

**AMENDMENT H.R. 2270, AS REPORTED**

**OFFERED BY Ms. Lee** \_\_\_\_\_

Strike all after the enacting clause and insert the following:

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Child Care for 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.

13 (b) ADDITIONAL DEFINITIONS.—In this section:

14 (1) APPRENTICESHIP.—The term “apprentice-  
15 ship” means an apprenticeship registered under the  
16 Act of August 16, 1937 (commonly known as the  
17 “National Apprenticeship Act”; 50 Stat. 664, chap-  
18 ter 663; 29 U.S.C. 50 et seq.).

19 (2) CHILD CARE CERTIFICATE.—

1 (A) IN GENERAL.—The term “child care  
2 certificate” means a certificate (that may be a  
3 check or other disbursement) that is issued by  
4 a State, Tribal, territorial, or local government  
5 under this section directly to a parent who shall  
6 use such certificate only as payment for child  
7 care services or as a deposit for child care serv-  
8 ices if such a deposit is required of other chil-  
9 dren being cared for by the provider.

10 (B) RULE.—Nothing in this section shall  
11 preclude the use of such certificates for sec-  
12 tarian child care services if freely chosen by the  
13 parent. For the purposes of this section, child  
14 care certificates shall be considered indirect  
15 Federal financial assistance to the provider.

16 (3) CHILD EXPERIENCING HOMELESSNESS.—  
17 The term “child experiencing homelessness” means  
18 an individual who is a homeless child or youth under  
19 section 725 of the McKinney-Vento Homeless Assist-  
20 ance Act (42 U.S.C. 11434a).

21 (4) ELIGIBLE ACTIVITY.—The term “eligible  
22 activity”, with respect to a parent, shall include, at  
23 minimum, activities consisting of—

24 (A) full-time or part-time employment;

25 (B) self-employment;

1 (C) job search activities;

2 (D) secondary, postsecondary, or adult  
3 education, including education through a pro-  
4 gram of high school classes, a course of study  
5 at an institution of higher education, classes to-  
6 wards an equivalent of a high school diploma  
7 recognized by State law, or English as a second  
8 language classes;

9 (E) health treatment (including mental  
10 health and substance use treatment) for a con-  
11 dition that prevents the parent from partici-  
12 pating in other eligible activities;

13 (F) activities to prevent child abuse and  
14 neglect, or family violence prevention or inter-  
15 vention activities;

16 (G) employment and training activities, in-  
17 cluding job training, under the Workforce Inno-  
18 vation and Opportunity Act (29 U.S.C. 3101 et  
19 seq.); and

20 (H) taking leave under the Family and  
21 Medical Leave Act of 1993 (29 U.S.C. 2601 et  
22 seq.) (or equivalent provisions for Federal em-  
23 ployees), a State or local paid or unpaid leave  
24 law, or a program of employer-provided leave.

25 (5) ELIGIBLE CHILD.—

1 (A) IN GENERAL.—The term “eligible  
2 child” means an individual—

3 (i) who is less than 6 years of age;

4 (ii) who is not yet in kindergarten;

5 and

6 (iii) who—

7 (I) resides with a parent or par-  
8 ents who are participating in an eligi-  
9 ble activity;

10 (II) is included in a population of  
11 vulnerable children identified by the  
12 lead agency involved, which at a min-  
13 imum shall include children with dis-  
14 abilities, infants and toddlers with dis-  
15 abilities, children experiencing home-  
16 lessness, children in foster care, chil-  
17 dren in kinship care, children in a  
18 family that is eligible for assistance  
19 through the special supplemental nu-  
20 trition assistance program for women,  
21 infants, and children established by  
22 section 17 of the Child Nutrition Act  
23 of 1966 (42 U.S.C. 1786), a house-  
24 hold that is eligible to receive assist-  
25 ance through the supplemental nutri-

1                   tion assistance program established  
2                   under the Food and Nutrition Act of  
3                   2008 (7 U.S.C. 2011 et seq.), or a  
4                   family that is eligible to receive assist-  
5                   ance through the program of block  
6                   grants to States for temporary assist-  
7                   ance for needy families established  
8                   under part A of title IV of the Social  
9                   Security Act (42 U.S.C. 601 et seq.),  
10                  and children who are receiving, or  
11                  need to receive, child protective serv-  
12                  ices; or

13                                   (III) resides with—

14   (aa) a parent who is more  
15   than 65 years of age;

16   (bb) a parent who is em-  
17   ployed by an eligible child care  
18   provider; or

19   (cc) a parent who is enrolled  
20   in high school and has not ex-  
21   ceeded the maximum age of en-  
22   rollment in high school.

23                                   (B) LONGER-TERM PERIOD ELIGIBILITY.—

24                                   An individual who is determined to be an eligi-  
25                                   ble child shall not be required to reverify eligi-

1           bility for purposes of this title during the period  
2           after the determination and before the indi-  
3           vidual becomes 6 years of age or enters kinder-  
4           garten, whichever occurs earlier.

5           (6) ELIGIBLE CHILD CARE PROVIDER.—

6                   (A) IN GENERAL.—The term “eligible child  
7           care provider” means a center-based child care  
8           provider, a family child care provider, or other  
9           provider of child care services for compensation  
10          that—

11                   (i) is licensed to provide child care  
12           services under State law applicable to the  
13           child care services it provides or, in the  
14           case of an Indian Tribe or Tribal organiza-  
15           tion, meets the rules set by the Secretary;

16                   (ii) participates in the State’s tiered  
17           system for recognizing and supporting the  
18           quality of child care services described in  
19           subsection (f)(3)(B), or, in the case of an  
20           Indian Tribe or Tribal organization, meets  
21           the rules set by the Secretary—

22                   (I) not later than 4 years after  
23           the State first receives funds under  
24           this section; and

1 (II) for the remainder of the pe-  
2 riod for which the provider receives  
3 funds under this section; and

4 (iii) satisfies the State and local re-  
5 quirements, including those requirements  
6 described in section 658E(c)(2)(I) of the  
7 Child Care and Development Block Grant  
8 Act of 1990 (42 U.S.C. 9858c(c)(2)(I)),  
9 applicable to the child care services it pro-  
10 vides.

11 (B) SPECIAL RULE.—A child care provider  
12 who is eligible to provide child care services in  
13 a State for children receiving assistance under  
14 the Child Care and Development Block Grant  
15 Act of 1990 (42 U.S.C. 9857 et seq.) on the  
16 date the State submits an application for funds  
17 under this section, and remains in compliance  
18 with any licensing or registration standards, or  
19 regulations, of the State, shall be deemed to be  
20 an eligible child care provider under this section  
21 for 3.5 years after the State first receives fund-  
22 ing under this section.

23 (7) FMAP.—The term “FMAP” has the mean-  
24 ing given the term “Federal medical assistance per-

1           centage” in the first sentence of section 1905(b) of  
2           the Social Security Act (42 U.S.C. 1396d(b)).

3           (8) FAMILY CHILD CARE PROVIDER.—The term  
4           “family child care provider” means one or more indi-  
5           viduals who provide child care services, in a private  
6           residence other than the residences of the children  
7           involved, for less than 24 hours per day per child,  
8           or for 24 hours per day per child due to the nature  
9           of the work of the parent involved.

10          (9) INCLUSIVE CARE.—The term “inclusive”,  
11          with respect to care (including child care), means  
12          care provided by an eligible child care provider—

13                (A) for whom the percentage of children  
14                served by the provider who are children with  
15                disabilities or infants or toddlers with disabili-  
16                ties reflects the prevalence of children with dis-  
17                abilities and infants and toddlers with disabili-  
18                ties (whichever the provider serves) among chil-  
19                dren within the State involved; and

20                (B) that provides care and full participa-  
21                tion for children with disabilities and infants  
22                and toddlers with disabilities (whichever the  
23                provider serves) alongside children who are—

24                        (i) not children with disabilities; and

1 (ii) not infants and toddlers with dis-  
2 abilities.

3 (10) INFANT OR TODDLER.—The term “infant  
4 or toddler” means an individual who is less than 3  
5 years of age.

6 (11) INFANT OR TODDLER WITH A DIS-  
7 ABILITY.—The term “infant or toddler with a dis-  
8 ability” has the meaning given the term in section  
9 632 of the Individuals with Disabilities Education  
10 Act (20 U.S.C. 1432).

11 (12) LEAD AGENCY.—The term “lead agency”  
12 means the agency designated under subsection (e).

13 (13) PROVIDER TYPE.—The term “provider  
14 type” means a type that is—

15 (A) a center-based child care provider;

16 (B) a family child care provider; or

17 (C) another non-center-based child care  
18 provider.

19 (14) RECOGNIZED POSTSECONDARY CREDEN-  
20 TIAL.—The term “recognized postsecondary creden-  
21 tial” has the meaning given the term in section 3 of  
22 the Workforce Innovation and Opportunity Act (29  
23 U.S.C. 3102).

24 (15) STAFFED FAMILY CHILD CARE NET-  
25 WORK.—The term “staffed family child care net-

1 work” means a nonprofit organization or nonprofit  
2 cooperative—

3 (A) that may be a component of a child  
4 care resource and referral organization;

5 (B) that has at least one paid staff mem-  
6 ber; and

7 (C) that offers evidence-based professional  
8 development, quality improvement support,  
9 business support, and technical assistance, in-  
10 cluding on achieving licensure as a child care  
11 provider, to family child care providers.

12 (16) STATE.—The term “State” means any of  
13 the 50 States and the District of Columbia.

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

19 (c) APPROPRIATIONS.—

20 (1) ENTITLEMENT.—In addition to amounts  
21 otherwise available, there is appropriated to the De-  
22 partment of Health and Human Services, out of any  
23 money in the Treasury not otherwise appropriated,  
24 such sums as may be necessary for each of fiscal  
25 years 2026 through 2031, for payments to States,

1 territories, and Indian Tribes and Tribal organiza-  
2 tions, and for carrying out this section (other than  
3 carrying out activities described in paragraph (2) or  
4 (3)).

5 (2) GRANTS TO LOCALITIES; AWARDS TO HEAD  
6 START AGENCIES.—In addition to amounts otherwise  
7 available, there is appropriated to the Department of  
8 Health and Human Services for fiscal year 2026,  
9 out of any money in the Treasury not otherwise ap-  
10 propriated, \$20,000,000,000, to remain available  
11 until September 30, 2031, to carry out the programs  
12 of grants to localities and awards to Head Start  
13 agencies described in subsection (i).

14 (3) FEDERAL ADMINISTRATION.—In addition to  
15 amounts otherwise available, there is appropriated to  
16 the Department of Health and Human Services for  
17 fiscal year 2026, out of any money in the Treasury  
18 not otherwise appropriated, \$1,300,000,000, to re-  
19 main available until September 30, 2031, to carry  
20 out subsections (k) and (l).

21 (d) ESTABLISHMENT OF BIRTH THROUGH FIVE  
22 CHILD CARE AND EARLY LEARNING ENTITLEMENT PRO-  
23 GRAM.—

24 (1) IN GENERAL.—The Secretary is authorized  
25 to administer a child care and early learning entitle-

1       ment program under which an eligible child, in a  
2       State, territory, or Indian Tribe, or served by a  
3       Tribal organization with an approved application  
4       under subsection (f) or (g), shall be provided an op-  
5       portunity to obtain high-quality child care services,  
6       subject to the requirements of this section.

7               (2) ASSISTANCE FOR EVERY ELIGIBLE  
8       CHILD.—Beginning on October 1, 2026, every child  
9       who applies for assistance under this section, who is  
10       in a State with an approved application under sub-  
11       section (f), or in a territory or Indian Tribe or  
12       served by a Tribal organization with an approved  
13       application under subsection (g), and who is deter-  
14       mined, by a lead agency (or other entity designated  
15       by a lead agency) for the State, territory, Indian  
16       Tribe, or Tribal organization involved, following  
17       standards and procedures established by the Sec-  
18       retary by rule, to be an eligible child, shall be offered  
19       and shall be entitled to receive assistance for direct  
20       child care services in accordance with and subject to  
21       the requirements and limitations of this section.

22               (e) LEAD AGENCY.—The Governor of a State or the  
23       head of a territory or Indian Tribe, desiring for the State,  
24       territory, or Indian tribe or a related tribal organization  
25       to receive a payment under this section, shall designate

1 a lead agency (such as a State agency or joint interagency  
2 office) to administer the child care program carried out  
3 under this section.

4 (f) APPLICATIONS AND STATE PLANS.—

5 (1) APPLICATION.—To be eligible to receive as-  
6 sistance under this section, a State shall prepare  
7 and submit to the Secretary for approval an applica-  
8 tion containing a State plan that meets the require-  
9 ments under paragraph (3) and contains that infor-  
10 mation.

