from a family with a family income of not more than 85 percent of the State median income for a

1	family of the same size, before the applicant ex-
2	pands the program involved to provide such as-
3	sistance to children from additional families.
4	(g) Payments.—
5	(1) In general.—For each of fiscal years
6	2024 through 2029:
7	(A) CHILD CARE ASSISTANCE FOR ELIGI-
8	BLE CHILDREN.—
9	(i) In general.—The Secretary shall
10	pay to each State with an approved appli-
11	cation under subsection (f), and that State
12	shall be entitled to, an amount for each
13	quarter equal to 90 percent of expendi-
14	tures (which shall be the Federal share of
15	such expenditures) in the quarter for direct
16	child care services described under sub-
17	section $(h)(2)$ for eligible children.
18	(ii) Exception.—Funds reserved
19	from the total under subsection (h)(3)
20	shall be subject to subparagraph (B).
21	(iii) Prohibition.—Activities de-
22	scribed in subparagraph (B) or (C) may
23	not be included in the cost of direct child
24	care services described in this subpara-
25	graph.

- 1 (B) ACTIVITIES TO IMPROVE THE QUALITY 2 AND SUPPLY OF CHILD CARE SERVICES.—The 3 Secretary shall pay to each State with such an 4 approved application, and that State shall be entitled to, the FMAP of expenditures (which 6 shall be the Federal share of such expenditures) 7 to carry out activities to improve the quality 8 and supply of child care services under sub-9 section (h)(3) subject to the limit specified in 10 subparagraph (A) of such subsection. 11
  - (C) ADMINISTRATION.—The Secretary shall pay to each State with such an approved application, and that State shall be entitled to, an amount equal to 50 percent of expenditures (which shall be the Federal share of such expenditures) for the costs of administration incurred by the State—
    - (i) which shall include costs incurred by the State in carrying out the child care program established in this section; and
    - (ii) which may include, at the option of the State, costs associated with carrying out requirements, policies, and procedures described in section 658H of the Child

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Care and Development Block Grant Act of 1990 (42 U.S.C. 9858f).

(2) ADVANCE PAYMENT; RETROSPECTIVE ADJUSTMENT.—For each of fiscal years 2024 through 2029, the Secretary shall make payments under this subsection for a period on the basis of advance estimates of expenditures submitted by the State and such other investigation as the Secretary may find necessary, and shall reduce or increase the payments as necessary to adjust for any overpayment or underpayment for previous periods. No interest shall be charged or paid on any amount due because of an overpayment or underpayment for previous periods.

#### (3) Territories and tribes.—

(A) In General.—For each of fiscal years 2024 through 2029, from amounts appropriated under subsection (c)(1) the Secretary shall make payments to territories, and Indian Tribes and Tribal organizations, as the case may be, with applications submitted as described in subparagraph (B), and approved by the Secretary for the purpose of carrying out the child care program described in this section, consistent, to the extent practicable as deter-

1	mined by the Secretary (subject to subsection
2	(d)(2)), with the requirements applicable to
3	States.
4	(B) Applications.—
5	(i) Tribal applications.—An In-
6	dian Tribe or Tribal organization seeking a
7	payment under this paragraph shall submit
8	an application to the Secretary at such
9	time, in such manner, and containing such
10	information as the Secretary may specify,
11	including—
12	(I) a certification described in
13	subsection (f)(3)(O), except that each
14	reference in the subsection to "child
15	in the State" shall be considered to be
16	a reference to "child served by the In-
17	dian Tribe or Tribal organization, as
18	the case may be,"; and
19	(II) an agreement to collect data
20	and provide reports under subsection
21	(n).
22	(ii) Territorial applications.—A
23	territory seeking a payment under this
24	paragraph shall submit an application to
25	the Secretary at such time, in such man-

1	ner, and containing such information as
2	the Secretary may specify, including—
3	(I) a certification described in
4	subsection (f)(3)(O), except that each
5	reference in the subsection to "child
6	in the State" shall be considered to be
7	a reference to "child in the territory";
8	and
9	(II) an agreement to collect data
10	and provide reports under subsection
11	(n).
12	(C) Amount.—The Secretary shall make
13	the payments to the territories, Indian Tribes,
14	and Tribal organizations described in subpara-
15	graph (A) on the basis of their relative need.
16	Each entity that is such a territory, Indian
17	Tribe, or Tribal organization shall be entitled to
18	such a payment as may be necessary to carry
19	out the activities described in subsection (h),
20	and to pay for the costs of administration in-
21	curred by the entity, which shall include costs
22	incurred by the entity in carrying out the child
23	care program, and which may include, at the
24	option of the entity, costs associated with car-
25	rying out requirements, policies, and procedures

described in section 658H of the Child Care and Development Block Grant Act of 1990.

## (h) Use of Funds.—

- (1) IN GENERAL.—Starting on October 1, 2024, a State shall use amounts provided to the State under subsection (g) for direct child care services (provided on a sliding fee scale basis), activities to improve the quality and supply of child care services consistent with paragraph (3), and State administration consistent with subsection (g)(1)(C).
- (2) CHILD CARE ASSISTANCE FOR ELIGIBLE CHILDREN.—
  - (A) In General.—For each of fiscal years 2024 through 2029, from payments made to the State under subsection (g) for that particular fiscal year, the State shall ensure that parents of eligible children can access direct child care services provided by an eligible child care provider under this section through a grant or contract as described in subparagraph (B) or a certificate as described in subparagraph (C).
  - (B) Grants and contracts.—The State shall award grants or contracts to eligible child care providers, consistent with the requirements

under this section, for the provision of child care services for eligible children under this section that, at a minimum, support providers' operating expenses to meet and sustain health, safety, quality, and wage standards required under this section.

- (C) CERTIFICATES.—The State shall issue a child care certificate directly to a parent who shall use such certificate only as payment for direct child care services or as a deposit for direct child care services if such a deposit is required of other children being cared for by the provider, consistent with the requirements under this section.
- (3) ACTIVITIES TO IMPROVE THE QUALITY AND SUPPLY OF CHILD CARE SERVICES.—

### (A) QUALITY CHILD CARE ACTIVITIES.—

(i) Amount.—For each of fiscal years 2024 through 2029, from the total of the payments made to the State for a particular fiscal year, the State shall reserve and use a quality child care amount equal to not less than 5 percent and not more than 10 percent of the amount made avail-

l	able to the State through such payments
2	for the previous fiscal year.
3	(ii) Use of quality child care
4	AMOUNT.—Each State shall use the quality
5	child care amount described in clause (i) to
6	implement activities described in this para-
7	graph to improve the quality and supply of
8	child care services by eligible child care
9	providers, and increase the number of
10	available slots in the State for child care
11	services funded under this section,
12	prioritizing assistance for child care pro-
13	viders who are in underserved communities
14	and who are providing, or are seeking to
15	provide, child care services for underserved
16	populations identified under subsection
17	(f)(3)(I).
18	(iii) Administration.—Activities
19	funded under this paragraph may be ad-
20	ministered—
21	(I) directly by the lead agency; or
22	(II) through other State govern-
23	ment agencies, local or regional child
24	care resource and referral organiza-
25	tions, community development finan-

1	cial institutions, other intermediaries
2	with experience supporting child care
3	providers, or other appropriate enti-
4	ties that enter into a contract with the
5	State to provide such assistance.
6	(B) QUALITY AND SUPPLY ACTIVITIES.—
7	Activities funded under the quality child care
8	amount described in subparagraph (A) shall in-
9	clude each of the following:
10	(i) Startup grants and supply ex-
11	PANSION GRANTS.—
12	(I) In general.—From a por-
13	tion of the quality child care amount,
14	a State shall make startup and supply
15	expansion grants to support child care
16	providers who are providing, or seek-
17	ing to provide, child care services to
18	children receiving assistance under
19	this section, with priority for pro-
20	viders providing or seeking to provide
21	child care in underserved communities
22	and for underserved populations iden-
23	tified under subsection (f)(3)(I), to—
24	(aa) support startup and ex-
25	pansion costs; and

1	(bb) assist such providers in
2	meeting health and safety re-
3	quirements, achieving licensure,
4	conducting background checks,
5	and meeting requirements in the
6	State's tiered system for recog-
7	nizing and supporting the quality
8	of child care services described in
9	subsection $(f)(3)(B)$ .
10	(II) REQUIREMENT.—As a condi-
11	tion of receiving a startup or supply
12	expansion grant under this clause, a
13	child care provider shall commit to
14	meeting the requirements of an eligi-
15	ble provider under this section, and
16	providing child care services to chil-
17	dren receiving assistance under this
18	section on an ongoing basis.
19	(ii) Quality grants.—From a por-
20	tion of the quality child care amount, a
21	State shall provide quality grants to sup-
22	port eligible child care providers in pro-
23	viding child care services to children receiv-
24	ing assistance under this section to im-

1 pro	ve the quality of such providers, includ-
2 ing-	
3	(I) supporting such providers in
4	meeting or making progress toward
5	the requirements for the highest tier
6	of the State's tiered system for recog-
7	nizing and supporting the quality of
8	child care services described in sub-
9	section (f)(3)(B); and
10	(II) supporting such providers in
11	sustaining child care quality, including
12	supporting increased wages for staff
13	and supporting payment of fixed
14	costs.
15	(iii) Facilities grants.—From a
16 por	tion of the quality child care amount, a
17 Sta	te shall provide support, including
18 thre	ough awarding facilities grants, for an
19 acti	vity (referred to in this subparagraph
20 as	a "covered activity") consisting of re-
21 mod	deling, renovation, or repair of a build-
ing	or facility, or for construction, perma-
23 nen	t improvement, or major renovation of
24 a k	ouilding or facility primarily used for

1	providing direct child care services, in ac-
2	cordance with the following:
3	(I) RECIPIENTS.—The facilities
4	grants shall be awarded to eligible
5	child care providers with submitted or
6	approved applications under sub-
7	section (f) or (g) or to intermediaries
8	with experience supporting child care
9	providers in order to enable the inter-
10	mediaries to assist such eligible child
11	care providers with covered activities.
12	(II) Eligibility.—To be eligible
13	to receive funds through a facilities
14	grant under this clause, a child care
15	provider shall enter into an agreement
16	with the State in which the provider
17	commits to use the funds only after
18	obtaining approval of an application
19	under subsection (f) or (g) and com-
20	mits to provide child care services to
21	children receiving assistance under
22	this section on an ongoing basis.
23	(III) Federal interest appli-
24	Cation.—Provisions of Federal law
25	relating to a Federal interest in a

1	building or facility shall not apply to
2	a covered activity for privately owned
3	family child care homes under this
4	clause.
5	(IV) Federal interest dura-
6	TION.—The Secretary shall not retain
7	a Federal interest after a period of 10
8	years in any building, or facility, at
9	which a covered activity was carried
10	out with funds awarded under this
11	clause.
12	(V) Religious buildings and
13	FACILITIES.—Eligible child care pro-
14	viders may not use funds for buildings
15	or facilities that are used primarily
16	for sectarian instruction or religious
17	worship.
18	(VI) FAMILY CHILD CARE
19	Homes.—The Secretary shall develop
20	parameters on the use of funds under
21	this clause for family child care
22	homes.
23	(iv) State activities to improve
24	THE QUALITY OF CHILD CARE SERVICES.—
25	A State shall use a portion of the quality

1	child care amount to improve the quality of
2	child care services available under this sec-
3	tion, which shall include—
4	(I) supporting the training and
5	professional development of the early
6	childhood workforce, including sup-
7	porting degree attainment and
8	credentialing for early childhood edu-
9	cators;
10	(II) developing, implementing, or
11	revising the State's tiered system for
12	recognizing and supporting the quality
13	of child care services described in sub-
14	section $(f)(3)(B)$ ;
15	(III) improving the supply and
16	quality of developmentally appropriate
17	and inclusive child care programs and
18	services for underserved populations
19	identified under subsection (f)(3)(I);
20	(IV) improving access to child
21	care services for vulnerable children
22	as defined by the lead agency pursu-
23	ant to subsection (b)(4)(A)(iii)(II);

1	(V) providing outreach and en-
2	rollment support for families of eligi-
3	ble children;
4	(VI) supporting eligible child care
5	providers to eliminate use of suspen-
6	sions, expulsions, and aversive behav-
7	ioral interventions, including through
8	adaptations and interventions by spe-
9	cial educators, mental health consult-
10	ants, and other community resource
11	personnel, such as behavior coaches,
12	psychologists, and other appropriate
13	specialists, and through the provision
14	of mental health services for the pro-
15	viders;
16	(VII) promoting multitiered sys-
17	tems of support such as systems with
18	positive behavioral interventions and
19	supports and trauma-informed care
20	that promote positive social and emo-
21	tional development and reduce chal-
22	lenging behaviors;
23	(VIII) offering training, coach-
24	ing, or professional development op-
25	portunities for eligible child care pro-

1	viders that relate to the use of evi-
2	dence-based, developmentally appro-
3	priate and age-appropriate strategies
4	to promote the social, emotional,
5	physical, adaptive, communication,
6	and cognitive development of children;
7	(IX) improving coordination be-
8	tween States and local governments
9	with respect to licensing and other
10	regulatory requirements for eligible
11	child care providers;
12	(X) increasing interrater reli-
13	ability concerning licensing inspections
14	or other evaluations of eligible child
15	care providers by training licensing in-
16	spectors of the providers and pro-
17	viding such inspectors with additional
18	professional development;
19	(XI) identifying and eliminating
20	barriers to licensure of eligible child
21	care providers, such as through reduc-
22	ing fees for background checks, trans-
23	lating licensing regulations into lan-
24	guages other than English, and col-

1	laborating with housing agencies or
2	local governments; and
3	(XII) establishing or supporting
4	a system of local or regional child care
5	resource and referral organizations
6	that is coordinated, to the extent de-
7	termined appropriate by the State, by
8	a statewide public or private non-
9	profit, community-based or regionally
10	based, lead child care resource and re-
11	ferral organization, as described in
12	section 658E(c)(3)(B)(iii) of the Child
13	Care and Development Block Grant
14	Act of 1990 (42 U.S.C.
15	9858c(c)(3)(B)(iii)).
16	(v) Technical assistance.—From a
17	portion of the quality child care amount
18	described in subparagraph (A), the State,
19	in coordination with local governments and
20	staffed family child care networks as ap-
21	propriate, shall provide technical assistance
22	to increase the supply of eligible child care
23	providers in the State, such as—
24	(I) providing business startup
25	support;

1	(II) conducting outreach to re-
2	cruit new child care providers and in-
3	form such providers about the oppor-
4	tunities provided under this title, in-
5	cluding support for participation in
6	the tiered system for recognizing and
7	supporting the quality of child care
8	services described in subsection
9	(f)(3)(B);
10	(III) providing support to enable
11	providers to achieve licensure (includ-
12	ing providing support for child care
13	providers operating legally without a
14	child care license to obtain such li-
15	cense, such as providing, for individ-
16	uals seeking a child care license, pre-
17	licensing orientation and technical as-
18	sistance throughout the child care li-
19	censing process);
20	(IV) offering orientations for new
21	child care providers including orienta-
22	tions explaining support under pro-
23	grams such as the child and adult
24	care food program established under

section 17 of the Richard B. Russell

1	National School Lunch Act (42
2	U.S.C. 1766); and
3	(V) supporting the development
4	of shared service models for child care
5	programs.
6	(i) Grants to Localities and Awards to Head
7	START PROGRAMS.—
8	(1) Eligible locality defined.—In this
9	subsection, the term "eligible locality" means a city,
10	county, or other unit of general local government.
11	(2) Grants to localities.—
12	(A) IN GENERAL.—The Secretary shall use
13	funds appropriated under subsection $(c)(2)$ to
14	award local Birth Through Five Child Care and
15	Early Learning Grants, as determined by the
16	Secretary, to eligible localities located in States
17	that have not received payments under sub-
18	section (g). The Secretary shall award the
19	grants to eligible localities in such a State from
20	the allotment made for that State under sub-
21	paragraph (B).
22	(B) Allotments.—
23	(i) POVERTY LINE DEFINED.—In this
24	subparagraph, the term "poverty line"
25	means the poverty line defined and revised

as described in section 673 of the Community Services Block Grant Act (42 U.S.C. 3 9902).

(ii) GENERAL AUTHORITY.—For each State described in subparagraph (A), the Secretary shall allot for the State for a fiscal year an amount that bears the same relationship to the funds appropriated under subsection (c)(2) and available to carry out this paragraph for the fiscal year as the number of children from families with family incomes that are at or below 200 percent of the poverty line, and who are under the age of 6, in the State bears to the total number of all such children in all States described in subparagraph (A).

(C) APPLICATION.—To receive a grant from the corresponding State allotment under subparagraph (B), an eligible locality shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. The requirements for the application shall, to the greatest extent practicable, be consistent with

the State plan requirements applicable to States
under subsection (f).

- (D) REQUIREMENTS.—The Secretary shall specify the requirements for an eligible locality to provide access to child care, which child care requirements shall, to the greatest extent practicable, be consistent with the requirements applicable to States under this section.
- (E) RECOUPMENT OF UNUSED FUNDS.—
  Notwithstanding any other provision of this section, for each of fiscal years 2025 through 2029, the Secretary shall have the authority to recoup any unused funds allotted under subparagraph (B) for awards under paragraph (3)(A) to Head Start agencies in accordance with paragraph (3).
- (3) Head start expansion in nonparticipating states.—
  - (A) IN GENERAL.—The Secretary shall use funds appropriated under subsection (c)(2) or recouped under paragraph (2) to make awards to Head Start agencies in a State described in paragraph (2)(A) to carry out the purposes of the Head Start Act (42 U.S.C. 9831 et seq.) in such State.

- 1 (B) RULE.—For purposes of carrying out
  2 the Head Start Act in circumstances not involv3 ing awards under this paragraph, funds award4 ed under subparagraph (A) shall not be in5 cluded in the calculation of a "base grant" as
  6 such term is defined in section 640(a)(7)(A) of
  7 the Head Start Act (42 U.S.C. 9835(a)(7)(A)).
  - (C) DEFINITION.—In this paragraph, the term "Head Start agency" means an entity designated or eligible to be designated as a Head Start agency under section 641(a)(1) of the Head Start Act (42 U.S.C. 9836(a)(1)) or as an Early Head Start agency (by receiving a grant) under section 645A(a) of such Act (42 U.S.C. 9840a).
  - (4) PRIORITY FOR SERVING UNDERSERVED POPULATIONS.—In making determinations to award a grant or make an award under this subsection, the Secretary shall give priority to entities serving a high percentage of individuals from underserved populations identified under subsection (f)(3)(I).

# (j) Program Requirements.—

(1) Nondiscrimination.—The following provisions of law shall apply to any program or activity that receives funds provided under this section:

1	(A) Title IX of the Education Amendments
2	of 1972 (20 U.S.C. 1681 et seq.).
3	(B) Title VI of the Civil Rights Act of
4	1964 (42 U.S.C. 2000d et seq.).
5	(C) Section 504 of the Rehabilitation Act
6	of 1973 (29 U.S.C. 794).
7	(D) The Americans with Disabilities Act of
8	1990 (42 U.S.C. 12101 et seq.).
9	(2) Prohibition on additional eligibility
10	REQUIREMENTS.—No individual shall be determined
11	by the Secretary, a State, or another recipient of
12	funds under this section, to be ineligible for child
13	care services provided under this section, except on
14	the basis of eligibility requirements specified in or
15	under this section.
16	(3) Maintenance of Effort.—
17	(A) IN GENERAL.—A State that receives
18	payments under this section for a fiscal year, in
19	using the funds made available through the
20	payments, shall maintain the expenditures of
21	the State for child care services at the average
22	level of such expenditures by the State for the
23	3 preceding fiscal years.
24	(B) Counting Rule.—State expenditures
25	counted for purposes of meeting the require-

1	ment in subparagraph (A) may also be counted
2	for purposes of meeting the requirement to pro-
3	vide a non-Federal share under subparagraph
4	(A), (B), or (C), as appropriate, of subsection
5	(g)(1).
6	(4) Supplement not supplant.—Funds re-
7	ceived under this section shall be used to supplement
8	and not supplant other Federal, State, and local
9	public funds expended to provide child care services
10	in the State on the date of enactment of this Act,
11	calculated as the average amount of such Federal,
12	State, and local public funds expended for fiscal
13	years 2021, 2022, and 2023.
14	(5) Allowable sources of non-federal
15	SHARE.—For purposes of providing the non-Federal
16	share required under subsection (g)(1), a State's
17	non-Federal share—
18	(A) for direct child care services described
19	in subsection (g)(1)(A)—
20	(i) shall not include contributions
21	being used as a non-Federal share or
22	match for another Federal award; and
23	(ii) shall be provided from State or
24	local sources, contributions from philan-
25	thropy or other private organizations, or a

1	combination of such sources and contribu-
2	tions; and
3	(B) for activities to improve the quality
4	and supply of child care services described in
5	subsection (g)(1)(B), and administration de-
6	scribed in subsection (g)(1)(C)—
7	(i) shall not include contributions
8	being used as a non-Federal share or
9	match for another Federal award;
10	(ii) shall be provided from State or
11	local sources, contributions from philan-
12	thropy or other private organizations, or a
13	combination of such sources and contribu-
14	tions; and
15	(iii) may be in cash or in kind, fairly
16	evaluated, including facilities or property,
17	equipment, or services.
18	(k) Monitoring and Enforcement.—
19	(1) REVIEW OF COMPLIANCE WITH REQUIRE-
20	MENTS AND STATE PLAN.—The Secretary shall re-
21	view and monitor compliance of States, territories,
22	Tribal entities, and local entities with this section
23	and State compliance with the State plan described
24	in subsection $(f)(3)$ .