11 (2) PERIOD COVERED BY PLAN.—A State plan  
12 contained in the application shall be designed to be  
13 implemented during a period of not more than 3  
14 years.

15 (3) REQUIREMENTS FOR STATE PLANS.—The  
16 Secretary shall award funds under this section to  
17 States with an approved application that contains a  
18 State plan, submitted under paragraph (1), at such  
19 time, in such manner, and containing such informa-  
20 tion as the Secretary shall by rule require, including,  
21 at a minimum, the following:

22 (A) PAYMENT RATES AND COST ESTI-  
23 MATION.—

24 (i) PAYMENT RATES.—The State plan  
25 shall certify that payment rates for the

1 provision of direct child care services for  
2 which assistance is provided in accordance  
3 with this section for the period covered by  
4 the plan, within 3 years after the State  
5 first receives funds under this section—

6 (I) will be sufficient to meet the  
7 cost of child care (including fixed  
8 costs such as rent or mortgage and  
9 salaries), and set (with pay being  
10 paid) in accordance with a cost esti-  
11 mation model or cost study described  
12 in clause (ii) that is approved by the  
13 Secretary; and

14 (II) will correspond to differences  
15 in quality (including improved quality)  
16 based on the State's tiered system for  
17 recognizing and supporting the quality  
18 of child care services described in sub-  
19 paragraph (B).

20 (ii) COST ESTIMATION.—Such State  
21 plan shall—

22 (I) demonstrate that the State  
23 has, after consulting with the entities  
24 and administrators described in sub-  
25 clause (II), developed and uses a sta-

1                   tistically valid and reliable cost esti-  
2                   mation model or cost study for the  
3                   payment rates for direct child care  
4                   services in the State (that are suffi-  
5                   cient to cover providers' fixed costs  
6                   and take into account payments made  
7                   through BASE grants under title II),  
8                   for the cost of child care at each of  
9                   the tiers of the State's tiered system  
10                  for recognizing and supporting the  
11                  quality of child care services described  
12                  in subparagraph (B), and for vari-  
13                  ations in the cost of direct child care  
14                  services by geographic area, provider  
15                  type, and age of child, and the addi-  
16                  tional costs associated with providing  
17                  inclusive care;

18                               (II) certify that the entities and  
19                               administrators consulted included the  
20                               State Advisory Council on Early  
21                               Childhood Education and Care des-  
22                               ignated or established in section  
23                               642B(b)(1)(A)(i) of the Head Start  
24                               Act (42 U.S.C. 9837b(b)(1)(A)(i))  
25                               (including State Head Start collabora-

1           tion office directors), administrators  
2           of local child care programs and Head  
3           Start agencies, organizations rep-  
4           resenting child care directors, teach-  
5           ers, and other staff, local child care  
6           resource and referral organizations,  
7           organizations representing parents of  
8           children with disabilities and parents  
9           of infants and toddlers with disabil-  
10          ities, the State interagency coordi-  
11          nating council established under sec-  
12          tion 641 of the Individuals with Dis-  
13          abilities Education Act (20 U.S.C.  
14          1441), the State advisory panel estab-  
15          lished under section 612(a)(21) of the  
16          Individuals with Disabilities Edu-  
17          cation Act (20 U.S.C. 1412(a)(21)),  
18          organizations and labor organizations  
19          representing child care providers, and  
20          other appropriate entities;

21                           (III) certify that the State—

22                                   (aa) not later than 30 days  
23                                   after finalizing the cost esti-  
24                                   mation model or cost study, pub-  
25                                   lished a detailed report con-

1 taining the child care costs esti-  
2 mated with the cost estimation  
3 model or cost study, and includ-  
4 ing an explanation detailing how  
5 the wage requirements described  
6 in subclause (IV)(cc) were ap-  
7 plied in the estimation of such  
8 costs; and

9 (bb) not later than 60 days  
10 after publishing the report, estab-  
11 lished a system to receive public  
12 comment on the report about  
13 making changes to the cost esti-  
14 mation model or cost study, pro-  
15 vided an opportunity for the pub-  
16 lic to comment on the report  
17 through that system, and sub-  
18 mitted the report to the Sec-  
19 retary;

20 (IV) certify that the State's pay-  
21 ment rates for direct child care serv-  
22 ices for which assistance is provided  
23 in accordance with this section—

24 (aa) are set (with pay being  
25 paid) in accordance with the

1 most recent estimates from the  
2 most recent cost estimation  
3 model or cost study under sub-  
4 clause (I), so that providers at  
5 each tier of the tiered system for  
6 recognizing and supporting the  
7 quality of child care services de-  
8 scribed in subparagraph (B) re-  
9 ceive a payment that is sufficient  
10 to fully meet the requirements of  
11 such tier;

12 (bb) are set so as to provide  
13 payments to providers not at the  
14 top tier of the tiered system that  
15 are sufficient to enable the pro-  
16 viders to increase quality to meet  
17 the requirements for the next  
18 tier;

19 (cc) ensure adequate wages  
20 for staff of child care providers  
21 providing such direct child care  
22 services that—

23 (AA) at a minimum,  
24 provide a living wage for all

1 staff of such child care pro-  
2 viders; and

3 (BB) are equivalent to  
4 wages for elementary edu-  
5 cators with similar creden-  
6 tials and experience in the  
7 State; and

8 (dd) are adjusted on an an-  
9 nual basis for cost-of-living in-  
10 creases to ensure those payment  
11 rates remain sufficient to meet  
12 the requirements of this section;

13 (V) certify that the State will up-  
14 date, not less often than once every 3  
15 years, the cost estimation model or  
16 cost study, following the process and  
17 in accordance with the requirements  
18 of this subparagraph; and

19 (VI) certify that the State has es-  
20 tablished a system for appeals of the  
21 child care costs estimated with the  
22 cost estimation model or cost study.

23 (iii) PAYMENT PRACTICES.—Such  
24 State plan shall include an assurance that  
25 the State will implement payment practices

1           that support the fixed costs of providing  
2           direct child care services.

3           (B) TIERED SYSTEM FOR RECOGNIZING  
4           AND SUPPORTING THE QUALITY OF CHILD CARE  
5           SERVICES.—Such State plan shall certify that  
6           the State has implemented, or assure that the  
7           State will develop or revise within 3 years after  
8           first receiving funds under this section, with  
9           input (from early childhood education and de-  
10          velopment experts, from a diverse group of child  
11          care providers of a variety of provider types,  
12          from families, and from organizations rep-  
13          resenting child care directors, teachers, and  
14          other staff), a tiered system for recognizing and  
15          supporting the quality of child care services for  
16          which assistance is made available under this  
17          section, and that are inclusive and appropriate  
18          for such child care providers. Such tiered sys-  
19          tem shall—

20                   (i) include a set of standards, for de-  
21                   termining the tier of quality of a child care  
22                   provider, that—

23                           (I) uses standards for a highest  
24                           tier that at a minimum are equivalent  
25                           to Head Start program performance

1 standards described in section  
2 641A(a)(1)(B) of the Head Start Act  
3 (42 U.S.C. 9836a(a)(1)(B)) or other  
4 equivalent evidence-based standards  
5 approved by the Secretary;

6 (II) includes quality indicators  
7 and thresholds that are appropriate  
8 for child development for different  
9 types of provider types, including cen-  
10 ter-based child care providers and  
11 family child care providers, and are  
12 appropriate for providers serving dif-  
13 ferent age groups (including mixed  
14 age groups) of children; and

15 (III) aligns standards for the  
16 lowest tier with State licensing re-  
17 quirements for child care providers  
18 described in subparagraph (K);

19 (ii) include a different set of stand-  
20 ards that includes indicators, when appro-  
21 priate, for care during nontraditional hours  
22 of operation; and

23 (iii) provide for sufficient resources  
24 and supports for child care providers at  
25 tiers lower than the highest tier to facili-

1           tate progression toward meeting higher  
2           quality standards.

3           (C) ACHIEVING HIGH QUALITY FOR ALL  
4           CHILDREN.—Such State plan shall certify the  
5           State has implemented, or will implement with-  
6           in 3 years after first receiving funds under this  
7           section, policies and financing practices that  
8           will ensure all eligible children can choose to at-  
9           tend child care, with services provided by any of  
10          a variety of provider types including family  
11          child care providers, at the highest quality tier  
12          within 10 years after the date of enactment of  
13          this Act.

14          (D) NUMBER AND PERCENTAGE OF PRO-  
15          VIDERS AT EACH TIER AND OTHER CHARACTER-  
16          ISTICS.—Such plan shall provide information on  
17          the number and percentage of eligible child care  
18          providers, disaggregated (unless the  
19          disaggregation involved would reveal personally  
20          identifiable information about an individual pro-  
21          vider or child) by—

22                 (i) the tier of a provider's services on  
23                 the State's tiered system for recognizing  
24                 and supporting the quality of child care  
25                 services described in subparagraph (B);

- 1 (ii) the primary language of the pro-  
2 vider;
- 3 (iii) the race and ethnicity of the chil-  
4 dren served;
- 5 (iv) the age of the children;
- 6 (v) the disability status of the chil-  
7 dren; and
- 8 (vi) the primary language of the chil-  
9 dren.

10 (E) COMPENSATION.—Such plan shall pro-  
11 vide a certification that the State has or will  
12 have within 3 years after first receiving funds  
13 under this section, a wage ladder for staff of el-  
14 igible child care providers receiving assistance  
15 under this section, including a certification that  
16 wages for such staff, at a minimum, will meet  
17 the requirements of subparagraph  
18 (A)(ii)(IV)(cc).

19 (F) SLIDING FEE SCALE FOR COPAY-  
20 MENTS.—

21 (i) IN GENERAL.—Except as provided  
22 in clause (ii)(I), the State plan shall pro-  
23 vide an assurance that the State will for  
24 the period covered by the plan use a slid-  
25 ing fee scale, which shall gradually in-

1           crease copayments as a percentage of fam-  
2           ily income for families with greater family  
3           incomes as described in clause (ii), to de-  
4           termine a copayment for a family receiving  
5           assistance under this section (or, for a  
6           family receiving part-time care, a reduced  
7           copayment that is the proportionate  
8           amount of the full copayment).

9                   (ii) SLIDING FEE SCALE.—A full co-  
10           payment described in clause (i) shall be de-  
11           termined using a sliding fee scale that pro-  
12           vides that, for a family with a family in-  
13           come—

14                           (I) of not more than 85 percent  
15                           of the State median income for a fam-  
16                           ily of the same size, the family shall  
17                           not pay a copayment, toward the cost  
18                           of the child care involved for all eligi-  
19                           ble children in the family;

20                           (II) of more than 85 percent but  
21                           not more than 100 percent of the  
22                           State median income for a family of  
23                           the same size, the copayment shall be  
24                           more than 0 but not more than 2 per-

1 cent of that family income, toward  
2 such cost for all such children;

3 (III) of more than 100 percent  
4 but not more than 125 percent of the  
5 State median income for a family of  
6 the same size, the copayment shall be  
7 more than 2 but not more than 4 per-  
8 cent of that family income, toward  
9 such cost for all such children;

10 (IV) of more than 125 percent  
11 but not more than 150 percent of the  
12 State median income for a family of  
13 the same size, the copayment shall be  
14 more than 4 but not more than 7 per-  
15 cent of that family income, toward  
16 such cost for all such children; and

17 (V) of more than 150 percent of  
18 the State median income for a family  
19 of the same size, the copayment shall  
20 be 7 percent of that family income, to-  
21 ward such cost for all such children.

22 (G) PROHIBITION ON CHARGING MORE  
23 THAN COPAYMENT.—The State plan shall cer-  
24 tify that, after the State develops and uses the  
25 cost estimation model or cost study described in

1           subparagraph (A)(ii), the State will not permit  
2           a child care provider receiving financial assist-  
3           ance under this section to charge, for direct  
4           child care services for an eligible child, more  
5           than the total of—

6                   (i) the financial assistance provided  
7                   for the child under this section; and

8                   (ii) any applicable copayment pursu-  
9                   ant to subparagraph (F).

10           (H) REDUCTION OF BARRIERS.—The State  
11           plan shall assure that each child who receives  
12           assistance under this section will be considered  
13           to meet all eligibility requirements for such as-  
14           sistance, and will receive such assistance, for  
15           not less than 12 months unless the child has  
16           aged out of the program, and the child’s eligi-  
17           bility determination and redetermination, in-  
18           cluding any determination based on the State’s  
19           definition of eligible activities, shall be imple-  
20           mented in a manner that supports child well-  
21           being and reduces barriers to enrollment, in-  
22           cluding continuity of services.