1	(2) Issuance of Rule.—The Secretary shall
2	establish by rule procedures for—
3	(A) receiving, processing, and determining
4	the validity of complaints or findings concerning
5	any failure of a State to comply with the State
6	plan or any other requirement of this section;
7	(B) notifying a State when the Secretary
8	has determined there has been a failure by the
9	State to comply with a requirement of this sec-
10	tion; and
11	(C) imposing sanctions under this sub-
12	section for such a failure.
13	(l) Federal Administration.—Using funds appro-
14	priated under subsection (c)(3), the Secretary shall carry
15	out administration of this section, shall provide (including
16	through the use of grants or cooperative agreements) tech-
17	nical assistance to States, territories, Indian Tribes, and
18	Tribal organizations, and shall carry out research and
19	evaluations related to this section.
20	(m) Nonpostsecondary Education Program.—
21	For purposes of section 401 of the Act entitled "An Act
22	to provide for reconciliation pursuant to section 201(a)(1)
23	of the concurrent resolution on the budget for fiscal year
24	1997", approved August 22, 1996, the program carried

1	out under this section shall be considered to be a program
2	of nonpostsecondary education.
3	(n) Reports.—
4	(1) Collection of Information by
5	STATES.—
6	(A) IN GENERAL.—A State that receives
7	funds to carry out this section shall collect the
8	information described in subparagraph (B) on a
9	monthly basis.
10	(B) REQUIRED INFORMATION.—The infor-
11	mation required to be collected under this sub-
12	paragraph shall consist of, with respect to a
13	family receiving assistance under this section,
14	information concerning—
15	(i) family income;
16	(ii) county (or comparable local juris-
17	diction) of residence;
18	(iii) the gender, race and ethnicity,
19	and age of each child receiving such assist-
20	ance;
21	(iv) whether the head of the family is
22	a single parent;
23	(v) the number of months the family
24	has received such assistance.

1	(vi) the provider type with which the
2	child was enrolled;
3	(vii) the amount of the copayment
4	paid for child care provided under this sec-
5	tion;
6	(viii) the average hours per month of
7	such care, during the period for which such
8	information is required to be submitted;
9	and
10	(ix) whether the children receiving as-
11	sistance under this section are either chil-
12	dren with disabilities or infants and tod-
13	dlers with disabilities.
14	(C) Submission to the secretary.—A
15	State described in subparagraph (A) shall, on a
16	quarterly basis, submit the information required
17	to be collected under subparagraph (B) to the
18	Secretary.
19	(D) Use of samples.—
20	(i) AUTHORITY.—A State may comply
21	with the requirement to collect the infor-
22	mation described in subparagraph (B)
23	through the use of disaggregated case
24	record information for a sample of families
25	selected through the use of scientifically

1	acceptable sampling methods approved by
2	the Secretary.
3	(ii) Sampling and other meth-
4	ods.—The Secretary shall provide the
5	States with such case record sampling
6	plans and data collection procedures as the
7	Secretary determines to be necessary to
8	produce statistically valid samples of the
9	information described in subparagraph
10	(B). The Secretary may develop and imple-
11	ment procedures for verifying the quality
12	of the data submitted by the States.
13	(E) Prohibition.—Reports submitted to
14	the Secretary under subparagraph (C) shall not
15	contain personally identifiable information.
16	(2) Annual reports.—Not later than 1 year
17	after the date of enactment of the Child Care for
18	Working Families Act, and annually thereafter, a
19	State shall prepare and submit to the Secretary a
20	report containing such information as the Secretary
21	may require, that includes at a minimum, the de-
22	scription and analysis described in paragraph (3)
23	and aggregate data concerning—
24	(A) the number of child care providers that
25	received funding under this section and licensed

1	capacity of such providers, and such data
2	disaggregated by provider type, by the quality
3	rating on the State's tiered system for recog-
4	nizing and supporting the quality of child care
5	services described in subsection (f)(3)(B) (re-
6	ferred to in this subsection as the "quality rat-
7	ing") of such providers, and by the geographic
8	area of such providers;
9	(B)(i) the total number of children, and
10	families with children, receiving child care serv-
11	ices funded under this section;
12	(ii) the percentage of children, and families
13	with children, receiving child care services fund-
14	ed under this section, among all children less
15	than 6 years of age, and all families with such
16	children, respectively, in all States; and
17	(iii) the data described in clause (i), and
18	the data described in clause (ii), disaggregated
19	for children, and families with children, by—
20	(I) race and ethnicity of the child in-
21	volved;
22	(II) family income of the child's fam-
23	ily;
24	(III) age of the child;

1	(IV) the child's status as an infant or
2	toddler with a disability or child with a dis-
3	ability;
4	(V) the child's status as a child expe-
5	riencing homelessness;
6	(VI) the child's status as a child in
7	foster care; and
8	(VII) the child's status (to the extent
9	the status is known) as a dual language
10	learner;
11	(C) the monthly child care subsidy pay-
12	ment rate paid to eligible child care providers
13	for child care services funded under this sec-
14	tion, as determined by the State's cost esti-
15	mation model or cost study described in sub-
16	section (f)(3)(A)(i), including any variation in
17	the rate by geographic area, provider type, age
18	of child, and costs associated with providing in-
19	clusive care;
20	(D) the amount of the copayment paid by
21	families for such child care services, and such
22	data disaggregated by family income;
23	(E) the number and percentage of pay-
24	ments made by the State for such services to el-
25	igible child care providers through certificates.

1	grants, and contracts, and such data
2	disaggregated by provider type;
3	(F) the manner in which consumer edu-
4	cation information was provided to parents and
5	the number of parents to whom such informa-
6	tion was provided under this section;
7	(G) the number of child fatalities occurring
8	among children while in the care or facility of
9	child care providers funded under this section,
10	and such data disaggregated by provider type;
11	(H) the geographic area of child care pro-
12	viders funded under this section;
13	(I) the quality features of child care serv-
14	ices provided by providers funded under this
15	section, compared to the quality features of
16	child care services provided by other child care
17	providers, to the extent possible, including data
18	on quality features such as—
19	(i) amount of staff wages and other
20	compensation (including benefits);
21	(ii) length of staff retention;
22	(iii) presence of coaching and profes-
23	sional development activities;
24	(iv) number of providers remaining
25	open through the year covered:

1	(v) measured parent satisfaction; and
2	(vi) presence of provision of informa-
3	tion in languages other than English;
4	(J) the quality features of child care serv-
5	ices received by children and funded under this
6	section, and such data disaggregated by the
7	children's—
8	(i) race and ethnicity;
9	(ii) family income;
10	(iii) age;
11	(iv) status as an infant or toddler
12	with a disability or child with a disability;
13	(v) status as a child experiencing
14	homelessness;
15	(vi) status as a child in foster care;
16	and
17	(vii) status (to the extent the status is
18	known) as a dual language learner;
19	(K) the number of child care providers,
20	listed by provider type, geographic area, and
21	provider quality rating, that received—
22	(i) a startup or supply expansion
23	grant under subsection (h)(3)(B)(i);
24	(ii) a quality grant under subsection
25	(h)(3)(B)(ii); or

1	(iii) a facilities grant under subsection
2	(h)(3)(B)(iii); and
3	(L) the average wages (including salaries)
4	or other compensation for staff of eligible child
5	care providers funded under this section, and
6	such data disaggregated by provider type, job
7	position type, and to the extent possible, staff
8	race and ethnicity.
9	(3) Description and analysis.—The State
10	shall include in each report described in paragraph
11	(2)—
12	(A) a description of whether there are in-
13	equities in how child care providers with quality
14	features described in paragraph (2)(I) are dis-
15	tributed among children served under this sec-
16	tion; and
17	(B) an analysis of the State's child care
18	supply, including an analysis of the number of
19	child care slots with licensed child care pro-
20	viders that were added or lost by the State in
21	the covered year, and trends in such addition or
22	loss by provider type and quality rating of child
23	care provider.
24	(4) Rule on disaggregation.—Nothing in
25	this paragraph shall require disaggregation of data

- if the disaggregation involved would reveal personally identifiable information about an individual provider or child.
  - (o) Reports to Congress.—The Secretary shall—
  - (1) submit an annual report to the Committee on Health, Education, Labor, and Pensions and the Committee on Appropriations of the Senate and the Committee on Education and the Workforce and the Committee on Appropriations of the House of Representatives, summarizing the findings from the reports received under subsection (n)(2); and
    - (2) make such report publicly available on the website of the Department of Health and Human Services.

### (p) Transition Provisions.—

(1) Treatment of Child Care and Development Block Grant funds.—For each of fiscal years 2024 through 2029, a State receiving assistance under this section shall not use more than 15 percent of any funds received under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9857 et seq.) to provide assistance for direct child care services to children who are under the age of 6, are not yet in kindergarten, and are eligible under that Act.

1	(2) Special rules regarding eligibility.—
2	Any child who is less than 6 years of age, is not yet
3	in kindergarten, and is receiving assistance under
4	the Child Care and Development Block Grant Act of
5	1990 on the date funding is first allocated to the
6	lead agency for the State, territory, Indian Tribe, or
7	Tribal organization involved under this section—
8	(A) shall be deemed immediately eligible to
9	receive assistance under this section; and
10	(B) may continue to use the child care pro-
11	vider of the family's choice.
12	(3) Transition procedures.—The Secretary
13	is authorized to institute procedures for imple-
14	menting this section, including issuing guidance for
15	States receiving funds under subsection (g).
16	TITLE II—BUILDING AN AFFORD-
17	ABLE SYSTEM FOR EARLY
18	EDUCATION GRANTS
19	SEC. 201. PURPOSES.
20	The purposes of this title are to make child care serv-
21	ices more accessible for families and to support the sta-
22	bility and quality of eligible child care providers by—
23	(1) promoting the stability of the child care sec-
24	tor by providing a source of stable funding to eligible

- child care providers to help offset their operating expenses;
- 3 (2) supporting sustained and increased wages 4 for early childhood educators or other staff of eligi-5 ble child care providers, in order to stabilize and 6 grow the child care workforce;
  - (3) expanding the supply and capacity of eligible child care providers to ensure working families have a range of high-quality, affordable child care options, in a variety of settings, that meet their unique needs; and
    - (4) supporting access to child care services for communities facing a particular shortage of child care options, including child care services for infants and toddlers, child care services during nontraditional or extended hours, and inclusive child care services for children with disabilities.

#### 18 SEC. 202. DEFINITIONS.

19 In this title:

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20 (1) CCDBG TERMS.—The terms "child care certificate", "child with a disability", "family child care provider", "lead agency", "Secretary", and "State" have the meanings given the terms in section 658P of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858n). The terms

1	"Indian Tribe" and "Tribal organization" have the
2	meanings given the terms "Indian tribe" and "tribal
3	organization" in section 658P of that Act.
4	(2) Eligible Child Care Provider.—The
5	term "eligible child care provider" means—
6	(A) an eligible child care provider as de-
7	fined in section 658P of the Child Care and De-
8	velopment Block Grant Act of 1990; and
9	(B) an eligible child care provider as de-
10	fined in title I.
11	(3) Infant or toddler.—The term "infant
12	or toddler" means an individual who is less than 3
13	years of age.
14	(4) Infant or toddler with a dis-
15	ABILITY.—The term "infant or toddler with a dis-
16	ability" has the meaning given the term in section
17	101(b).
18	(5) Provider Type.—The term "provider
19	type" means a type that is—
20	(A) a center-based child care provider;
21	(B) a family child care provider; or
22	(C) another non-center-based child care
23	provider.

#### 1 SEC. 203. SECRETARIAL RESERVATION.

- 2 From the funds appropriated to carry out this title,
- 3 the Secretary shall reserve not more than 3 percent for
- 4 the Federal administration of grants described in section
- 5 204, which may include providing technical assistance to
- 6 the lead agencies.

#### 7 SEC. 204. GRANTS.

- 8 (a) In General.—From the amounts appropriated
- 9 to carry out this title that remain after the Secretary
- 10 makes the reservation required under section 203, and
- 11 under the authority of section 6580 of the Child Care and
- 12 Development Block Grant Act of 1990 (42 U.S.C. 9858m)
- 13 and this section, the Secretary shall award to each lead
- 14 agency a BASE Grant, without regard to the requirements
- 15 in subparagraphs (C) and (E) of section 658E(c)(3), and
- 16 in section 658G, of that Act (42 U.S.C. 9858c(c)(3),
- 17 9858e). Such grant shall be made from an amount allotted
- 18 in accordance with section 658O of that Act (42 U.S.C.
- 19 9858m), excluding paragraphs (3) through (5) of sub-
- 20 section (a) of that section.
- 21 (b) Payments for Indian Children.—In accord-
- 22 ance with section 6580 of that Act, the Secretary may
- 23 make BASE Grants to Indian Tribes or Tribal organiza-
- 24 tions for the planning and carrying out of programs or
- 25 activities consistent with the objectives of this title.

# 1 SEC. 205. STATE APPLICATION.

2	To be eligible to receive a grant under section 204,
3	a lead agency shall submit an application to the Secretary
4	at such time, in such manner, and including such informa-
5	tion as the Secretary may reasonably require, including—
6	(1) a description of the process the lead agency
7	will establish to award subgrant funds to eligible
8	child care providers under this title;
9	(2) a description of how the lead agency will, in
10	determining the subgrant amount for an eligible
11	child care provider under this title—
12	(A) ensure such subgrant is sufficient to
13	support the ongoing operations and long-term
14	sustainability of the eligible child care provider;
15	(B) account for the cost of providing high-
16	quality child care services, including—
17	(i) variations in the cost of child care
18	services related to geographic area, pro-
19	vider type, size of provider, and age of
20	child served;
21	(ii) costs associated with providing
22	care during nontraditional or extended
23	hours;
24	(iii) costs associated with serving chil-
25	dren with disabilities, including infants and
26	toddlers with disabilities, and

1	(iv) costs associated with meeting
2	group sizes and ratios necessary to support
3	high-quality and inclusive child care serv-
4	ices, including for infants and toddlers;
5	(C) account for the cost of attracting,
6	training, and retaining a qualified and skilled
7	workforce, which shall include at a minimum,
8	supporting increased wages for all staff of the
9	provider, as described in section 209(5); and
10	(D) if the lead agency uses a formula for
11	awarding such a subgrant that is based on gen-
12	eral cost estimates, base such estimates on the
13	provider's enrollment capacity rather than at-
14	tendance;
15	(3) a description of how the lead agency will
16	work with the eligible child care providers to improve
17	the quality of child care services, which may include
18	improving the State's tiered system for recognizing
19	and supporting the quality of child care services de-
20	scribed in section 101(f)(3)(B); and
21	(4) a description of how the lead agency will
22	use funds reserved under section 207(a)(1) to con-
23	duct widespread outreach and provide technical as-
24	sistance to eligible child care providers (including
25	family child care providers, providers with limited

administrative capacity, and providers whose primary language is not English), either directly or
through child care resource and referral organizations, staffed family child care networks, or local
governments, to ensure such providers are aware of
the subgrants available under this title and are able
to apply for and manage the resources provided
through such subgrants.

### 9 SEC. 206. ADMINISTRATION.

- 10 Activities funded under a grant made for a State 11 under section 204 may be administered—
- 12 (1) directly by the State's lead agency; or
- 13 (2) under a grant or contract to provide such 14 administration, through another State government 15 agency, a local or regional child care resource and 16 referral organization, a community development fi-17 nancial institution, another nonprofit intermediary 18 with experience supporting child care providers, or 19 another appropriate entity.

# 20 SEC. 207. STATE ACTIVITIES AND SUBGRANTS.

- 21 (a) IN GENERAL.—A lead agency for a State that 22 receives a BASE Grant pursuant to section 204 shall—
- 23 (1) reserve not more than 10 percent of the 24 grant funds to administer subgrants, provide tech-25 nical assistance and support to enable all provider

- types to apply for, access, and manage the resources provided through such subgrants and other sources of public financial assistance available for the objectives of this title, publicize the availability of the subgrants, and carry out activities to increase the supply of child care services, under this title; and
- 7 (2) with the remaining grant funds, make sub-8 grants to eligible child care providers to carry out 9 the activities described in section 210.
- (b) SUBGRANT PERIOD.—The lead agency shall makethe subgrants for a period of 5 years.
- 12 (c) Payment Practices.—The lead agency shall
  13 make the subgrant payments in advance, with necessary
  14 adjustments on account of overpayments or underpay15 ments.

#### 16 SEC. 208. PRIORITY FOR SUBGRANTS.

- 17 (a) IN GENERAL.—In making subgrants under this
  18 title, the lead agency shall give priority to eligible child
  19 care providers that—
- (1) provide child care services during nontraditional or extended hours;
- 22 (2) provide child care services to infants and toddlers;
- 24 (3) provide child care services to dual language 25 learners, children with disabilities, children experi-

- encing homelessness, children in foster care, or children from low-income families;
- (4) provide child care services to children whose
  families received subsidies under the Child Care and
  Development Block Grant Act of 1990 (42 U.S.C.
  9857 et seq.) or under title I, as applicable, for the
  child care services;
- 8 (5) operate in communities, including commu-9 nities with a high proportion of children in house-10 holds with incomes below the poverty line and rural 11 communities, with a low supply of child care serv-12 ices; or
- 13 (6) are small business concerns, as defined in 14 section 3 of the Small Business Act (15 U.S.C. 15 632), or nonprofit organizations that are described 16 in section 501(c)(3) of the Internal Revenue Code of 17 1986 and exempt from taxation under section 18 501(a) of such Code.
- 19 (b) DEFINITION.—In this section, the term "poverty 20 line" means the poverty line defined and revised as de-21 scribed in section 673 of the Community Services Block 22 Grant Act (42 U.S.C. 9902).
- 23 SEC. 209. ELIGIBLE CHILD CARE PROVIDER APPLICATION.
- To be qualified to receive a subgrant under this title, 25 an eligible child care provider shall submit to the cor-

- responding lead agency, at such time and in such manner
- 2 as the lead agency may reasonably require, an application
- 3 containing each of the following:
- 4 (1) A description of how the eligible child care 5 provider meets the priority requirements in section 6 208, if applicable.
- 7 (2) An assurance that the eligible child care 8 provider accepts child care subsidies in the form of 9 certificates, grants, or contracts as authorized under 10 the Child Care Development Block Grant Act of 1990 (42 U.S.C. 9857 et seq.), or child care sub-12 sidies in the form of certificates, grants, or contracts 13 under title I, as an acceptable form of payment, re-14 gardless of whether children who are the bene-15 ficiaries of the child care subsidies are actually enrolled. 16
  - (3) An assurance that the eligible child care provider, for the duration of the period of the grant under section 204, will be open and available to serve children unless temporarily closed due to or for a building safety issue or maintenance as a result of a building safety issue, widespread illness or a staff shortage, a routine closure or break due to a holiday or scheduled staff professional development session, or a state of emergency, major disaster, or emer-

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- gency within the meaning of section 658E(c)(2)(U)of the Child Care Development Block Grant Act of
  1990 (42 U.S.C. 9858c(c)(2)(U)).
  - (4) A description of how the eligible child care provider will use funds provided under the subgrant to improve the quality of child care services and operations, such as through participation in a State's tiered system for recognizing and supporting the quality of child care services.
  - (5) A description of how the eligible child care provider will pay staff increased wages over the course of the grant period including, at a minimum, providing—
- 14 (A) annual cost-of-living adjustments; and
- 15 (B) graduated pay increases based on a 16 staff member's credentials, experience, and job 17 responsibilities, including, for a provider with 18 15 or more staff, a wage ladder based on the 19 credentials, experience, and responsibilities.

# 20 **SEC. 210. USE OF FUNDS.**

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- 21 (a) IN GENERAL.—An eligible child care provider 22 that receives a subgrant under this title—
- 23 (1) shall use at least 70 percent of subgrant 24 funds for child care personnel costs, including—

1	(A) wages (including salaries) or similar
2	compensation for a person who is a staff mem-
3	ber or any sole proprietor or independent con-
4	tractor, aligned with wage standards; and
5	(B)(i) annual cost-of-living adjustments for
6	staff; and
7	(ii) graduated pay increases based on a
8	staff member's credentials, experience, and job
9	responsibilities, including, for a provider with
10	15 or more staff, a wage ladder based on the
11	credentials, experience, and responsibilities; and
12	(2) may use the subgrant funds for costs of ac-
13	tivities related to the provider's program, consisting
14	of—
15	(A) professional development and instruc-
16	tional coaching for staff involved in the direct
17	education and care of children, and providing
18	support for planning and instruction;
19	(B) providing recruitment and retention
20	bonuses for staff;
21	(C) providing staff benefits, such as health
22	insurance, paid leave (including parental, fam-
23	ily, medical, sick, and bereavement leave, and
24	including personal leave or vacation), and funds
25	for retirement accounts;

1	(D) hiring staff, including conducting
2	background checks, and including hiring staff
3	to reduce staff-to-child ratios or substitute staff
4	to support use of paid leave;
5	(E) paying for occupancy, including mak-
6	ing payments for—
7	(i) rent (including rent under a lease),
8	or on any mortgage obligation; and
9	(ii) insurance, utilities, and mainte-
10	nance;
11	(F) obtaining equipment, repairs, supplies,
12	services, and training necessary to ensure com-
13	pliance with applicable health, safety, edu-
14	cational, and quality requirements and to sup-
15	port high-quality, developmentally appropriate
16	child care services, and achieving licensure as a
17	child care provider;
18	(G) providing comprehensive services to
19	support the health, including mental health,
20	and well-being, of children and families from
21	underserved populations, as described in section
22	101(f)(3)(I);
23	(H) improving the quality of child care
24	services in a way that is appropriate for child

1 development by provider type involved, and for 2 the age group of the children served; and 3 (I) providing inclusive and developmentally 4 appropriate care for children with disabilities, 5 including implementing reasonable accommoda-6 tions, making space more accessible, and providing additional staffing and coordinating early 7 8 intervention services provided through the pro-9 vider's program with early intervention services 10 provided through other early childhood pro-11 grams. 12 (b) Special Rule for States Participating in 13 TITLE I PROGRAM.—Notwithstanding subsection (a) and 14 subject to the approval of the Secretary, a lead agency 15 of a State participating in the program established in title I may make alternative uses of the funds received through 16 17 a grant made under section 204, if such funds support— 18 (1) the provision of high-quality, affordable 19 child care services, in accordance with title I; 20 (2) compensation for early childhood educators 21 and staff of child care programs, of eligible child 22 care providers, that meet the requirements of title I; 23 or 24 (3) initiatives to expand the supply of eligible

child care providers or improve the quality of child

- 1 care services provided by eligible child care pro-
- 2 viders.
- 3 (c) Rule.—For purposes of subsection (a), the terms
- 4 "staff" and "staff member" include a person described in
- 5 subsection (a)(1)(A).