23           (I) POLICIES TO SUPPORT ACCESS TO  
24           CHILD CARE FOR UNDERSERVED POPU-  
25           LATIONS.—The State plan shall demonstrate

1           that the State will prioritize increasing access  
2           to, and the quality and the supply of, child care  
3           in the State for underserved populations, in-  
4           cluding at a minimum, children from low-in-  
5           come families, children in underserved areas, in-  
6           fants and toddlers, children with disabilities and  
7           infants and toddlers with disabilities, children  
8           who are dual language learners, children experi-  
9           encing homelessness, children in foster or kin-  
10          ship care, children who receive care during non-  
11          traditional hours, and vulnerable children as de-  
12          fined by the lead agency pursuant to subsection  
13          (b)(5)(A)(iii)(II).

14                 (J) POLICIES.—The State plan shall in-  
15          clude a certification that the State will apply,  
16          under this section, the policies and procedures  
17          described in subparagraphs (A), (B), (I), (J),  
18          (K)(i), (R), and (U) of section 658E(c)(2) of  
19          the Child Care and Development Block Grant  
20          Act of 1990 (42 U.S.C. 9858e(c)(2)), and the  
21          policies and procedures described in section  
22          658H of such Act (42 U.S.C. 9858f), to child  
23          care services provided under this section.

24                 (K) LICENSING.—

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

23 (ii) LICENSING STANDARDS.—

24 (I) IN GENERAL.—The State  
25 plan shall certify that the State will

1           develop or revise, within 2.5 years  
2           after first receiving funds under this  
3           section, licensing standards appro-  
4           priate for child care providers of a va-  
5           riety of provider types and provider  
6           sizes (which may, when appropriate,  
7           include a different set of licensing  
8           standards with respect to care during  
9           nontraditional hours of operation) and  
10          a pathway to licensure described in  
11          this clause that is available to and ap-  
12          propriate for such child care pro-  
13          viders, that will offer providers eligible  
14          under the Child Care and Develop-  
15          ment Block Grant Act of 1990 (42  
16          U.S.C. 9857 et seq.) a reasonable  
17          pathway to become eligible providers  
18          under this section, and that will as-  
19          sure an adequate supply of child care.

20                   (II) DETERMINATION.—For pur-  
21                   poses of subclause (I), provider size  
22                   shall be determined by measuring the  
23                   number of children served by the pro-  
24                   vider.

1 (iii) TIMELINE.—Such plan shall de-  
2 scribe the timeline the State will use to en-  
3 sure sufficient time for providers described  
4 in subsection (b)(6)(B) to comply with  
5 such licensing standards in order to remain  
6 eligible providers after 3.5 years after the  
7 State first receives funding under this sec-  
8 tion.

9 (iv) FINANCIAL SUPPORT FOR PRO-  
10 VIDERS.—Such plan shall describe how the  
11 State will use funds reserved under sub-  
12 section (h)(3)(A) to enable a variety of  
13 provider types to achieve licensure, includ-  
14 ing paying for the costs of required back-  
15 ground checks, health screening, and initial  
16 and ongoing training, and other costs asso-  
17 ciated with achieving licensure.

18 (L) PROHIBITION ON SUSPENSIONS, EX-  
19 PULSIONS, AND AVERSIVE BEHAVIORAL INTER-  
20 VENTIONS.—The State plan shall provide an as-  
21 surance that the State will—

22 (i) provide assistance to carry out this  
23 section only to eligible child care providers  
24 that prohibit—

1 (I) the use of suspension and ex-  
2 pulsion of children; and

3 (II) the use of aversive behavioral  
4 interventions; and

5 (ii) provide training resources to eligi-  
6 ble child care providers and information to  
7 families to support the prohibition of prac-  
8 tices described in subclauses (I) and (II) of  
9 clause (i).

10 (M) MULTITIERED SYSTEMS OF SUP-  
11 PORT.—The State plan shall provide an assur-  
12 ance that the State will provide assistance to el-  
13 igible child care providers to implement multi-  
14 tiered systems of support such as systems with  
15 positive behavioral interventions and supports,  
16 infant and early childhood mental health con-  
17 sultation and trauma-informed care that pro-  
18 mote positive social and emotional development  
19 and reduce challenging behaviors.

20 (N) ENROLLMENT PRACTICES.—

21 (i) IN GENERAL.—The State plan  
22 shall describe how the lead agency will en-  
23 sure that families have access to a low-bar-  
24 rier enrollment (including reenrollment)  
25 process that is accessible to and minimizes

1                   burdens for families with diverse character-  
2                   istics, by implementing activities such as  
3                   allowing for simplified enrollment for sib-  
4                   lings, coordinating with other State agen-  
5                   cies to streamline enrollment processes  
6                   across public assistance programs, requir-  
7                   ing minimal paperwork, allowing for enroll-  
8                   ment through a State or local website, and  
9                   providing flexible submission deadlines.

10                   (ii) DEFINITION.—In this subpara-  
11                   graph, the term “family with diverse char-  
12                   acteristics” includes families with adults  
13                   with disabilities, with children with disabil-  
14                   ities, or with infants and toddlers with dis-  
15                   abilities, families experiencing homeless-  
16                   ness, families with limited access to inter-  
17                   net connectivity, families living in rural  
18                   areas, families of dual language learners,  
19                   and families with children in underserved  
20                   populations identified under subparagraph  
21                   (I).

22                   (O) IMPLEMENTATION FOR LOW-INCOME  
23                   FAMILIES.—The State plan shall include a cer-  
24                   tification that the applicant, not later than Oc-  
25                   tober 1, 2026, will provide assistance described

1 in subsection (d)(2) to every child in the State  
2 who is described in that subsection, and is from  
3 a family with a family income of not more than  
4 85 percent of the State median income for a  
5 family of the same size, before the applicant ex-  
6 pands the program involved to provide such as-  
7 sistance to children from additional families.

8 (g) PAYMENTS.—

9 (1) IN GENERAL.—For each of fiscal years  
10 2026 through 2031:

11 (A) CHILD CARE ASSISTANCE FOR ELIGI-  
12 BLE CHILDREN.—

13 (i) IN GENERAL.—The Secretary shall  
14 pay to each State with an approved appli-  
15 cation under subsection (f), and that State  
16 shall be entitled to, an amount for each  
17 quarter equal to 90 percent of expendi-  
18 tures (which shall be the Federal share of  
19 such expenditures) in the quarter for direct  
20 child care services described under sub-  
21 section (h)(2) for eligible children.

22 (ii) EXCEPTION.—Funds reserved  
23 from the total under subsection (h)(3)  
24 shall be subject to subparagraph (B).

1                   (iii) PROHIBITION.—Activities de-  
2                   scribed in subparagraph (B) or (C) may  
3                   not be included in the cost of direct child  
4                   care services described in this subpara-  
5                   graph.

6                   (B) ACTIVITIES TO IMPROVE THE QUALITY  
7                   AND SUPPLY OF CHILD CARE SERVICES.—The  
8                   Secretary shall pay to each State with such an  
9                   approved application, and that State shall be  
10                  entitled to, the FMAP of expenditures (which  
11                  shall be the Federal share of such expenditures)  
12                  to carry out activities to improve the quality  
13                  and supply of child care services under sub-  
14                  section (h)(3) subject to the limit specified in  
15                  subparagraph (A) of such subsection.

16                  (C) ADMINISTRATION.—The Secretary  
17                  shall pay to each State with such an approved  
18                  application, and that State shall be entitled to,  
19                  an amount equal to 50 percent of expenditures  
20                  (which shall be the Federal share of such ex-  
21                  penditures) for the costs of administration in-  
22                  curred by the State—

23                               (i) which shall include costs incurred  
24                               by the State in carrying out the child care  
25                               program established in this section; and

1 (ii) which may include, at the option  
2 of the State, costs associated with carrying  
3 out requirements, policies, and procedures  
4 described in section 658H of the Child  
5 Care and Development Block Grant Act of  
6 1990 (42 U.S.C. 9858f).

7 (2) ADVANCE PAYMENT; RETROSPECTIVE AD-  
8 JUSTMENT.—For each of fiscal years 2026 through  
9 2031, the Secretary shall make payments under this  
10 subsection for a period on the basis of advance esti-  
11 mates of expenditures submitted by the State and  
12 such other investigation as the Secretary may find  
13 necessary, and shall reduce or increase the payments  
14 as necessary to adjust for any overpayment or un-  
15 derpayment for previous periods. No interest shall  
16 be charged or paid on any amount due because of  
17 an overpayment or underpayment for previous peri-  
18 ods.

19 (3) TERRITORIES AND TRIBES.—

20 (A) IN GENERAL.—For each of fiscal years  
21 2026 through 2031, from amounts appropriated  
22 under subsection (c)(1) the Secretary shall  
23 make payments to territories, and Indian  
24 Tribes and Tribal organizations, as the case  
25 may be, with applications submitted as de-

1           scribed in subparagraph (B), and approved by  
2           the Secretary for the purpose of carrying out  
3           the child care program described in this section,  
4           consistent, to the extent practicable as deter-  
5           mined by the Secretary (subject to subsection  
6           (d)(2)), with the requirements applicable to  
7           States.

8                   (B) APPLICATIONS.—

9                           (i) TRIBAL APPLICATIONS.—An In-  
10                          dian Tribe or Tribal organization seeking a  
11                          payment under this paragraph shall submit  
12                          an application to the Secretary at such  
13                          time, in such manner, and containing such  
14                          information as the Secretary may specify,  
15                          including—

16                                   (I) a certification described in  
17                                   subsection (f)(3)(O), except that each  
18                                   reference in the subsection to “child  
19                                   in the State” shall be considered to be  
20                                   a reference to “child served by the In-  
21                                   dian Tribe or Tribal organization, as  
22                                   the case may be,”; and

23                                   (II) an agreement to collect data  
24                                   and provide reports under subsection  
25                                   (n).

1 (ii) TERRITORIAL APPLICATIONS.—A  
2 territory seeking a payment under this  
3 paragraph shall submit an application to  
4 the Secretary at such time, in such man-  
5 ner, and containing such information as  
6 the Secretary may specify, including—

7 (I) a certification described in  
8 subsection (f)(3)(O), except that each  
9 reference in the subsection to “child  
10 in the State” shall be considered to be  
11 a reference to “child in the territory”;  
12 and

13 (II) an agreement to collect data  
14 and provide reports under subsection  
15 (n).

16 (C) AMOUNT.—The Secretary shall make  
17 the payments to the territories, Indian Tribes,  
18 and Tribal organizations described in subpara-  
19 graph (A) on the basis of their relative need.  
20 Each entity that is such a territory, Indian  
21 Tribe, or Tribal organization shall be entitled to  
22 such a payment as may be necessary to carry  
23 out the activities described in subsection (h),  
24 and to pay for the costs of administration in-  
25 curred by the entity, which shall include costs

1 incurred by the entity in carrying out the child  
2 care program, and which may include, at the  
3 option of the entity, costs associated with car-  
4 rying out requirements, policies, and procedures  
5 described in section 658H of the Child Care  
6 and Development Block Grant Act of 1990.

7 (h) USE OF FUNDS.—

8 (1) IN GENERAL.—Starting on October 1,  
9 2026, a State shall use amounts provided to the  
10 State under subsection (g) for direct child care serv-  
11 ices (provided on a sliding fee scale basis), activities  
12 to improve the quality and supply of child care serv-  
13 ices consistent with paragraph (3), and State admin-  
14 istration consistent with subsection (g)(1)(C).

15 (2) CHILD CARE ASSISTANCE FOR ELIGIBLE  
16 CHILDREN.—

17 (A) IN GENERAL.—For each of fiscal years  
18 2026 through 2031, from payments made to  
19 the State under subsection (g) for that par-  
20 ticular fiscal year, the State shall ensure that  
21 parents of eligible children can access direct  
22 child care services provided by an eligible child  
23 care provider under this section through a  
24 grant or contract as described in subparagraph

1 (B) or a certificate as described in subpara-  
2 graph (C).

3 (B) GRANTS AND CONTRACTS.—The State  
4 shall award grants or contracts to eligible child  
5 care providers, consistent with the requirements  
6 under this section, for the provision of child  
7 care services for eligible children under this sec-  
8 tion that, at a minimum, support providers' op-  
9 erating expenses to meet and sustain health,  
10 safety, quality, wage, and licensing standards  
11 required under this section.

12 (C) CERTIFICATES.—The State shall issue  
13 a child care certificate directly to a parent who  
14 shall use such certificate only as payment for  
15 direct child care services or as a deposit for di-  
16 rect child care services if such a deposit is re-  
17 quired of other children being cared for by the  
18 provider, consistent with the requirements  
19 under this section.

20 (3) ACTIVITIES TO IMPROVE THE QUALITY AND  
21 SUPPLY OF CHILD CARE SERVICES.—

22 (A) QUALITY CHILD CARE ACTIVITIES.—

23 (i) AMOUNT.—For each of fiscal years  
24 2026 through 2031, from the total of the  
25 payments made to the State for a par-



1 (II) through other State govern-  
2 ment agencies, local or regional child  
3 care resource and referral organiza-  
4 tions, community development finan-  
5 cial institutions, other intermediaries  
6 with experience supporting child care  
7 providers, or other appropriate enti-  
8 ties that enter into a contract with the  
9 State to provide such assistance.

10 (B) QUALITY AND SUPPLY ACTIVITIES.—  
11 Activities funded under the quality child care  
12 amount described in subparagraph (A) shall in-  
13 clude each of the following:

14 (i) STARTUP GRANTS AND SUPPLY EX-  
15 PANSION GRANTS.—

16 (I) IN GENERAL.—From a por-  
17 tion of the quality child care amount,  
18 a State shall make startup and supply  
19 expansion grants to support child care  
20 providers who are providing, or seek-  
21 ing to provide, child care services to  
22 children receiving assistance under  
23 this section, with priority for pro-  
24 viders providing or seeking to provide  
25 child care in underserved communities

1 and for underserved populations iden-  
2 tified under subsection (f)(3)(I), to—

3 (aa) support startup and ex-  
4 pansion costs; and

5 (bb) assist such providers in  
6 meeting health and safety re-  
7 quirements, achieving licensure,  
8 conducting background checks,  
9 and meeting requirements in the  
10 State’s tiered system for recog-  
11 nizing and supporting the quality  
12 of child care services described in  
13 subsection (f)(3)(B).

14 (II) REQUIREMENT.—As a condi-  
15 tion of receiving a startup or supply  
16 expansion grant under this clause, a  
17 child care provider shall commit to  
18 meeting the requirements of an eligi-  
19 ble provider under this section, and  
20 providing child care services to chil-  
21 dren receiving assistance under this  
22 section on an ongoing basis.

23 (ii) QUALITY GRANTS.—From a por-  
24 tion of the quality child care amount, a  
25 State shall provide quality grants to sup-

1 port eligible child care providers in pro-  
2 viding child care services to children receiv-  
3 ing assistance under this section to im-  
4 prove the quality of such providers, includ-  
5 ing—

6 (I) supporting such providers in  
7 meeting or making progress toward  
8 the requirements for the highest tier  
9 of the State’s tiered system for recog-  
10 nizing and supporting the quality of  
11 child care services described in sub-  
12 section (f)(3)(B); and

13 (II) supporting such providers in  
14 sustaining child care quality, including  
15 supporting increased wages for staff  
16 and supporting payment of fixed  
17 costs.

18 (iii) FACILITIES GRANTS.—From a  
19 portion of the quality child care amount, a  
20 State shall provide support, including  
21 through awarding facilities grants, for an  
22 activity (referred to in this subparagraph  
23 as a “covered activity”) consisting of re-  
24 modeling, renovation, or repair of a build-  
25 ing or facility, or for construction, perma-

1                   nent improvement, or major renovation of  
2                   a building or facility primarily used for  
3                   providing direct child care services, in ac-  
4                   cordance with the following:

5                               (I) RECIPIENTS.—The facilities  
6                               grants shall be awarded to eligible  
7                               child care providers with submitted or  
8                               approved applications under sub-  
9                               section (f) or (g) or to intermediaries  
10                              with experience supporting child care  
11                              providers in order to enable the inter-  
12                              mediaries to assist such eligible child  
13                              care providers with covered activities.

14                             (II) ELIGIBILITY.—To be eligible  
15                             to receive funds through a facilities  
16                             grant under this clause, a child care  
17                             provider shall enter into an agreement  
18                             with the State in which the provider  
19                             commits to use the funds only after  
20                             obtaining approval of an application  
21                             under subsection (f) or (g) and com-  
22                             mits to provide child care services to  
23                             children receiving assistance under  
24                             this section on an ongoing basis.

1 (III) FEDERAL INTEREST APPLI-  
2 CATION.—Provisions of Federal law  
3 relating to a Federal interest in a  
4 building or facility shall not apply to  
5 a covered activity for privately owned  
6 family child care homes under this  
7 clause.

8 (IV) FEDERAL INTEREST DURA-  
9 TION.—The Secretary shall not retain  
10 a Federal interest after a period of 10  
11 years in any building, or facility, at  
12 which a covered activity was carried  
13 out with funds awarded under this  
14 clause.

15 (V) RELIGIOUS BUILDINGS AND  
16 FACILITIES.—Eligible child care pro-  
17 viders may not use funds for buildings  
18 or facilities that are used primarily  
19 for sectarian instruction or religious  
20 worship.

21 (VI) FAMILY CHILD CARE  
22 HOMES.—The Secretary shall develop  
23 parameters on the use of funds under  
24 this clause for family child care  
25 homes.

1 (iv) STATE ACTIVITIES TO IMPROVE  
2 THE QUALITY OF CHILD CARE SERVICES.—  
3 A State shall use a portion of the quality  
4 child care amount to improve the quality of  
5 child care services available under this sec-  
6 tion, which shall include—

7 (I) supporting the training of the  
8 early childhood workforce, which shall  
9 include supporting—

10 (aa) degree attainment;

11 (bb) high-quality training  
12 programs that lead to a recog-  
13 nized postsecondary credential; or

14 (cc) the development and  
15 implementation of apprenticeship  
16 programs;

17 (II) supporting the professional  
18 development of the early childhood  
19 workforce through continued edu-  
20 cation and credentialing;

21 (III) developing, implementing,  
22 or revising the State's tiered system  
23 for recognizing and supporting the  
24 quality of child care services described  
25 in subsection (f)(3)(B);

1 (IV) improving the supply and  
2 quality of developmentally appropriate  
3 and inclusive child care programs and  
4 services for underserved populations  
5 identified under subsection (f)(3)(I);

6 (V) improving access to child  
7 care services for vulnerable children  
8 as defined by the lead agency pursu-  
9 ant to subsection (b)(5)(A)(iii)(II);

10 (VI) providing outreach and en-  
11 rollment support for families of eligi-  
12 ble children;

13 (VII) supporting eligible child  
14 care providers to eliminate use of sus-  
15 pensions, expulsions, and aversive be-  
16 havioral interventions, including  
17 through adaptations and interventions  
18 by special educators, mental health  
19 consultants, and other community re-  
20 source personnel, such as behavior  
21 coaches, psychologists, and other ap-  
22 propriate specialists, and through the  
23 provision of mental health services for  
24 the providers;

1 (VIII) promoting multitiered sys-  
2 tems of support such as systems with  
3 positive behavioral interventions and  
4 supports and trauma-informed care  
5 that promote positive social and emo-  
6 tional development and reduce chal-  
7 lenging behaviors;

8 (IX) offering training, coaching,  
9 or professional development opportu-  
10 nities for eligible child care providers  
11 that relate to the use of evidence-  
12 based, developmentally appropriate  
13 and age-appropriate strategies to pro-  
14 mote the social, emotional, physical,  
15 adaptive, communication, and cog-  
16 nitive development of children;

17 (X) improving coordination be-  
18 tween States and local governments  
19 with respect to licensing and other  
20 regulatory requirements for eligible  
21 child care providers;

22 (XI) increasing interrater reli-  
23 ability concerning licensing inspections  
24 or other evaluations of eligible child  
25 care providers by training licensing in-

1           spectors of the providers and pro-  
2           viding such inspectors with additional  
3           professional development;

4                   (XII) identifying and eliminating  
5           barriers to licensing of eligible child  
6           care providers, such as through reduc-  
7           ing fees for background checks, trans-  
8           lating licensing regulations into lan-  
9           guages other than English, and col-  
10          laborating with housing agencies or  
11          local governments; and

12                   (XIII) establishing or supporting  
13          a system of local or regional child care  
14          resource and referral organizations  
15          that is coordinated, to the extent de-  
16          termined appropriate by the State, by  
17          a statewide public or private non-  
18          profit, community-based or regionally  
19          based, lead child care resource and re-  
20          ferral organization, as described in  
21          section 658E(c)(3)(B)(iii) of the Child  
22          Care and Development Block Grant  
23          Act of 1990 (42 U.S.C.  
24          9858e(c)(3)(B)(iii)).

1                   (v) TECHNICAL ASSISTANCE.—From a  
2                   portion of the quality child care amount  
3                   described in subparagraph (A), the State,  
4                   in coordination with local governments and  
5                   staffed family child care networks as ap-  
6                   propriate, shall provide technical assistance  
7                   to increase the supply of eligible child care  
8                   providers in the State, such as—

9                               (I) providing business startup  
10                              support;

11                             (II) conducting outreach to re-  
12                             cruit new child care providers and in-  
13                             form such providers about the oppor-  
14                             tunities provided under this title, in-  
15                             cluding support for participation in  
16                             the tiered system for recognizing and  
17                             supporting the quality of child care  
18                             services described in subsection  
19                             (f)(3)(B);

20                            (III) providing support to enable  
21                            providers to achieve licensure (includ-  
22                            ing providing support for child care  
23                            providers operating legally without a  
24                            child care license to obtain such li-  
25                            cense, such as providing, for individ-

1 uals seeking a child care license, pre-  
2 licensing orientation and technical as-  
3 sistance throughout the child care li-  
4 censing process);

5 (IV) offering orientations for new  
6 child care providers including orienta-  
7 tions explaining support under pro-  
8 grams such as the child and adult  
9 care food program established under  
10 section 17 of the Richard B. Russell  
11 National School Lunch Act (42  
12 U.S.C. 1766); and

13 (V) supporting the development  
14 of shared service models for child care  
15 programs.

16 (i) GRANTS TO LOCALITIES AND AWARDS TO HEAD  
17 START PROGRAMS.—

18 (1) ELIGIBLE LOCALITY DEFINED.—In this  
19 subsection, the term “eligible locality” means a city,  
20 county, or other unit of general local government.

21 (2) GRANTS TO LOCALITIES.—

22 (A) IN GENERAL.—The Secretary shall use  
23 funds appropriated under subsection (c)(2) to  
24 award local Birth Through Five Child Care and  
25 Early Learning Grants, as determined by the

1 Secretary, to eligible localities located in States  
2 that have not received payments under sub-  
3 section (g). The Secretary shall award the  
4 grants to eligible localities in such a State from  
5 the allotment made for that State under sub-  
6 paragraph (B).

7 (B) ALLOTMENTS.—

8 (i) POVERTY LINE DEFINED.—In this  
9 subparagraph, the term “poverty line”  
10 means the poverty line defined and revised  
11 as described in section 673 of the Commu-  
12 nity Services Block Grant Act (42 U.S.C.  
13 9902).

14 (ii) GENERAL AUTHORITY.—For each  
15 State described in subparagraph (A), the  
16 Secretary shall allot for the State for a fis-  
17 cal year an amount that bears the same re-  
18 lationship to the funds appropriated under  
19 subsection (c)(2) and available to carry out  
20 this paragraph for the fiscal year as the  
21 number of children from families with fam-  
22 ily incomes that are at or below 200 per-  
23 cent of the poverty line, and who are under  
24 the age of 6, in the State bears to the total

1           number of all such children in all States  
2           described in subparagraph (A).

3           (C) APPLICATION.—To receive a grant  
4           from the corresponding State allotment under  
5           subparagraph (B), an eligible locality shall sub-  
6           mit an application to the Secretary at such  
7           time, in such manner, and containing such in-  
8           formation as the Secretary may require. The re-  
9           quirements for the application shall, to the  
10          greatest extent practicable, be consistent with  
11          the State plan requirements applicable to States  
12          under subsection (f).

13          (D) REQUIREMENTS.—The Secretary shall  
14          specify the requirements for an eligible locality  
15          to provide access to child care, which child care  
16          requirements shall, to the greatest extent prac-  
17          ticable, be consistent with the requirements ap-  
18          plicable to States under this section.

19          (E) RECOUPMENT OF UNUSED FUNDS.—  
20          Notwithstanding any other provision of this sec-  
21          tion, for each of fiscal years 2027 through  
22          2031, the Secretary shall have the authority to  
23          recoup any unused funds allotted under sub-  
24          paragraph (B) for awards under paragraph

1 (3)(A) to Head Start agencies in accordance  
2 with paragraph (3).