## 6 SEC. 211. REPORTING.

- 7 (a) Lead Agency Reports.—Not later than 1 year
- 8 after a lead agency has received a grant under section 204
- 9 and annually thereafter, the lead agency shall submit to
- 10 the Secretary, in such manner and containing such infor-
- 11 mation as the Secretary may require, a report that in-
- 12 cludes, at a minimum—
- 13 (1) the total number of eligible child care pro-
- viders who applied for a subgrant under this title
- relative to the total number of eligible child care pro-
- viders in the State, disaggregated by provider type,
- 17 race and ethnicity of provider, and geographic area;
- 18 (2) the total number of eligible child care pro-
- viders that received such a subgrant relative to the
- total number of eligible child care providers in the
- 21 State, disaggregated by provider type, race and eth-
- 22 nicity of provider, and geographic area;
- 23 (3) information stating the lead agency's meth-
- odology for determining the amounts of subgrants
- under section 207(a)(2);

1	(4) the average and range of the subgrant
2	amounts made available by the lead agency,
3	disaggregated by provider type, race and ethnicity of
4	provider, and geographic area;
5	(5) the percentages, of the eligible child care
6	providers that received such a subgrant, that—
7	(A) provided child care services during
8	nontraditional or extended hours;
9	(B) served dual language learners, children
10	with disabilities, children experiencing homeless-
11	ness, children in foster care, children from low-
12	income families, or infants and toddlers;
13	(C) served children whose families received
14	subsidies under the Child Care and Develop-
15	ment Block Grant Act of 1990 (42 U.S.C. 9857
16	et seq.) or under title I, as applicable, for the
17	child care services;
18	(D) operated in communities described in
19	section 208(a)(5); and
20	(E) are concerns or organizations de-
21	scribed in section 208(a)(6);
22	(6) the enrollment capacity of and average
23	monthly attendance of children (by age) served by
24	the eligible child care providers that received a
25	subgrant;

1	(7) the average family tuition for an eligible
2	child care provider that received such a subgrant,
3	disaggregated by—
4	(A) age of the child served; and
5	(B) provider type;
6	(8) the average wages (including salaries), or
7	similar compensation specified in section
8	210(a)(1)(A) of staff of eligible child care providers
9	that received such a subgrant, disaggregated by pro-
10	vider type;
11	(9) the percentages, of the eligible child care
12	providers that received such a subgrant, for each of
13	the provider types;
14	(10) information about how the eligible child
15	care providers used the funds received under such a
16	subgrant, including how funds were used for child
17	care personnel costs;
18	(11) information about how the lead agency
19	used funds reserved under section 207(a)(1); and
20	(12) a description of how the lead agency pub-
21	licized the availability of the subgrants, including
22	through making applications and materials available
23	in multiple languages, and provided technical assist-
24	ance and support to ensure all provider types were
25	able to apply for and access the subgrants.

- 1 (b) Reports to Congress.—The Secretary shall—
- 2 (1) submit an annual report to the Committee
- on Health, Education, Labor, and Pensions and the
- 4 Committee on Appropriations of the Senate and the
- 5 Committee on Education and the Workforce and the
- 6 Committee on Appropriations of the House of Rep-
- 7 resentatives, summarizing the findings from the re-
- 8 ports received under subsection (a); and
- 9 (2) make such report publicly available on the
- website of the Department of Health and Human
- 11 Services.
- 12 SEC. 212. SUPPLEMENT NOT SUPPLANT.
- Amounts made available to carry out this title shall
- 14 be used to supplement and not supplant other Federal,
- 15 State, and local public funds expended to provide child
- 16 care services for eligible individuals.
- 17 SEC. 213. APPROPRIATIONS.
- In addition to amounts otherwise available, there is
- 19 appropriated to the Department of Health and Human
- 20 Services, out of any money in the Treasury not otherwise
- 21 appropriated to carry out this title, \$9,000,000,000 for
- 22 each of fiscal years 2024 through 2029.

# TITLE III—UNIVERSAL PRESCHOOL

3 SEC. 301. DEFINITIONS.

4 In this section:

- 5 (1) CHILD EXPERIENCING HOMELESSNESS.—
  6 The term "child experiencing homelessness" means
  7 an individual who is a homeless child or youth under
  8 section 725 of the McKinney-Vento Homeless Assist9 ance Act (42 U.S.C. 11434a).
  - (2) CHILD WITH A DISABILITY.—The term "child with a disability" has the meaning given the term in section 602 of the Individuals with Disabilities Education Act (20 U.S.C. 1401).
    - (3) Comprehensive services Services.—The term "comprehensive services" means services that are provided to children and their families, and that are health, educational, nutritional, social, and other services that are determined, based on family needs assessments, to be necessary, within the meaning of section 636 of the Head Start Act (42 U.S.C. 9831).
    - (4) DUAL LANGUAGE LEARNER.—The term "dual language learner" means a child who is learning 2 or more languages at the same time, or a child who is learning a second language while continuing to develop the child's first language.

1	(5) ELIGIBLE CHILD.—The term "eligible
2	child" means a child who is age 3 or 4, on the date
3	established by the applicable local educational agen-
4	cy for kindergarten entry.
5	(6) Eligible Provider.—The term "eligible
6	provider' means—
7	(A) a local educational agency, acting
8	alone or in a consortium or in collaboration
9	with an educational service agency (as defined
10	in section 8101 of the Elementary and Sec-
11	ondary Education Act of 1965 (20 U.S.C.
12	7801)), that is licensed by the State or meets
13	comparable health and safety standards;
14	(B) a Head Start agency or delegate agen-
15	cy funded under the Head Start Act (42 U.S.C.
16	9831 et seq.);
17	(C) a licensed center-based child care pro-
18	vider, licensed family child care provider, or
19	network of licensed family child care providers;
20	or
21	(D) a consortium of entities described in
22	any of subparagraphs (A), (B), and (C).
23	(7) HEAD START AGENCY.—The term "Head
24	Start agency", as used in paragraph (6)(B), or sec-
25	tion 303(e)(4) or 306(a), means an entity designated

- as a Head Start agency under section 641(a)(1) of the Head Start Act (42 U.S.C. 9836(a)(1)) or as an Early Head Start agency (by receiving a grant) under section 645A(a) of such Act (42 U.S.C.
- 5 9840a(a)).

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- 6 (8) INDIAN TRIBE.—The term "Indian Tribe"
  7 has the meaning given the term in section 4 of the
  8 Indian Self-Determination and Education Assistance
  9 Act (25 U.S.C. 5304).
  - (9) Local Educational agency" has the meaning given the term in section 8101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).
  - (10) POVERTY LINE.—The term "poverty line" means the poverty line defined and revised as described in section 673 of the Community Services Block Grant Act (42 U.S.C. 9902).
- 18 (11) SECRETARY.—The term "Secretary"
   19 means the Secretary of Health and Human Services.
- 20 (12) STATE.—The term "State" means each of 21 the several States and the District of Columbia.
- 22 (13) TERRITORY.—The term "territory" means 23 each of the Commonwealth of Puerto Rico, the 24 United States Virgin Islands, Guam, American

- 1 Samoa, and the Commonwealth of the Northern
- 2 Mariana Islands.
- 3 (14) Tribal organization.—The term "Trib-
- 4 al organization" has the meaning given the term
- 5 "tribal organization" in section 658P of the Child
- 6 Care and Development Block Grant Act of 1990 (42)
- 7 U.S.C. 9858n).

#### 8 SEC. 302. UNIVERSAL PRESCHOOL.

- 9 (a) Appropriations for States.—In addition to
- 10 amounts otherwise available, there is appropriated to the
- 11 Department of Health and Human Services, out of any
- 12 money in the Treasury not otherwise appropriated, such
- 13 sums as may be necessary for each of fiscal years 2024
- 14 through 2029, for payments to States, for carrying out
- 15 this title (except provisions and activities covered by sub-
- 16 section (b)).
- 17 (b) Additional Appropriations.—In addition to
- 18 amounts otherwise available, there is appropriated to the
- 19 Department of Health and Human Services for fiscal year
- 20 2024, out of any money in the Treasury not otherwise ap-
- 21 propriated—
- (1) \$2,500,000,000, to remain available until
- 23 September 30, 2029, for carrying out payments to
- Indian Tribes and Tribal organizations for activities
- described in this title;

- 1 (2) \$1,250,000,000, to remain available until 2 September 30, 2029, for carrying out payments to 3 the territories, to be distributed among the terri-4 tories on the basis of their relative need, as deter-5 mined by the Secretary in accordance with the objec-6 tives of this title, for activities described in this title;
  - (3) \$300,000,000, to remain available until September 30, 2029, for carrying out payments to eligible local entities that serve children in families who are engaged in migrant or seasonal agricultural labor, for activities described in this title;
  - \$995,000,000, to remain available until September 30, 2029, for carrying out Federal activities to support the activities funded under this title, including administration, monitoring, technical assistance, and research, in fiscal years 2024 through 2029; and
- 18 (5) \$20,000,000,000, to remain available until 19 September 30, 2029, to carry out the program of 20 grants to localities described in subsections (b) and (c) of section 306.
- 22 SEC. 303. PAYMENTS FOR STATE UNIVERSAL PRESCHOOL
- 23 SERVICES.

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24 (a) IN GENERAL.—A State that has submitted, and had approved by the Secretary in collaboration with the

1	Secretary of Education, the State plan described in sub-
2	section (e) is entitled to a payment under this section.
3	(b) Payments for Fiscal Years 2024 Through
4	2029.—
5	(1) Preschool services.—For each of fiscal
6	years 2024 through 2029, the Secretary shall pay to
7	each State with an approved State plan under sub-
8	section (e), an amount for that year equal to—
9	(A) 90 percent of the State's expenditures
10	in the year for preschool services provided
11	under section 304, for fiscal year 2024;
12	(B) 90 percent of the State's expenditures
13	in the year for such preschool services, for fiscal
14	year 2025;
15	(C) 80 percent of the State's expenditures
16	in the year for such preschool services, for fiscal
17	year 2026;
18	(D) 75 percent of the State's expenditures
19	in the year for such preschool services, for fiscal
20	year 2027;
21	(E) 65 percent of the State's expenditures
22	in the year for such preschool services, for fiscal
23	vaar 2028, and

- 1 (F) 60 percent of the State's expenditures 2 in the year for such preschool services, for fiscal 3 year 2029.
  - (2) STATE ACTIVITIES.—The Secretary shall pay to each State with an approved State plan under subsection (e) an amount for a fiscal year equal to 50 percent of the amount of the State's expenditures for the activities described in subsection (c), and system-wide activities similar to those described in subsection (c) for the State's entire birth through 5 year old early childhood system, except that in no case shall a payment for a fiscal year under this paragraph exceed the amount equal to 10 percent of the State's expenditures described in paragraph (1) for such fiscal year.
    - (3) Non-federal share.—The remainder of the cost paid by the State for preschool services, that is not provided under paragraph (1), shall be considered the non-federal share of the cost of those services. The remainder of the cost paid by the State for State activities, that is not provided under paragraph (2), shall be considered the non-federal share of the cost of those activities.
    - (4) ADVANCE PAYMENT; RETROSPECTIVE ADJUSTMENT.—The Secretary shall make a payment

- 1 under paragraph (1) or (2) for a year on the basis
- 2 of advance estimates of expenditures submitted by
- 3 the State and such other investigation as the Sec-
- 4 retary may find necessary, and shall reduce or in-
- 5 crease the payment as necessary to adjust for any
- 6 overpayment or underpayment for a previous year.
- 7 (c) State Activities.—A State that receives a pay-
- 8 ment under subsection (b) shall carry out all of the fol-
- 9 lowing activities:
- 10 (1) State administration of the State preschool 11 program described in this section.
- 12 (2) Supporting a continuous quality improve-
- ment system for providers of preschool services par-
- ticipating, or seeking to participate, in the State pre-
- school program, through the use of data, research,
- monitoring, training, technical assistance, profes-
- 17 sional development, and coaching.
- 18 (3) Providing outreach and enrollment support
- for families of eligible children.
- 20 (4) Supporting data systems building.
- 21 (5) Supporting staff of eligible providers
- through professional development and coaching, and
- supporting staff in pursuing credentials and degrees,
- including baccalaureate degrees.