3 (3) HEAD START EXPANSION IN NONPARTICI-  
4 PATING STATES.—

5 (A) IN GENERAL.—The Secretary shall use  
6 funds appropriated under subsection (c)(2) or  
7 recouped under paragraph (2) to make awards  
8 to Head Start agencies in a State described in  
9 paragraph (2)(A) to carry out the purposes of  
10 the Head Start Act (42 U.S.C. 9831 et seq.) in  
11 such State.

12 (B) RULE.—For purposes of carrying out  
13 the Head Start Act in circumstances not involv-  
14 ing awards under this paragraph, funds award-  
15 ed under subparagraph (A) shall not be in-  
16 cluded in the calculation of a “base grant” as  
17 such term is defined in section 640(a)(7)(A) of  
18 the Head Start Act (42 U.S.C. 9835(a)(7)(A)).

19 (C) DEFINITION.—In this paragraph, the  
20 term “Head Start agency” means an entity des-  
21 ignated or eligible to be designated as a Head  
22 Start agency under section 641(a)(1) of the  
23 Head Start Act (42 U.S.C. 9836(a)(1)) or as  
24 an Early Head Start agency (by receiving a

1 grant) under section 645A(a) of such Act (42  
2 U.S.C. 9840a).

3 (4) PRIORITY FOR SERVING UNDERSERVED  
4 POPULATIONS.—In making determinations to award  
5 a grant or make an award under this subsection, the  
6 Secretary shall give priority to entities serving a  
7 high percentage of individuals from underserved  
8 populations identified under subsection (f)(3)(I).

9 (j) PROGRAM REQUIREMENTS.—

10 (1) NONDISCRIMINATION.—The following provi-  
11 sions of law shall apply to any program or activity  
12 that receives funds provided under this section:

13 (A) Title IX of the Education Amendments  
14 of 1972 (20 U.S.C. 1681 et seq.).

15 (B) Title VI of the Civil Rights Act of  
16 1964 (42 U.S.C. 2000d et seq.).

17 (C) Section 504 of the Rehabilitation Act  
18 of 1973 (29 U.S.C. 794).

19 (D) The Americans with Disabilities Act of  
20 1990 (42 U.S.C. 12101 et seq.).

21 (2) PROHIBITION ON ADDITIONAL ELIGIBILITY  
22 REQUIREMENTS.—No individual shall be determined,  
23 by the Secretary, a State, or another recipient of  
24 funds under this section, to be ineligible for child  
25 care services provided under this section, except on

1 the basis of eligibility requirements specified in or  
2 under this section.

3 (3) MAINTENANCE OF EFFORT.—

4 (A) IN GENERAL.—A State that receives  
5 payments under this section for a fiscal year, in  
6 using the funds made available through the  
7 payments, shall maintain the expenditures of  
8 the State for child care services at the average  
9 level of such expenditures by the State for the  
10 3 preceding fiscal years.

11 (B) COUNTING RULE.—State expenditures  
12 counted for purposes of meeting the require-  
13 ment in subparagraph (A) may also be counted  
14 for purposes of meeting the requirement to pro-  
15 vide a non-Federal share under subparagraph  
16 (A), (B), or (C), as appropriate, of subsection  
17 (g)(1).

18 (4) SUPPLEMENT NOT SUPPLANT.—Funds re-  
19 ceived under this section shall be used to supplement  
20 and not supplant other Federal, State, and local  
21 public funds expended to provide child care services  
22 in the State on the date of enactment of this Act,  
23 calculated as the average amount of such Federal,  
24 State, and local public funds expended for fiscal  
25 years 2023, 2024, and 2025.

1           (5) ALLOWABLE SOURCES OF NON-FEDERAL  
2           SHARE.—For purposes of providing the non-Federal  
3           share required under subsection (g)(1), a State’s  
4           non-Federal share—

5                   (A) for direct child care services described  
6                   in subsection (g)(1)(A)—

7                           (i) shall not include contributions  
8                           being used as a non-Federal share or  
9                           match for another Federal award; and

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                   (B) for activities to improve the quality  
16                   and supply of child care services described in  
17                   subsection (g)(1)(B), and administration de-  
18                   scribed in subsection (g)(1)(C)—

19                           (i) shall not include contributions  
20                           being used as a non-Federal share or  
21                           match for another Federal award;

22                           (ii) shall be provided from State or  
23                           local sources, contributions from philan-  
24                           thropy or other private organizations, or a

1 combination of such sources and contribu-  
2 tions; and

3 (iii) may be in cash or in-kind, fairly  
4 evaluated, including facilities or property,  
5 equipment, or services.

6 (k) MONITORING AND ENFORCEMENT.—

7 (1) REVIEW OF COMPLIANCE WITH REQUIRE-  
8 MENTS AND STATE PLAN.—The Secretary shall re-  
9 view and monitor compliance of States, territories,  
10 Tribal entities, and local entities with this section  
11 and State compliance with the State plan described  
12 in subsection (f)(3).

13 (2) ISSUANCE OF RULE.—The Secretary shall  
14 establish by rule procedures for—

15 (A) receiving, processing, and determining  
16 the validity of complaints or findings concerning  
17 any failure of a State to comply with the State  
18 plan or any other requirement of this section;

19 (B) notifying a State when the Secretary  
20 has determined there has been a failure by the  
21 State to comply with a requirement of this sec-  
22 tion; and

23 (C) imposing sanctions under this sub-  
24 section for such a failure.

1           (l) FEDERAL ADMINISTRATION.—Using funds appro-  
2 priated under subsection (c)(3), the Secretary shall carry  
3 out administration of this section, shall provide (including  
4 through the use of grants or cooperative agreements) tech-  
5 nical assistance to States, territories, Indian Tribes, and  
6 Tribal organizations, and shall carry out research and  
7 evaluations related to this section.

8           (m) NONPOSTSECONDARY EDUCATION PROGRAM.—  
9 For purposes of section 401 of the Act entitled “An Act  
10 to provide for reconciliation pursuant to section 201(a)(1)  
11 of the concurrent resolution on the budget for fiscal year  
12 1997”, approved August 22, 1996, the program carried  
13 out under this section shall be considered to be a program  
14 of nonpostsecondary education.

15           (n) REPORTS.—

16                   (1) COLLECTION OF INFORMATION BY  
17 STATES.—

18                           (A) IN GENERAL.—A State that receives  
19 funds to carry out this section shall collect the  
20 information described in subparagraph (B) on a  
21 monthly basis.

22                           (B) REQUIRED INFORMATION.—The infor-  
23 mation required to be collected under this sub-  
24 paragraph shall consist of, with respect to a

1 family receiving assistance under this section,  
2 information concerning—

3 (i) family income;

4 (ii) county (or comparable local juris-  
5 diction) of residence;

6 (iii) the gender, race and ethnicity,  
7 and age of each child receiving such assist-  
8 ance;

9 (iv) whether the head of the family is  
10 a single parent;

11 (v) the number of months the family  
12 has received such assistance;

13 (vi) the provider type with which the  
14 child was enrolled;

15 (vii) the amount of the copayment  
16 paid for child care provided under this sec-  
17 tion;

18 (viii) the average hours per month of  
19 such care, during the period for which such  
20 information is required to be submitted;

21 and

22 (ix) whether the children receiving as-  
23 sistance under this section are either chil-  
24 dren with disabilities or infants and tod-  
25 dlers with disabilities.

1 (C) SUBMISSION TO THE SECRETARY.—A  
2 State described in subparagraph (A) shall, on a  
3 quarterly basis, submit the information required  
4 to be collected under subparagraph (B) to the  
5 Secretary.

6 (D) USE OF SAMPLES.—

7 (i) AUTHORITY.—A State may comply  
8 with the requirement to collect the infor-  
9 mation described in subparagraph (B)  
10 through the use of disaggregated case  
11 record information for a sample of families  
12 selected through the use of scientifically  
13 acceptable sampling methods approved by  
14 the Secretary.

15 (ii) SAMPLING AND OTHER METH-  
16 ODS.—The Secretary shall provide the  
17 States with such case record sampling  
18 plans and data collection procedures as the  
19 Secretary determines to be necessary to  
20 produce statistically valid samples of the  
21 information described in subparagraph  
22 (B). The Secretary may develop and imple-  
23 ment procedures for verifying the quality  
24 of the data submitted by the States.

1 (E) PROHIBITION.—Reports submitted to  
2 the Secretary under subparagraph (C) shall not  
3 contain personally identifiable information.

4 (2) ANNUAL REPORTS.—Not later than 1 year  
5 after the date of enactment of the Child Care for  
6 Working Families Act, and annually thereafter, a  
7 State shall prepare and submit to the Secretary a  
8 report containing such information as the Secretary  
9 may require, that includes at a minimum, the de-  
10 scription and analysis described in paragraph (3)  
11 and aggregate data concerning—

12 (A) the number of child care providers that  
13 received funding under this section and licensed  
14 capacity of such providers, and such data  
15 disaggregated by provider type, by the quality  
16 rating on the State’s tiered system for recog-  
17 nizing and supporting the quality of child care  
18 services described in subsection (f)(3)(B) (re-  
19 ferred to in this subsection as the “quality rat-  
20 ing”) of such providers, and by the geographic  
21 area of such providers;

22 (B)(i) the total number of children, and  
23 families with children, receiving child care serv-  
24 ices funded under this section;

1           (ii) the percentage of children, and families  
2 with children, receiving child care services fund-  
3 ed under this section, among all children less  
4 than 6 years of age, and all families with such  
5 children, respectively, in all States; and

6           (iii) the data described in clause (i), and  
7 the data described in clause (ii), disaggregated  
8 for children, and families with children, by—

9           (I) race and ethnicity of the child in-  
10 volved;

11           (II) family income of the child's fam-  
12 ily;

13           (III) age of the child;

14           (IV) the child's status as an infant or  
15 toddler with a disability or child with a dis-  
16 ability;

17           (V) the child's status as a child expe-  
18 riencing homelessness;

19           (VI) the child's status as a child in  
20 foster care; and

21           (VII) the child's status (to the extent  
22 the status is known) as a dual language  
23 learner;

24           (C) the monthly child care subsidy pay-  
25 ment rate paid to eligible child care providers

1 for child care services funded under this sec-  
2 tion, as determined by the State's cost esti-  
3 mation model or cost study described in sub-  
4 section (f)(3)(A)(i), including any variation in  
5 the rate by geographic area, provider type, age  
6 of child, and costs associated with providing in-  
7 clusive care;

8 (D) the amount of the copayment paid by  
9 families for such child care services, and such  
10 data disaggregated by family income;

11 (E) the number and percentage of pay-  
12 ments made by the State for such services to el-  
13 igible child care providers through certificates,  
14 grants, and contracts, and such data  
15 disaggregated by provider type;

16 (F) the manner in which consumer edu-  
17 cation information was provided to parents and  
18 the number of parents to whom such informa-  
19 tion was provided under this section;

20 (G) the number of child fatalities occurring  
21 among children while in the care or facility of  
22 child care providers funded under this section,  
23 and such data disaggregated by provider type;

24 (H) the geographic area of child care pro-  
25 viders funded under this section;

1 (I) the quality features of child care serv-  
2 ices provided by providers funded under this  
3 section, compared to the quality features of  
4 child care services provided by other child care  
5 providers, to the extent possible, including data  
6 on quality features such as—

7 (i) amount of staff wages and other  
8 compensation (including benefits);

9 (ii) length of staff retention;

10 (iii) presence of coaching and profes-  
11 sional development activities;

12 (iv) number of providers remaining  
13 open through the year covered;

14 (v) measured parent satisfaction; and

15 (vi) presence of provision of informa-  
16 tion in languages other than English;

17 (J) the quality features of child care serv-  
18 ices received by children and funded under this  
19 section, and such data disaggregated by the  
20 children's—

21 (i) race and ethnicity;

22 (ii) family income;

23 (iii) age;

1 (iv) status as an infant or toddler  
2 with a disability or a child with a dis-  
3 ability;

4 (v) status as a child experiencing  
5 homelessness;

6 (vi) status as a child in foster care;

7 and

8 (vii) status (to the extent the status is  
9 known) as a dual language learner;

10 (K) the number of child care providers,  
11 listed by provider type, geographic area, and  
12 provider quality rating, that received—

13 (i) a startup or supply expansion  
14 grant under subsection (h)(3)(B)(i);

15 (ii) a quality grant under subsection  
16 (h)(3)(B)(ii); or

17 (iii) a facilities grant under subsection  
18 (h)(3)(B)(iii); and

19 (L) the average wages (including salaries)  
20 or other compensation for staff of eligible child  
21 care providers funded under this section, and  
22 such data disaggregated by provider type, job  
23 position type, and to the extent possible, staff  
24 race and ethnicity.

1           (3) DESCRIPTION AND ANALYSIS.—The State  
2 shall include in each report described in paragraph  
3 (2)—

4           (A) a description of whether there are in-  
5 equities in how child care providers with quality  
6 features described in paragraph (2)(I) are dis-  
7 tributed among children served under this sec-  
8 tion; and

9           (B) an analysis of the State’s child care  
10 supply, including an analysis of the number of  
11 child care slots with licensed child care pro-  
12 viders that were added or lost by the State in  
13 the covered year, and trends in such addition or  
14 loss by provider type and quality rating of child  
15 care provider.

16           (4) RULE ON DISAGGREGATION.—Nothing in  
17 this paragraph shall require disaggregation of data  
18 if the disaggregation involved would reveal person-  
19 ally identifiable information about an individual pro-  
20 vider or child.

21           (o) REPORTS TO CONGRESS.—The Secretary shall—

22           (1) submit an annual report to the Committee  
23 on Health, Education, Labor, and Pensions and the  
24 Committee on Appropriations of the Senate and the  
25 Committee on Education and Workforce and the

1 Committee on Appropriations of the House of Rep-  
2 resentatives, summarizing the findings from the re-  
3 ports received under subsection (n)(2); and

4 (2) make such report publicly available on the  
5 website of the Department of Health and Human  
6 Services.

7 (p) TRANSITION PROVISIONS.—

8 (1) TREATMENT OF CHILD CARE AND DEVEL-  
9 OPMENT BLOCK GRANT FUNDS.—For each of fiscal  
10 years 2026 through 2031, a State receiving assist-  
11 ance under this section shall not use more than 15  
12 percent of any funds received under the Child Care  
13 and Development Block Grant Act of 1990 (42  
14 U.S.C. 9857 et seq.) to provide assistance for direct  
15 child care services to children who are under the age  
16 of 6, are not yet in kindergarten, and are eligible  
17 under that Act.

18 (2) SPECIAL RULES REGARDING ELIGIBILITY.—  
19 Any child who is less than 6 years of age, is not yet  
20 in kindergarten, and is receiving assistance under  
21 the Child Care and Development Block Grant Act of  
22 1990 on the date funding is first allocated to the  
23 lead agency for the State, territory, Indian Tribe, or  
24 Tribal organization involved under this section—

1 (A) shall be deemed immediately eligible to  
2 receive assistance under this section; and

3 (B) may continue to use the child care pro-  
4 vider of the family's choice.

5 (3) TRANSITION PROCEDURES.—The Secretary  
6 is authorized to institute procedures for imple-  
7 menting this section, including issuing guidance for  
8 States receiving funds under subsection (g).

9 **TITLE II—BUILDING AN AFFORD-**  
10 **ABLE SYSTEM FOR EARLY**  
11 **EDUCATION GRANTS**

12 **SEC. 201. PURPOSES.**

13 The purposes of this title are to make child care serv-  
14 ices more accessible for families and to support the sta-  
15 bility and quality of eligible child care providers by—

16 (1) promoting the stability of the child care sec-  
17 tor by providing a source of stable funding to eligible  
18 child care providers to help offset their operating ex-  
19 penses;

20 (2) supporting sustained and increased wages  
21 for early childhood educators or other staff of eligi-  
22 ble child care providers, in order to stabilize and  
23 grow the child care workforce;

24 (3) expanding the supply and capacity of eligi-  
25 ble child care providers to ensure working families

1 have a range of high-quality, affordable child care  
2 options, in a variety of settings, that meet their  
3 unique needs; and

4 (4) supporting access to child care services for  
5 communities facing a particular shortage of child  
6 care options, including child care services for infants  
7 and toddlers, child care services during nontradi-  
8 tional or extended hours, and inclusive child care  
9 services for children with disabilities.

10 **SEC. 202. DEFINITIONS.**

11 In this title:

12 (1) CCDBG TERMS.—The terms “child care  
13 certificate”, “child with a disability”, “family child  
14 care provider”, “lead agency”, “Secretary”, and  
15 “State” have the meanings given the terms in sec-  
16 tion 658P of the Child Care and Development Block  
17 Grant Act of 1990 (42 U.S.C. 9858n). The terms  
18 “Indian Tribe” and “Tribal organization” have the  
19 meanings given the terms “Indian tribe” and “tribal  
20 organization” in section 658P of that Act.

21 (2) ELIGIBLE CHILD CARE PROVIDER.—The  
22 term “eligible child care provider” means—

23 (A) an eligible child care provider as de-  
24 fined in section 658P of the Child Care and De-  
25 velopment Block Grant Act of 1990; and

1 (B) an eligible child care provider as de-  
2 fined in title I.

3 (3) INFANT OR TODDLER.—The term “infant  
4 or toddler” means an individual who is less than 3  
5 years of age.

6 (4) INFANT OR TODDLER WITH A DIS-  
7 ABILITY.—The term “infant or toddler with a dis-  
8 ability” has the meaning given the term in section  
9 101(b).

10 (5) PROVIDER TYPE.—The term “provider  
11 type” means a type that is—

12 (A) a center-based child care provider;

13 (B) a family child care provider; or

14 (C) another non-center-based child care  
15 provider.

16 **SEC. 203. SECRETARIAL RESERVATION.**

17 From the funds appropriated to carry out this title,  
18 the Secretary shall reserve not more than 3 percent for  
19 the Federal administration of grants described in section  
20 204, which may include providing technical assistance to  
21 the lead agencies.

22 **SEC. 204. GRANTS.**

23 (a) IN GENERAL.—From the amounts appropriated  
24 to carry out this title that remain after the Secretary  
25 makes the reservation required under section 203, and

1 under the authority of section 658O of the Child Care and  
2 Development Block Grant Act of 1990 (42 U.S.C. 9858m)  
3 and this section, the Secretary shall award to each lead  
4 agency a BASE Grant, without regard to the requirements  
5 in subparagraphs (C) and (E) of section 658E(c)(3), and  
6 in section 658G, of that Act (42 U.S.C. 9858c(c)(3),  
7 9858e). Such grant shall be made from an amount allotted  
8 in accordance with section 658O of that Act (42 U.S.C.  
9 9858m), excluding paragraphs (3) through (5) of sub-  
10 section (a) of that section.

11 (b) PAYMENTS FOR INDIAN CHILDREN.—In accord-  
12 ance with section 658O of that Act, the Secretary may  
13 make BASE Grants to Indian Tribes or Tribal organiza-  
14 tions for the planning and carrying out of programs or  
15 activities consistent with the objectives of this title.

16 **SEC. 205. STATE APPLICATION.**

17 To be eligible to receive a grant under section 204,  
18 a lead agency shall submit an application to the Secretary  
19 at such time, in such manner, and including such informa-  
20 tion as the Secretary may reasonably require, including—

21 (1) a description of the process the lead agency  
22 will establish to award subgrant funds to eligible  
23 child care providers under this title;

1           (2) a description of how the lead agency will, in  
2           determining the subgrant amount for an eligible  
3           child care provider under this title—

4                   (A) ensure such subgrant is sufficient to  
5                   support the ongoing operations and long-term  
6                   sustainability of the eligible child care provider;

7                   (B) account for the cost of providing high-  
8                   quality child care services, including—

9                           (i) variations in the cost of child care  
10                           services related to geographic area, pro-  
11                           vider type, size of provider, and age of  
12                           child served;

13                           (ii) costs associated with providing  
14                           care during nontraditional or extended  
15                           hours;

16                           (iii) costs associated with serving chil-  
17                           dren with disabilities, including infants and  
18                           toddlers with disabilities; and

19                           (iv) costs associated with meeting  
20                           group sizes and ratios necessary to support  
21                           high-quality and inclusive child care serv-  
22                           ices, including for infants and toddlers;

23                   (C) account for the cost of attracting,  
24                   training, and retaining a qualified and skilled  
25                   workforce, which shall include at a minimum,

1 supporting increased wages for all staff of the  
2 provider, as described in section 209(5); and

3 (D) if the lead agency uses a formula for  
4 awarding such a subgrant that is based on gen-  
5 eral cost estimates, base such estimates on the  
6 provider's enrollment capacity rather than at-  
7 tendance;

8 (3) a description of how the lead agency will  
9 work with the eligible child care providers to improve  
10 the quality of child care services, which may include  
11 improving the State's tiered system for recognizing  
12 and supporting the quality of child care services de-  
13 scribed in section 101(f)(3)(B); and

14 (4) a description of how the lead agency will  
15 use funds reserved under section 207(a)(1) to con-  
16 duct widespread outreach and provide technical as-  
17 sistance to eligible child care providers (including  
18 family child care providers, providers with limited  
19 administrative capacity, and providers whose pri-  
20 mary language is not English), either directly or  
21 through child care resource and referral organiza-  
22 tions, staffed family child care networks, or local  
23 governments, to ensure such providers are aware of  
24 the subgrants available under this title and are able

1 to apply for and manage the resources provided  
2 through such subgrants.

3 **SEC. 206. ADMINISTRATION.**

4 Activities funded under a grant made for a State  
5 under section 204 may be administered—

6 (1) directly by the State's lead agency; or

7 (2) under a grant or contract to provide such  
8 administration, through another State government  
9 agency, a local or regional child care resource and  
10 referral organization, a community development fi-  
11 nancial institution, another nonprofit intermediary  
12 with experience supporting child care providers, or  
13 another appropriate entity.

14 **SEC. 207. STATE ACTIVITIES AND SUBGRANTS.**

15 (a) IN GENERAL.—A lead agency for a State that  
16 receives a BASE Grant pursuant to section 204 shall—

17 (1) reserve not more than 10 percent of the  
18 grant funds to administer subgrants, provide tech-  
19 nical assistance and support to enable all provider  
20 types to apply for, access, and manage the resources  
21 provided through such subgrants and other sources  
22 of public financial assistance available for the objec-  
23 tives of this title, publicize the availability of the  
24 subgrants, and carry out activities to increase the  
25 supply of child care services, under this title; and

1           (2) with the remaining grant funds, make sub-  
2           grants to eligible child care providers to carry out  
3           the activities described in section 210.

4           (b) SUBGRANT PERIOD.—The lead agency shall make  
5           the subgrants for a period of 5 years.

6           (c) PAYMENT PRACTICES.—The lead agency shall  
7           make the subgrant payments in advance, with necessary  
8           adjustments on account of overpayments or underpay-  
9           ments.

10 **SEC. 208. PRIORITY FOR SUBGRANTS.**

11           (a) IN GENERAL.—In making subgrants under this  
12           title, the lead agency shall give priority to eligible child  
13           care providers that—

14           (1) provide child care services during nontradi-  
15           tional or extended hours;

16           (2) provide child care services to infants and  
17           toddlers;

18           (3) provide child care services to dual language  
19           learners, children with disabilities, children experi-  
20           encing homelessness, children in foster care, or chil-  
21           dren from low-income families;

22           (4) provide child care services to children whose  
23           families received subsidies under the Child Care and  
24           Development Block Grant Act of 1990 (42 U.S.C.

1 9857 et seq.) or under title I, as applicable, for the  
2 child care services;

3 (5) operate in communities, including commu-  
4 nities with a high proportion of children in house-  
5 holds with incomes below the poverty line and rural  
6 communities, with a low supply of child care serv-  
7 ices; or

8 (6) are small business concerns, as defined in  
9 section 3 of the Small Business Act (15 U.S.C.  
10 632), or nonprofit organizations that are described  
11 in section 501(c)(3) of the Internal Revenue Code of  
12 1986 and exempt from taxation under section  
13 501(a) of such Code.

14 (b) DEFINITION.—In this section, the term “poverty  
15 line” means the poverty line defined and revised as de-  
16 scribed in section 673 of the Community Services Block  
17 Grant Act (42 U.S.C. 9902).

18 **SEC. 209. ELIGIBLE CHILD CARE PROVIDER APPLICATION.**

19 To be qualified to receive a subgrant under this title,  
20 an eligible child care provider shall submit to the cor-  
21 responding lead agency, at such time and in such manner  
22 as the lead agency may reasonably require, an application  
23 containing each of the following:

1           (1) A description of how the eligible child care  
2 provider meets the priority requirements in section  
3 208, if applicable.