- 1 (6) Supporting activities that ensure access to 2 inclusive preschool programs for children with dis-3 abilities.
  - (7) Providing age-appropriate transportation services for children, which at a minimum shall include transportation services for children experiencing homelessness and children in foster care.
- 8 (8) Conducting or updating a statewide needs
  9 assessment of access to high-quality preschool serv10 ices.
- 11 (d) Lead Agency.—The Governor of a State desir-12 ing for the State to receive a payment under this section 13 shall designate a lead agency (such as a State agency or 14 joint interagency office) for the administration of the 15 State's preschool program under this section.
- 16 (e) STATE PLAN.—In order to be eligible for payments under this section, the Governor of a State shall submit a State plan to the Secretary for approval by the 19 Secretary, in collaboration with the Secretary of Education, at such time, in such manner, and containing such information as the Secretary shall by rule require, that 22 includes a plan for achieving universal, high-quality, free, inclusive, and mixed-delivery preschool services. Such plan 24 shall include, at a minimum, each of the following:
- 25 (1) A certification that—

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1	(A) the State has in place, or will have in
2	place no later than 1 year after the State first
3	receives funding under this section, develop-
4	mentally appropriate, evidence-based preschool
5	education standards that, at a minimum, are as
6	rigorous as the standards specified in subpara-
7	graph (B) of section 641A(a)(1) of the Head
8	Start Act (42 U.S.C. 9836a(a)(1)) and include
9	program standards for class sizes and ratios;
10	and
11	(B) the State will coordinate such stand-
12	ards with other early learning standards in the
13	State.
14	(2) An assurance that the State will ensure—
15	(A) all preschool services in the State
16	funded under this section will—
17	(i) be universally available to all chil-
18	dren in the State without any additional
19	eligibility requirements; and
20	(ii) be high-quality, free, and inclu-
21	sive; and
22	(B) that the local preschool programs in
23	the State funded under this section will—
24	(i) by not later than 18 months after
25	the program receives such funding, meet

1	the State's preschool education standards
2	described in paragraph (1);
3	(ii) offer programming that meets the
4	duration requirements of at least 1,020 an-
5	nual hours;
6	(iii) adopt policies and practices to
7	conduct outreach and provide expedited en-
8	rollment, including prioritization, to—
9	(I) children experiencing home-
10	lessness (which, in the case of a child
11	attending a program provided by an
12	eligible provider described in section
13	301(6)(A), shall include immediate
14	enrollment for the child);
15	(II) children in foster care or
16	kinship care;
17	(III) children in families who are
18	engaged in migrant or seasonal agri-
19	cultural labor;
20	(IV) children with disabilities, in-
21	cluding eligible children who are
22	served under part C of the Individuals
23	with Disabilities Education Act (20
24	U.S.C. 1431 et seq.); and
25	(V) dual language learners;

1	(iv) provide for salaries, and set
2	schedules for salaries, for staff of providers
3	in the State preschool program, including
4	staff serving infants and toddlers employed
5	by the same provider, that are equivalent
6	to salaries of elementary school staff with
7	similar credentials and experience;
8	(v) at a minimum, provide a living
9	wage for all staff of such providers; and
10	(vi) require educational qualifications
11	for teachers in the preschool program in-
12	cluding, at a minimum, requiring that lead
13	teachers in the preschool program have a
14	baccalaureate degree in early childhood
15	education or a related field by not later
16	than 6 years after the date on which the
17	State first receives funds under this sec-
18	tion, except that—
19	(I) subject to subclause (II), the
20	requirements under this clause shall
21	not apply to individuals who were em-
22	ployed by an eligible provider or early
23	education program for a cumulative 3
24	of the 5 years immediately preceding

the date of enactment of this Act and

1	have the necessary content knowledge
2	and teaching skills for early childhood
3	educators, as demonstrated through
4	measures determined by the State
5	and
6	(II) nothing in this section shall
7	require the State to lessen State re-
8	quirements for educational qualifica-
9	tions, in existence on the date of en-
10	actment of this Act, to serve as a
11	teacher in a State preschool program.
12	(3) For States with existing publicly funded
13	State preschool programs (as of the date of submis-
14	sion of the State plan), a description of how the
15	State plans to use funding provided under this sec-
16	tion to ensure that such existing programs in the
17	State meet the requirements of this title for a State
18	preschool program.
19	(4) A description of how the State, in estab-
20	lishing and operating the State preschool program
21	supported under this section, will—
22	(A) support a mixed-delivery system for
23	any new slots funded under this section, includ-
24	ing by facilitating the participation of Head

1	Start programs and programs offered by li-
2	censed child care providers;
3	(B) ensure the State preschool program
4	does not disrupt the stability of infant and tod-
5	dler child care throughout the State;
6	(C) ensure adequate consultation with the
7	State Advisory Council on Early Childhood
8	Education and Care designated or established
9	in section 642B(b)(1)(A)(i) of the Head Start
10	Act (42 U.S.C. 9837b(b)(1)(A)(i)) in the devel-
11	opment of its plan, including consultation in
12	how the State intends to distribute slots under
13	subparagraph (E);
14	(D) partner with Head Start agencies to
15	ensure the full utilization of Head Start pro-
16	grams within the State; and
17	(E) distribute new preschool slots and re-
18	sources equitably among child care (including
19	family child care) providers, Head Start agen-
20	cies, and schools within the State.
21	(5) A certification that the State, in operating
22	the program described in this section for a fiscal
23	year—
24	(A) will not reduce the total preschool slots
25	provided in State-funded preschool programs

- from the number of such slots in the previous fiscal year; or
  - (B) if the number of eligible children identified in the State declines from the previous fiscal year, will maintain at least the previous year's ratio of the total preschool slots described in subparagraph (A) to eligible children so identified.
    - (6) An assurance that the State will use funding provided under this section to ensure children with disabilities have access to and participate in inclusive preschool programs consistent with provisions in the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), and a description of how the State will collaborate with entities carrying out programs under section 619 or part C of the Individuals with Disabilities Education Act (20 U.S.C. 1419, 1431 et seq.), to support inclusive preschool programs.
    - (7) An assurance that the State will provide assistance under this section only to eligible providers that prohibit the use of suspension, expulsion, and aversive behavioral interventions in the State preschool program described in this section.

- 1 (8) An assurance that the State will coordinate 2 services provided under this title with services and 3 supports provided under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9857 5 et seq.), section 619 and part C of the Individuals 6 with Disabilities Education Act (20 U.S.C. 1419, 1431 et seq.), the Head Start Act (42 U.S.C. 9831 7 8 et seq.), the Preschool Development Grants program 9 under section 9212 of the Every Student Succeeds 10 Act (Public Law 114–95), the Elementary and Sec-11 ondary Education Act of 1965 (20 U.S.C. 6301 et 12 seq.), the McKinney-Vento Homeless Assistance Act 13 (42 U.S.C. 11301 et seq.), and the maternal, infant, 14 and early childhood home visiting programs under 15 section 511 of the Social Security Act (42 U.S.C. 16 711).
  - (9) A certification that the State will support the continuous quality improvement of programs providing preschool services under this title, including support through technical assistance, monitoring, and research.
  - (10) A certification that the State will ensure a highly qualified early childhood workforce to support the requirements of this title.

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1	(11) An assurance that the State will meet the
2	requirements of clauses (ii) and (iii) of section
3	$658\mathrm{E}(c)(2)(\mathrm{T})$ of the Child Care and Development
4	Block Grant Act of 1990 (42 U.S.C.
5	9858c(c)(2)(T)), with respect to funding and assess-
6	ments under this title.
7	(12) A certification that subgrant and contract
8	amounts provided as described in section 304 will be
9	sufficient to enable eligible providers to meet the re-
10	quirements of this title, and will provide for in-
11	creased payment amounts based on the criteria de-
12	scribed in clauses (iv) and (v) of paragraph (2)(B).
13	(13) An agreement to provide to the Secretary
14	such periodic reports, providing a detailed account-
15	ing of the uses of funding received under this sec-
16	tion, as the Secretary may require for the adminis-
17	tration of this section.
18	(f) DURATION OF THE PLAN.—Each State plan shall
19	remain in effect for a period of not more than 3 years.
20	Amendments to the State plan shall remain in effect for
21	the duration of the plan.
22	SEC. 304. SUBGRANTS AND CONTRACTS FOR LOCAL PRE-
23	SCHOOL PROGRAMS.

(a) Subgrants and Contracts.—

- (1) In General.—A State that receives a payment under section 303(b) for a fiscal year shall use amounts provided through the payment to pay the costs of subgrants to, or contracts with, eligible providers to operate universal, high-quality, free, and inclusive preschool programs (which State-funded programs may be referred to in this section as "local preschool programs") through the State preschool program in accordance with subsection (c). A State shall reduce or increase the amounts provided under such subgrants or contracts if needed to adjust for any overpayment or underpayment described in section 303(b)(4).
  - (2) AMOUNT.—A State shall award a subgrant or contract under this section in a sufficient amount to enable the eligible provider to operate a local preschool program that meets the requirements of section 303(e)(2), which amount shall reflect variations in the cost of preschool services by geographic area, type of provider, and age of child, and the additional costs associated with providing inclusive preschool services for children with disabilities.
  - (3) DURATION.—The State shall award a subgrant or contract under this section for a period of not less than 3 years, unless the subgrant or con-

1	tract is terminated or suspended, or the subgrant
2	period is reduced, for cause.
3	(b) Enhanced Payments for Comprehensive
4	SERVICES.—In awarding subgrants or contracts under
5	this subsection and in addition to meeting the require-
6	ments of subsection (a)(2), the State shall award sub-
7	grants or contracts with enhanced payments to eligible
8	providers that offer local preschool programs funded under
9	this section to a high percentage of low-income children
10	to support comprehensive services.
11	(c) Establishing and Expanding Universal
12	Preschool Programs.—
13	(1) Establishing and expanding universal
14	PRESCHOOL PROGRAMS IN HIGH-NEED COMMU-
15	NITIES.—In awarding subgrants or contracts under
16	this section, the State shall first prioritize estab-
17	lishing and expanding universal local preschool pro-
18	grams within and across high-need communities by
19	awarding subgrants or contracts to eligible providers
20	operating within and across, or with capacity to op-
21	erate within and across, such high-need commu-
22	nities. The State shall—
23	(A) use a research-based methodology ap-
24	proved by the Secretary to identify such high-
25	need communities, as determined by—