4           (2) An assurance that the eligible child care  
5 provider accepts child care subsidies in the form of  
6 certificates, grants, or contracts as authorized under  
7 the Child Care Development Block Grant Act of  
8 1990 (42 U.S.C. 9857 et seq.), or child care sub-  
9 sidies in the form of certificates, grants, or contracts  
10 under title I, as an acceptable form of payment, re-  
11 gardless of whether children who are the bene-  
12 ficiaries of the child care subsidies are actually en-  
13 rolled.

14           (3) An assurance that the eligible child care  
15 provider, for the duration of the period of the grant  
16 under section 204, will be open and available to  
17 serve children unless temporarily closed due to or for  
18 a building safety issue or maintenance as a result of  
19 a building safety issue, widespread illness or a staff  
20 shortage, a routine closure or break due to a holiday  
21 or scheduled staff professional development session,  
22 or a state of emergency, major disaster, or emer-  
23 gency within the meaning of section 658E(c)(2)(U)  
24 of the Child Care Development Block Grant Act of  
25 1990 (42 U.S.C. 9858c(c)(2)(U)).

1           (4) A description of how the eligible child care  
2 provider will use funds provided under the subgrant  
3 to improve the quality of child care services and op-  
4 erations, such as through participation in a State's  
5 tiered system for recognizing and supporting the  
6 quality of child care services.

7           (5) A description of how the eligible child care  
8 provider will pay staff increased compensation over  
9 the course of the grant period including, at a min-  
10 imum, providing—

11                   (A) annual cost-of-living adjustments; and

12                   (B) graduated pay increases based on a  
13 staff member's credentials, experience, and job  
14 responsibilities, including, for a provider with  
15 15 or more staff, a wage ladder based on the  
16 credentials, experience, and responsibilities.

17 **SEC. 210. USE OF FUNDS.**

18           (a) IN GENERAL.—An eligible child care provider  
19 that receives a subgrant under this title—

20                   (1) shall use at least 70 percent of subgrant  
21 funds for child care personnel costs, including—

22                           (A) wages (including salaries), or similar  
23 compensation for a person who is a staff mem-  
24 ber or any sole proprietor or independent con-  
25 tractor, aligned with wage standards; and

1 (B)(i) annual cost-of-living adjustments for  
2 staff; and

3 (ii) graduated pay increases based on a  
4 staff member's credentials, experience, and job  
5 responsibilities, including, for a provider with  
6 15 or more staff, a wage ladder based on the  
7 credentials, experience, and responsibilities; and

8 (2) may use the subgrant funds for costs of ac-  
9 tivities related to the provider's program, consisting  
10 of—

11 (A) professional development and instruc-  
12 tional coaching for staff involved in the direct  
13 education and care of children, and providing  
14 support for planning and instruction;

15 (B) providing recruitment and retention  
16 bonuses for staff;

17 (C) providing staff benefits, such as health  
18 insurance, paid leave (including parental, fam-  
19 ily, medical, sick, and bereavement leave, and  
20 including personal leave or vacation), and funds  
21 for retirement accounts;

22 (D) hiring staff, including conducting  
23 background checks, and including hiring staff  
24 to reduce staff-to-child ratios or substitute staff  
25 to support use of paid leave;

1 (E) paying for occupancy, including mak-  
2 ing payments for—

3 (i) rent (including rent under a lease),  
4 or on any mortgage obligation; and

5 (ii) insurance, utilities, and mainte-  
6 nance;

7 (F) obtaining equipment, repairs, supplies,  
8 services, and training necessary to ensure com-  
9 pliance with applicable health, safety, edu-  
10 cational, and quality requirements and to sup-  
11 port high-quality, developmentally appropriate  
12 child care services, and achieving licensure as a  
13 child care provider;

14 (G) providing comprehensive services to  
15 support the health, including mental health,  
16 and well-being, of children and families from  
17 underserved populations, as described in section  
18 101(f)(3)(I);

19 (H) improving the quality of child care  
20 services in a way that is appropriate for child  
21 development by provider type involved, and for  
22 the age group of the children served; and

23 (I) providing inclusive and developmentally  
24 appropriate care for children with disabilities,  
25 including implementing reasonable accommoda-

1           tions, making space more accessible, and pro-  
2           viding additional staffing and coordinating early  
3           intervention services provided through the pro-  
4           vider’s program with early intervention services  
5           provided through other early childhood pro-  
6           grams.

7           (b) SPECIAL RULE FOR STATES PARTICIPATING IN  
8   TITLE I PROGRAM.—Notwithstanding subsection (a) and  
9   subject to the approval of the Secretary, a lead agency  
10   of a State participating in the program established in title  
11   I may make alternative uses of the funds received through  
12   a grant made under section 204, if such funds support—

13           (1) the provision of high-quality, affordable  
14           child care services, in accordance with title I;

15           (2) compensation for early childhood educators  
16           and staff of child care programs, of eligible child  
17           care providers, that meet the requirements of title I;  
18           or

19           (3) initiatives to expand the supply of eligible  
20           child care providers or improve the quality of child  
21           care services provided by eligible child care pro-  
22           viders.

23           (c) RULE.—For purposes of subsection (a), the terms  
24           “staff” and “staff member” include a person described in  
25           subsection (a)(1)(A).

1 **SEC. 211. REPORTING.**

2 (a) LEAD AGENCY REPORTS.—Not later than 1 year  
3 after a lead agency has received a grant under section 204  
4 and annually thereafter, the lead agency shall submit to  
5 the Secretary, in such manner and containing such infor-  
6 mation as the Secretary may require, a report that in-  
7 cludes, at a minimum—

8 (1) the total number of eligible child care pro-  
9 viders who applied for a subgrant under this title  
10 relative to the total number of eligible child care pro-  
11 viders in the State, disaggregated by provider type,  
12 race and ethnicity of provider, and geographic area;

13 (2) the total number of eligible child care pro-  
14 viders that received such a subgrant (referred to in  
15 this section as a “subgrant recipient”) relative to the  
16 total number of eligible child care providers in the  
17 State, disaggregated by provider type, race and eth-  
18 nicity of provider, and geographic area;

19 (3) information stating the lead agency’s meth-  
20 odology for determining the amounts of subgrants  
21 under section 207(a)(2);

22 (4) the average and range of the subgrant  
23 amounts made available by the lead agency,  
24 disaggregated by provider type, race and ethnicity of  
25 provider, and geographic area;

1           (5) the percentages, of the subgrant recipients,  
2           that—

3                   (A) provided child care services during  
4                   nontraditional or extended hours;

5                   (B) served dual language learners, children  
6                   with disabilities, children experiencing homeless-  
7                   ness, children in foster care, children from low-  
8                   income families, or infants and toddlers;

9                   (C) served children whose families received  
10                  subsidies under the Child Care and Develop-  
11                  ment Block Grant Act of 1990 (42 U.S.C. 9857  
12                  et seq.) or under title I, as applicable, for the  
13                  child care services;

14                  (D) operated in communities described in  
15                  section 208(a)(5); and

16                  (E) are concerns or organizations de-  
17                  scribed in section 208(a)(6);

18           (6) the enrollment capacity of and average  
19           monthly attendance of children (by age) served by  
20           the subgrant recipients;

21           (7) the average family tuition for a subgrant re-  
22           cipient, disaggregated by—

23                   (A) age of the child served; and

24                   (B) provider type;

1 (8) the average wages (including salaries), or  
2 similar compensation specified in section  
3 210(a)(1)(A) of staff of a subgrant recipient,  
4 disaggregated by provider type;

5 (9) the percentages of subgrant recipients, for  
6 each of the provider types;

7 (10) the percentage of subgrant recipients that  
8 have staff members that are represented by labor or-  
9 ganizations;

10 (11) information about how the subgrant recipi-  
11 ents used the funds received under such a subgrant,  
12 including how funds were used for child care per-  
13 sonnel costs;

14 (12) information about how the lead agency  
15 used funds reserved under section 207(a)(1);

16 (13) a description of how the lead agency pub-  
17 licized the availability of the subgrants, including  
18 through making applications and materials available  
19 in multiple languages, and provided technical assist-  
20 ance and support to ensure all provider types were  
21 able to apply for and access the subgrants; and

22 (14)(A) information about subgrant recipients  
23 that have corporate or other business relationships  
24 across multiple locations and serve more than 5,000  
25 children in the year covered by the report; and

1 (B) the percentage of all children served by  
2 subgrant recipients that are subgrant recipients de-  
3 scribed in subparagraph (A).

4 (b) REPORTS TO CONGRESS.—The Secretary shall—

5 (1) submit an annual report to the Committee  
6 on Health, Education, Labor, and Pensions and the  
7 Committee on Appropriations of the Senate and the  
8 Committee on Education and Workforce and the  
9 Committee on Appropriations of the House of Rep-  
10 resentatives, summarizing the findings from the re-  
11 ports received under subsection (a); and

12 (2) make such report publicly available on the  
13 website of the Department of Health and Human  
14 Services.

15 **SEC. 212. SUPPLEMENT NOT SUPPLANT.**

16 Amounts made available to carry out this title shall  
17 be used to supplement and not supplant other Federal,  
18 State, and local public funds expended to provide child  
19 care services for eligible individuals.

20 **SEC. 213. APPROPRIATIONS.**

21 In addition to amounts otherwise available, there is  
22 appropriated to the Department of Health and Human  
23 Services, out of any money in the Treasury not otherwise  
24 appropriated to carry out this title, \$9,000,000,000 for  
25 each of fiscal years 2026 through 2031.

1                   **TITLE III—UNIVERSAL**  
2                   **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 Assist-  
9           ance Act (42 U.S.C. 11434a).

10                   (2) CHILD WITH A DISABILITY.—The term  
11           “child with a disability” has the meaning given the  
12           term in section 602 of the Individuals with Disabil-  
13           ities Education Act (20 U.S.C. 1401).

14                   (3) COMPREHENSIVE SERVICES.—The term  
15           “comprehensive services” means services that are  
16           provided to children and their families, and that are  
17           health, educational, nutritional, social, and other  
18           services that are determined, based on family needs  
19           assessments, to be necessary, within the meaning of  
20           section 636 of the Head Start Act (42 U.S.C. 9831).

21                   (4) DUAL LANGUAGE LEARNER.—The term  
22           “dual language learner” means a child who is learn-  
23           ing 2 or more languages at the same time, or a child  
24           who is learning a second language while continuing  
25           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

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

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).

10 (9) LOCAL EDUCATIONAL AGENCY.—The term  
11 “local educational agency” has the meaning given  
12 the term in section 8101 of the Elementary and Sec-  
13 ondary Education Act of 1965 (20 U.S.C. 7801).

14 (10) POVERTY LINE.—The term “poverty line”  
15 means the poverty line defined and revised as de-  
16 scribed in section 673 of the Community Services  
17 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 2026  
14 through 2031, 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 2026, out of any money in the Treasury not otherwise ap-  
21 propriated—

22 (1) \$2,500,000,000, to remain available until  
23 September 30, 2031, for carrying out payments to  
24 Indian Tribes and Tribal organizations for activities  
25 described in this title;

1           (2) \$1,250,000,000, to remain available until  
2           September 30, 2031, 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;

7           (3) \$300,000,000, to remain available until  
8           September 30, 2031, for carrying out payments to  
9           eligible local entities that serve children in families  
10          who are engaged in migrant or seasonal agricultural  
11          labor, for activities described in this title;

12          (4) \$995,000,000, to remain available until  
13          September 30, 2031, for carrying out Federal activi-  
14          ties to support the activities funded under this title,  
15          including administration, monitoring, technical as-  
16          sistance, and research, in fiscal years 2026 through  
17          2031; and

18          (5) \$20,000,000,000, to remain available until  
19          September 30, 2031, to carry out the program of  
20          grants to localities described in subsections (b) and  
21          (c) of section 306.

22 **SEC. 303. PAYMENTS FOR STATE UNIVERSAL PRESCHOOL**  
23 **SERVICES.**

24          (a) **IN GENERAL.**—A State that has submitted, and  
25          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 2026 THROUGH  
4 2031.—

5 (1) PRESCHOOL SERVICES.—For each of fiscal  
6 years 2026 through 2031, 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 2026;

12 (B) 90 percent of the State’s expenditures  
13 in the year for such preschool services, for fiscal  
14 year 2027;

15 (C) 80 percent of the State’s expenditures  
16 in the year for such preschool services, for fiscal  
17 year 2028;

18 (D) 75 percent of the State’s expenditures  
19 in the year for such preschool services, for fiscal  
20 year 2029;

21 (E) 65 percent of the State’s expenditures  
22 in the year for such preschool services, for fiscal  
23 year 2030; and

1 (F) 60 percent of the State's expenditures  
2 in the year for such preschool services, for fiscal  
3 year 2031.