1	(i) the rate of poverty in the commu-
2	nity;
3	(ii) rates of access to high-quality pre-
4	school within the community; and
5	(iii) other indicators of community
6	need as required by the Secretary; and
7	(B) distribute funding for preschool serv-
8	ices under this section within such a high-need
9	community so that a majority of children in the
10	community are offered such preschool services
11	before the State establishes and expands pre-
12	school services in communities with lower levels
13	of need.
14	(2) Use of funds.—Subgrants or contracts
15	awarded under paragraph (1) shall be used to enroll
16	and serve children in such a local preschool program
17	involved, including by paying the costs—
18	(A) of personnel (including classroom and
19	administrative personnel), including compensa-
20	tion and benefits;
21	(B) associated with implementing the
22	State's preschool standards, providing cur-
23	riculum supports, and meeting early learning
24	and development standards;

1	(C) of professional development, teacher
2	supports, and training;
3	(D) of implementing and meeting develop-
4	mentally appropriate health and safety stand-
5	ards (including licensure, where applicable),
6	teacher to child ratios, and group size maxi-
7	mums;
8	(E) of materials, equipment, and supplies;
9	and
10	(F) of rent or a mortgage, utilities, build-
11	ing security, indoor and outdoor maintenance,
12	and insurance.
13	(d) Establishing and Expanding Universal
14	Preschool Programs in Additional Communities.—
15	Once a State that receives a payment under section 303(b)
16	meets the requirements of subsection (c) with respect to
17	establishing and expanding local preschool programs with-
18	in and across high-need communities, the State shall use
19	funds from such payment to enroll and serve children in
20	local preschool programs, as described in such subsection,
21	in additional communities in accordance with the metrics
22	described in subsection (c)(1)(A). Such funds shall be used
23	for the activities described in subparagraphs (A) through
24	(F) of subsection $(c)(2)$ .

	107
1	SEC. 305. PAYMENTS FOR UNIVERSAL PRESCHOOL SERV-
2	ICES TO INDIAN TRIBES AND TERRITORIES.
3	(a) Indian Tribes and Tribal Organizations.—
4	(1) In general.—For each of fiscal years
5	2024 through 2029, from the amount appropriated
6	for Indian Tribes and Tribal organizations under
7	section 302(b)(1), the Secretary shall make pay-
8	ments to Indian Tribes and Tribal organizations
9	with an application approved under paragraph (2),
10	and the Tribes and Tribal organizations shall be en-
11	titled to such payments for the purpose of carrying
12	out the preschool program described in this title,
13	consistent, to the extent practicable as determined
14	by the Secretary, with the requirements applicable to
15	States.
16	(2) APPLICATIONS.—An Indian Tribe or Tribal
17	organization seeking a payment under this sub-
18	section shall submit an application to the Secretary
19	at such time, in such manner, and containing such
20	information as the Secretary may specify.
21	(b) Territories.—
22	(1) In general.—For each of fiscal years
23	2024 through 2029, from the amount appropriated

for territories under section 302(b)(2), the Secretary

shall make payments to the territories with an appli-

cation approved under paragraph (2), and the terri-

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- 1 tories shall be entitled to such payments, for the
- 2 purpose of carrying out the preschool program de-
- 3 scribed in this title, consistent, to the extent prac-
- 4 ticable as determined by the Secretary, with the re-
- 5 quirements applicable to States.
- 6 (2) APPLICATIONS.—A territory seeking a pay-
- 7 ment under this subsection shall submit an applica-
- 8 tion to the Secretary at such time, in such manner,
- 9 and containing such information as the Secretary
- may specify.
- 11 (c) LEAD AGENCY.—The head of an Indian Tribe or
- 12 territory desiring for the Indian Tribe or a related Tribal
- 13 organization, or territory, to receive a payment under this
- 14 section shall designate a lead agency (such as a tribal or
- 15 territorial agency or joint interagency office) for the ad-
- 16 ministration of the preschool program of the Indian Tribe
- 17 or territory, under this section.
- 18 SEC. 306. GRANTS TO LOCALITIES AND HEAD START EX-
- 19 PANSION IN NONPARTICIPATING STATES.
- 20 (a) Eligible Locality Defined.—In this section,
- 21 the term "eligible locality" means a city, county, or other
- 22 unit of general local government, a local educational agen-
- 23 cy, or a Head Start agency.
- 24 (b) Grants to Localities.—

(1) In General.—The Secretary, in consultation with the Secretary of Education, shall use funds reserved in section 302(b)(5) to award local universal preschool grants, as determined by the Secretary of Health and Human Services, to eligible localities located in States that have not received payments under section 303. The Secretary shall award the grants to eligible localities in a State from the allotment made for that State under paragraph (2). The Secretary shall specify the requirements for an eligible locality to conduct a preschool program under this section which shall, to the greatest extent practicable, be consistent with the requirements applicable to States under this title, for a universal, high-quality, free, and inclusive preschool program.

(2) Allotments.—For each State described in paragraph (1), the Secretary shall allot for the State for a fiscal year an amount that bears the same relationship to the funds appropriated under section 302(b)(5) for the fiscal year as the number of children from families with family incomes at or below 200 percent of the poverty line, and who are under the age of 6, in the State bears to the total number of all such children in all States described in paragraph (1).

- 1 (3) APPLICATION.—To receive a grant from the 2 corresponding State allotment under this section, an 3 eligible locality shall submit an application to the 4 Secretary at such time, in such manner, and con-5 taining such information as the Secretary may re-6 quire. The requirements for the application shall, to 7 the greatest extent practicable, be consistent with 8 the State plan requirements applicable to States 9 under this title.
- 10 (c) Head Start Expansion in Nonparticipating11 States.—
- 12 (1) IN GENERAL.—The Secretary shall use 13 funds appropriated under section 302(b)(5), to make 14 awards to Head Start agencies in a State described 15 in subsection (b)(1) to carry out the purposes of the 16 Head Start Act (42 U.S.C. 9831 et seq.) in such 17 State.
  - (2) Rule.—For purposes of carrying out the Head Start Act in circumstances not involving awards under this subsection, funds awarded under paragraph (1) shall not be included in the calculation of a "base grant" as such term is defined in section 640(a)(7)(A) of the Head Start Act (42 U.S.C. 9835(a)(7)(A)).

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1	(3) Definition.—In this subsection, the term
2	"Head Start agency" means an entity designated or
3	eligible to be designated as a Head Start agency
4	under section 641(a)(1) of the Head Start Act (42
5	U.S.C. 9836(a)(1)) or as an Early Head Start agen-
6	cy (by receiving a grant) under section 645A(a) of
7	such Act (42 U.S.C. 9840a(a)).
8	(d) Priority for Serving Underserved Commu-
9	NITIES.—In making determinations to award a grant or
10	make an award under this section, the Secretary shall give
11	priority to entities serving communities with a high per-
12	centage of children from families with family incomes at
13	or below 200 percent of the poverty line.
14	SEC. 307. ALLOWABLE SOURCES OF NON-FEDERAL SHARE.
15	For purposes of calculating the amount of the non-
16	Federal share, as determined under section 303(b)(3), re-
17	lating to a payment under section 303(b), a State's non-
18	Federal share—
19	(1) may be in cash or in kind, fairly evaluated,
20	including facilities or property, equipment, or serv-
21	ices;
22	(2) shall include any increase in amounts spent
23	by the State to expand half-day kindergarten pro-
24	grams in the State, as of the day before the date of

- enactment of this Act, into full-day kindergarten
  programs;
- 3 (3) shall not include contributions being used as 4 a non-Federal share or match for another Federal 5 award;
- 6 (4) shall be provided from State or local 7 sources, contributions from philanthropy or other 8 private organizations, or a combination of such 9 sources and contributions; and
- 10 (5) shall count not more than 100 percent of 11 the State's current spending on prekindergarten pro-12 grams, calculated as the average amount of such 13 spending by the State for fiscal years 2021, 2022, 14 and 2023, toward the State's non-Federal share.

## 15 SEC. 308. MAINTENANCE OF EFFORT.

16 (a) IN GENERAL.—If a State reduces its combined 17 fiscal effort per child for the State preschool program 18 (whether a publicly funded preschool program or a pro-19 gram under this title) or through State supplemental as-20 sistance funds for Head Start programs assisted under the 21 Head Start Act, or through any State spending on early 22 childhood programs or preschool services for any fiscal 23 year that a State receives payments under section 303(b) 24 (referred to in this paragraph as the "reduction fiscal"

year") relative to the previous fiscal year, the Secretary,

- 1 in collaboration with the Secretary of Education, shall re-
- 2 duce support for such State under such subsection by the
- 3 same amount as the total reduction in that State fiscal
- 4 effort for such reduction fiscal year.
- 5 (b) WAIVER.—The Secretary, in collaboration with
- 6 the Secretary of Education, may waive the requirements
- 7 of subsection (a) if—
- 8 (1) the Secretaries determine that a waiver
- 9 would be appropriate due to a precipitous decline in
- the financial resources of a State as a result of un-
- 11 foreseen economic hardship, or a natural disaster,
- that has necessitated across-the-board reductions in
- 13 State services during the 5-year period preceding the
- date of the determination, including for early child-
- 15 hood education programs; or
- 16 (2) due to the circumstance of a State requiring
- 17 reductions in specific programs, including early
- childhood education programs, the State presents to
- the Secretaries a justification and demonstration
- 20 why other programs could not be reduced and how
- early childhood education programs in the State will
- 22 not be disproportionately harmed by such State re-
- 23 ductions.

## 1 SEC. 309. SUPPLEMENT NOT SUPPLANT.

- 2 Funds received under this title shall be used to sup-
- 3 plement and not supplant other Federal, State, and local
- 4 public funds expended on prekindergarten programs in the
- 5 State on the date of enactment of this Act, calculated as
- 6 the average amount of such Federal, State, and local pub-
- 7 lic funds expended for fiscal years 2021, 2022, and 2023.

## 8 SEC. 310. NONDISCRIMINATION PROVISIONS.

- 9 The following provisions of law shall apply to any pro-
- 10 gram or activity that receives funds provided under this
- 11 title:
- 12 (1) Title IX of the Education Amendments of
- 13 1972 (20 U.S.C. 1681 et seq.).
- 14 (2) Title VI of the Civil Rights Act of 1964 (42
- 15 U.S.C. 2000d et seq.).
- 16 (3) Section 504 of the Rehabilitation Act of
- 17 1973 (29 U.S.C. 794).
- 18 (4) The Americans with Disabilities Act of
- 19 1990 (42 U.S.C. 12101 et seq.).

## 20 SEC. 311. MONITORING AND ENFORCEMENT.

- 21 (a) REVIEW OF COMPLIANCE WITH REQUIREMENTS
- 22 AND STATE PLAN.—The Secretary shall review and mon-
- 23 itor compliance of States, territories, Tribal entities, and
- 24 local entities with this title and State compliance with the
- 25 State plan described in section 303(e), including a process

1	for progress updates on the requirements described in sec-
2	tion $303(e)(1)$ .
3	(b) Issuance of Rule.—The Secretary shall estab-
4	lish by rule procedures for—
5	(1) receiving, processing, and determining the
6	validity of complaints or findings concerning any
7	failure of a State to comply with the State plan or
8	any other requirement of this title;
9	(2) notifying a State when the Secretary has
10	determined there has been a failure by the State to
11	comply with a requirement of this title; and
12	(3) imposing sanctions under this section for
13	such a failure.
14	SEC. 312. REPORTING.
15	(a) In General.—Each State that receives a pay-
16	ment under section 303 shall prepare an annual report,
17	in such manner and containing such information as the
18	Secretary of Health and Human Services may reasonably
19	require.
20	(b) Contents.—A report prepared under subpara-
21	graph (a) shall contain, at a minimum—
22	(1) a description of the manner in which the
23	State has used the funds made available through the
24	payment and a report of the expenditures made with

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the funds;

1	(2) a summary of the State's progress toward
2	providing access to high-quality preschool programs
3	for eligible children;
4	(3) the number and percentage of children in
5	the State participating in eligible preschool pro-
6	grams, disaggregated by race, ethnicity, family in-
7	come, child age, disability, and whether the children
8	are homeless children, children in foster care, or
9	dual language learners;
10	(4) data on the number and percentage of chil-
11	dren in the State participating in public kinder-
12	garten programs, disaggregated by race, family in-
13	come, child age, disability, and whether the children
14	are homeless children, children in foster care, or
15	dual language learners, with information on whether
16	such programs are offered—
17	(A) for a full day; and
18	(B) at no cost to families;
19	(5) data on the kindergarten readiness of chil-
20	dren across the State;
21	(6) data on recruitment and retention of early
22	childhood staff disaggregated by provider type, and
23	age of children served; and
24	(7) data regarding coordination efforts with
25	other child care and early childhood education pro-

1	grams, including those funded under the Head Start
2	Act (42 U.S.C. 9831 et seq.).
3	TITLE IV—HEAD START
4	EXTENDED DURATION
5	SEC. 401. EXTENDED DURATION.
6	(a) In General.—The Head Start Act (42 U.S.C.
7	9801 et seq.) is amended—
8	(1) by redesignating section 657C (42 U.S.C.
9	9852c) as section 657D; and
10	(2) by inserting after section 657B (42 U.S.C.
11	9852b) the following:
12	"SEC. 657C. EXTENDED DURATION.
13	"(a) In General.—The Secretary shall make grants
14	to Head Start agencies (including Early Head Start agen-
15	cies) funded under this subchapter to enable such agen-
16	cies—
17	"(1) to provide access to a full school year and
18	a full school day of services;
19	"(2) in the case of a migrant and seasonal
20	Head Start agency, to provide access to additional
21	service hours to ensure continuous Head Start serv-
22	ices as determined by the Secretary; or
23	"(3) in the case of a Head Start agency (in-
24	cluding an Early Head Start agency) that already
25	meets the full-day, full-year services needs within its

1	community, to enhance the quality of Head Start
2	services (including Early Head Start services) pro-
3	vided to children served by such agency.
4	"(b) Application.—
5	"(1) In general.—To be eligible to receive a
6	grant under this section, a Head Start agency shall
7	submit an application at such time and in such man-
8	ner as the Secretary may require. Such application
9	shall include—
10	"(A) evidence of—
11	"(i) the number and percentage of
12	slots—
13	"(I) in the agency's Head Start
14	center-based programs (that are not
15	Early Head Start programs)—
16	"(aa) that are currently
17	funded (as of the date of submis-
18	sion of the application); and
19	"(bb) in which services are
20	provided for at least the equiva-
21	lent of 1,020 hours per year; and
22	"(II) in the agency's Early Head
23	Start center-based programs—
24	"(aa) that are currently
25	funded (as of that date): and

1	"(bb) in which services are
2	provided for at least the equiva-
3	lent of 1,380 hours per year; and
4	"(ii) the number and percentage of
5	slots, in the agency's Head Start family
6	child care programs—
7	"(I) that are currently funded
8	(as of that date); and
9	"(II) in which services are pro-
10	vided for at least the equivalent of
11	1380 hours per year;
12	"(B) a description of an approach, using
13	the current community-wide strategic planning
14	and needs assessment described in section
15	640(g)(1)(C) and current program schedule
16	(current as of the date of submission of the ap-
17	plication), that transitions all of the agency's
18	Head Start programs to a full school day, full
19	school year program schedule; and
20	"(C) a budget justification that estimates
21	the supplemental funding necessary to provide
22	for incremental ongoing operating costs for the
23	extended hours of service under such a program
24	schedule for the current enrollment in the agen-
25	cy's Head Start programs.

1	"(2) Exceptions.—
2	"(A) MIGRANT AND SEASONAL HEAD
3	START.—
4	"(i) In general.—A migrant and
5	seasonal Head Start agency may apply for
6	a grant described in subsection (a) without
7	meeting the requirements specified in para-
8	graph (1) to ensure continuous Head Start
9	services are provided to children enrolled in
10	a migrant and seasonal Head Start pro-
11	gram. To be eligible to receive the grant,
12	the agency shall submit an application at
13	such time and in such manner as the Sec-
14	retary may require.
15	"(ii) Priority.—In making grants to
16	applicants described in clause (i), the Sec-
17	retary shall give priority to a migrant and
18	seasonal Head Start agency operating for
19	fewer than 8 months per year.
20	"(B) Full-day, full-year head start
21	AGENCIES.—
22	"(i) In General.—A Head Start
23	agency (including an Early Head Start
24	agency) that certifies to the Secretary that
25	it is meeting the full-day, full-year need

1	within its community may apply for a
2	grant to enhance the quality of services
3	provided to children enrolled in its Head
4	Start program (including its Early Head
5	Start program) in accordance with sub-
6	section $(c)(2)$ .
7	"(ii) Application.—A Head Start
8	agency (including Early Head Start agen-
9	cy) that meets the requirements of clause
10	(i) shall submit an application, which shall
11	include—
12	"(I) the proposed uses of funds
13	in accordance with subsection (c)(2);
14	and
15	"(II) how such uses of funds re-
16	late to the community-wide strategic
17	planning and needs assessment de-
18	scribed under section $640(g)(1)(C)$ .
19	"(c) Use of Funds.—
20	"(1) Extended duration.—A Head Start
21	agency that meets the requirements of paragraph
22	(1) or (2) of subsection (a) receiving a grant under
23	this section shall use the grant funds to cover the
24	costs associated with extending those hours of serv-

1	ice for the current enrollment, such as additional
2	costs for—
3	"(A) the purchase, rental, renovation, and
4	maintenance of additional facilities;
5	"(B) ongoing purchases of classroom sup-
6	plies;
7	"(C) staff providing services during the ex-
8	tended hours; and
9	"(D) professional development to staff
10	transitioning to providing services during the
11	extended hours.
12	"(2) Enhancing program quality.—A Head
13	Start agency (including an Early Head Start agen-
14	cy) that meets the requirements of subsection (a)(3)
15	shall use funds for the activities authorized under
16	section $640(a)(5)(B)$ .
17	"(3) Exception.—The Head Start agency
18	shall not use the grant funds to expand the number
19	of children served in the Head Start program (in-
20	cluding the Early Head Start program) of the agen-
21	cy.
22	"(d) Reservations.—
23	"(1) Activities.—From the total amount ap-
24	propriated to carry out this section, the Secretary
25	shall—

1	"(A) for making grants for the activities
2	described in subsection $(c)(1)(A)$ , reserve
3	\$4,000,000,000 of the funds appropriated for
4	fiscal year 2024; and
5	"(B) for making grants for the activities
6	described in any of subparagraphs (B) through
7	(D) of subsection (c)(1), reserve—
8	"(i) \$833,000,000 of the funds appro-
9	priated for fiscal year 2024;
10	"(ii) \$852,000,000 of the funds ap-
11	propriated for fiscal year 2025; and
12	"(iii) \$872,000,000 of the funds ap-
13	propriated for fiscal year 2026.
14	"(2) Priority.—The Secretary shall prioritize
15	Head Start agencies (including Early Head Start
16	agencies) that are applying to use funds to carry out
17	the activities described in subsection $(a)(1)$ .
18	"(3) Migrant or seasonal head start pro-
19	GRAMS.—From the amount appropriated to carry
20	out this section for a fiscal year and reserved under
21	paragraph (1)(B), the Secretary shall reserve 4.5
22	percent for migrant or seasonal Head Start pro-
23	grams.

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1
        "(e) AUTHORIZATION OF APPROPRIATIONS.—There
   are authorized to be appropriated to carry out this sec-
 3
   tion—
            "(1) $4,833,000,000 for fiscal year 2024;
 4
            "(2) $852,000,000 for fiscal year 2025; and
 5
 6
            "(3) $872,000,000 for fiscal year 2026.
 7
        "(f) Definitions.—In this section:
 8
             "(1)
                   Full
                          SCHOOL DAY;
                                          FULL
                                                  SCHOOL
 9
        YEAR.—The terms 'full school day' and 'full school
10
        year' mean such a day and year, respectively, within
11
        the meaning of the Head Start Program Perform-
12
        ance standards issued under section 641A(a).
            "(2) Migrant and seasonal head start
13
14
        AGENCY.—The term 'migrant and seasonal Head
        Start agency' means an agency that is funded under
15
16
        this subchapter to provide a migrant and seasonal
17
        Head Start program.".
18
        (b) Conforming Amendments.—Section 640 of the
   Head Start Act (42 U.S.C. 9835) is amended—
19
            (1) in subsection (a)(6), by striking "appro-
20
21
        priated under this subchapter" each place it appears
22
        and inserting "appropriated under section 639"; and
23
            (2) in subsection (g)(3)(A)—
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1	(A) by striking "amount appropriated"
2	each place it appears and inserting "amount
3	appropriated under section 639";
4	(B) by striking "services provided under
5	this subchapter" and inserting "services pro-
6	vided under this subchapter (other than section
7	657C)"; and
8	(C) by striking "agency under this sub-
9	chapter" and inserting "agency under this sub-
10	chapter (other than section 657C)".
11	SEC. 402. APPROPRIATION FOR WAGES.
12	(a) APPROPRIATION.—There is authorized to be ap-
13	propriated, and there is appropriated, out of any funds
14	in the Treasury not otherwise appropriated,
15	\$2,700,000,000 for fiscal year 2024 and each subsequent
16	fiscal year, to carry out subsection (b).
17	(b) Use of Funds.—Using funds made available
18	under subsection (a), the Secretary of Health and Human
19	Services shall assist Head Start agencies (including Early
20	Head Start agencies) funded under the Head Start Act
21	(42 U.S.C. 9831 et seq.), to the extent needed to ensure
22	that their teachers and staff—
23	(1) receive wages that are comparable to wages
24	for elementary educators with similar credentials
25	and experience in the State; or

- 1 (2) at a minimum, receive a living wage.
- 2 (c) Application.—In carrying out subsection (b),
- 3 the Secretary shall apply the Head Start Act, except to
- 4 the extent that subsection (b) is inconsistent with that

5 Act.

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