4 (2) STATE ACTIVITIES.—The Secretary shall  
5 pay to each State with an approved State plan under  
6 subsection (e) an amount for a fiscal year equal to  
7 50 percent of the amount of the State's expenditures  
8 for the activities described in subsection (c), and sys-  
9 tem-wide activities similar to those described in sub-  
10 section (c) for the State's entire birth through 5  
11 year old early childhood system, except that in no  
12 case shall a payment for a fiscal year under this  
13 paragraph exceed the amount equal to 10 percent of  
14 the State's expenditures described in paragraph (1)  
15 for such fiscal year.

16 (3) NON-FEDERAL SHARE.—The remainder of  
17 the cost paid by the State for preschool services,  
18 that is not provided under paragraph (1), shall be  
19 considered the non-Federal share of the cost of those  
20 services. The remainder of the cost paid by the State  
21 for State activities, that is not provided under para-  
22 graph (2), shall be considered the non-Federal share  
23 of the cost of those activities.

24 (4) ADVANCE PAYMENT; RETROSPECTIVE AD-  
25 JUSTMENT.—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-  
13 ment system for providers of preschool services par-  
14 ticipating, or seeking to participate, in the State pre-  
15 school program, through the use of data, research,  
16 monitoring, training, technical assistance, profes-  
17 sional development, and coaching.

18 (3) Providing outreach and enrollment support  
19 for families of eligible children.

20 (4) Supporting data systems building to ensure  
21 that the State has the capacity to manage and im-  
22 plement data systems that allow data sharing among  
23 and between preschools, elementary schools, and sec-  
24 ondary schools.

1           (5) Supporting staff of eligible providers  
2 through professional development and coaching, and  
3 supporting staff in pursuing credentials and degrees,  
4 including baccalaureate degrees.

5           (6) Supporting activities that ensure access to  
6 inclusive preschool programs for children with dis-  
7 abilities.

8           (7) Providing age-appropriate transportation  
9 services for children, which at a minimum shall in-  
10 clude transportation services for children experi-  
11 encing homelessness and children in foster care.

12           (8) Conducting or updating a statewide needs  
13 assessment of access to high-quality preschool serv-  
14 ices.

15       (d) LEAD AGENCY.—The Governor of a State desir-  
16 ing for the State to receive a payment under this section  
17 shall designate a lead agency (such as a State agency or  
18 joint interagency office) for the administration of the  
19 State’s preschool program under this section.

20       (e) STATE PLAN.—In order to be eligible for pay-  
21 ments under this section, the Governor of a State shall  
22 submit a State plan to the Secretary for approval by the  
23 Secretary, in collaboration with the Secretary of Edu-  
24 cation, at such time, in such manner, and containing such  
25 information as the Secretary shall by rule require, that

1 includes a plan for achieving universal, high-quality, free,  
2 inclusive, and mixed-delivery preschool services. Such plan  
3 shall include, at a minimum, each of the following:

4 (1) A certification that—

5 (A) the State has in place, or will have in  
6 place no later than 1 year after the State first  
7 receives funding under this section, develop-  
8 mentally appropriate, evidence-based preschool  
9 education standards that, at a minimum, are as  
10 rigorous as the standards specified in subpara-  
11 graph (B) of section 641A(a)(1) of the Head  
12 Start Act (42 U.S.C. 9836a(a)(1)) and include  
13 program standards for class sizes and ratios;  
14 and

15 (B) the State will coordinate such stand-  
16 ards with other early learning standards in the  
17 State.

18 (2) An assurance that the State will ensure—

19 (A) all preschool services in the State  
20 funded under this section will— (i) be univer-  
21 sally available to all children in the State with-  
22 out any additional eligibility requirements; and

23 (ii) be high-quality, free, and inclu-  
24 sive; and

1 (B) that the local preschool programs in  
2 the State funded under this section will—

3 (i) by not later than 18 months after  
4 the program receives such funding, meet  
5 the State’s preschool education standards  
6 described in paragraph (1);

7 (ii) offer programming that meets the  
8 duration requirements of at least 1,020 an-  
9 nual hours;

10 (iii) adopt policies and practices to  
11 conduct outreach and provide expedited en-  
12 rollment, including prioritization, to—

13 (I) children experiencing home-  
14 lessness (which, in the case of a child  
15 attending a program provided by an  
16 eligible provider described in section  
17 301(6)(A), shall include immediate  
18 enrollment for the child);

19 (II) children in foster care or  
20 kinship care;

21 (III) children in families who are  
22 engaged in migrant or seasonal agri-  
23 cultural labor;

24 (IV) children with disabilities, in-  
25 cluding eligible children who are

1 served under part C of the Individuals  
2 with Disabilities Education Act (20  
3 U.S.C. 1431 et seq.); and

4 (V) dual language learners;

5 (iv) provide for salaries, and set  
6 schedules for salaries, for staff of providers  
7 in the State preschool program, including  
8 staff serving infants and toddlers employed  
9 by the same provider, that are equivalent  
10 to salaries of elementary school staff with  
11 similar credentials and experience;

12 (v) at a minimum, provide a living  
13 wage for all staff of such providers; and

14 (vi) require educational qualifications  
15 for teachers in the preschool program in-  
16 cluding, at a minimum, requiring that lead  
17 teachers in the preschool program have a  
18 baccalaureate degree in early childhood  
19 education or a related field by not later  
20 than 6 years after the date on which the  
21 State first receives funds under this sec-  
22 tion, except that—

23 (I) subject to subclause (II), the  
24 requirements under this clause shall  
25 not apply to individuals who were em-

1                   ployed by an eligible provider or early  
2                   education program for a cumulative 3  
3                   of the 5 years immediately preceding  
4                   the date of enactment of this Act and  
5                   have the necessary content knowledge  
6                   and teaching skills for early childhood  
7                   educators, as demonstrated through  
8                   measures determined by the State;  
9                   and

10                               (II) nothing in this section shall  
11                   require the State to lessen State re-  
12                   quirements for educational qualifica-  
13                   tions, in existence on the date of en-  
14                   actment of this Act, to serve as a  
15                   teacher in a State preschool program.

16                   (3) For States with existing publicly funded  
17                   State preschool programs (as of the date of submis-  
18                   sion of the State plan), a description of how the  
19                   State plans to use funding provided under this sec-  
20                   tion to ensure that such existing programs in the  
21                   State meet the requirements of this title for a State  
22                   preschool program.

23                   (4) A description of how the State, in estab-  
24                   lishing and operating the State preschool program  
25                   supported under this section, will—

1 (A) support a mixed-delivery system for  
2 any new slots funded under this section, includ-  
3 ing by facilitating the participation of Head  
4 Start programs and programs offered by li-  
5 censed child care providers;

6 (B) ensure the State preschool program  
7 does not disrupt the stability of infant and tod-  
8 dler child care throughout the State;

9 (C) ensure adequate consultation with the  
10 State Advisory Council on Early Childhood  
11 Education and Care designated or established  
12 in section 642B(b)(1)(A)(i) of the Head Start  
13 Act (42 U.S.C. 9837b(b)(1)(A)(i)) in the devel-  
14 opment of its plan, including consultation in  
15 how the State intends to distribute slots under  
16 subparagraph (E);

17 (D) partner with Head Start agencies to  
18 ensure the full utilization of Head Start pro-  
19 grams within the State; and

20 (E) distribute new preschool slots and re-  
21 sources equitably among child care (including  
22 family child care) providers, Head Start agen-  
23 cies, and schools within the State.

1           (5) A certification that the State, in operating  
2           the program described in this section for a fiscal  
3           year—

4                   (A) will not reduce the total preschool slots  
5                   provided in State-funded preschool programs  
6                   from the number of such slots in the previous  
7                   fiscal year; or

8                   (B) if the number of eligible children iden-  
9                   tified in the State declines from the previous  
10                  fiscal year, will maintain at least the previous  
11                  year's ratio of the total preschool slots de-  
12                  scribed in subparagraph (A) to eligible children  
13                  so identified.

14           (6) An assurance that the State will use fund-  
15           ing provided under this section to ensure children  
16           with disabilities have access to and participate in in-  
17           clusive preschool programs consistent with provisions  
18           in the Individuals with Disabilities Education Act  
19           (20 U.S.C. 1400 et seq.), and a description of how  
20           the State will collaborate with entities carrying out  
21           programs under section 619 or part C of the Indi-  
22           viduals with Disabilities Education Act (20 U.S.C.  
23           1419, 1431 et seq.), to support inclusive preschool  
24           programs.

1           (7) An assurance that the State will provide as-  
2           sistance under this section only to eligible providers  
3           that prohibit the use of suspension, expulsion, and  
4           aversive behavioral interventions in the State pre-  
5           school program described in this section.

6           (8) An assurance that the State will coordinate  
7           services provided under this title with services and  
8           supports provided under the Child Care and Devel-  
9           opment Block Grant Act of 1990 (42 U.S.C. 9857  
10          et seq.), section 619 and part C of the Individuals  
11          with Disabilities Education Act (20 U.S.C. 1419,  
12          1431 et seq.), the Head Start Act (42 U.S.C. 9831  
13          et seq.), the Preschool Development Grants program  
14          under section 9212 of the Every Student Succeeds  
15          Act (Public Law 114–95), the Elementary and Sec-  
16          ondary Education Act of 1965 (20 U.S.C. 6301 et  
17          seq.), the McKinney-Vento Homeless Assistance Act  
18          (42 U.S.C. 11301 et seq.), and the maternal, infant,  
19          and early childhood home visiting programs under  
20          section 511 of the Social Security Act (42 U.S.C.  
21          711).

22          (9) A certification that the State will support  
23          the continuous quality improvement of programs  
24          providing preschool services under this title, includ-

1       ing support through technical assistance, moni-  
2       toring, and research.

3           (10) A certification that the State will ensure a  
4       highly qualified early childhood workforce to support  
5       the requirements of this title.

6           (11) An assurance that the State will meet the  
7       requirements of clauses (ii) and (iii) of section  
8       658E(c)(2)(T) of the Child Care and Development  
9       Block Grant Act of 1990 (42 U.S.C.  
10       9858e(c)(2)(T)), with respect to funding and assess-  
11       ments under this title.

12          (12) A certification that subgrant and contract  
13       amounts provided as described in section 304 will be  
14       sufficient to enable eligible providers to meet the re-  
15       quirements of this title, and will provide for in-  
16       creased payment amounts based on the criteria de-  
17       scribed in clauses (iv) and (v) of paragraph (2)(B).

18          (13) An agreement to provide to the Secretary  
19       such periodic reports, providing a detailed account-  
20       ing of the uses of funding received under this sec-  
21       tion, as the Secretary may require for the adminis-  
22       tration of this section.

23       (f) DURATION OF THE PLAN.—Each State plan shall  
24       remain in effect for a period of not more than 3 years.

1 Amendments to the State plan shall remain in effect for  
2 the duration of the plan.

3 **SEC. 304. SUBGRANTS AND CONTRACTS FOR LOCAL PRE-**  
4 **SCHOOL PROGRAMS.**

5 (a) SUBGRANTS AND CONTRACTS.—

6 (1) IN GENERAL.—A State that receives a pay-  
7 ment under section 303(b) for a fiscal year shall use  
8 amounts provided through the payment to pay the  
9 costs of subgrants to, or contracts with, eligible pro-  
10 viders to operate universal, high-quality, free, and  
11 inclusive preschool programs (which State-funded  
12 programs may be referred to in this section as “local  
13 preschool programs”) through the State preschool  
14 program in accordance with subsection (c). A State  
15 shall reduce or increase the amounts provided under  
16 such subgrants or contracts if needed to adjust for  
17 any overpayment or underpayment described in sec-  
18 tion 303(b)(4).

19 (2) AMOUNT.—A State shall award a subgrant  
20 or contract under this section in a sufficient amount  
21 to enable the eligible provider to operate a local pre-  
22 school program that meets the requirements of sec-  
23 tion 303(e)(2), which amount shall reflect variations  
24 in the cost of preschool services by geographic area,  
25 type of provider, and age of child, and the additional

1 costs associated with providing inclusive preschool  
2 services for children with disabilities.

3 (3) DURATION.—The State shall award a  
4 subgrant or contract under this section for a period  
5 of not less than 3 years, unless the subgrant or con-  
6 tract is terminated or suspended, or the subgrant  
7 period is reduced, for cause.

8 (b) ENHANCED PAYMENTS FOR COMPREHENSIVE  
9 SERVICES.—In awarding subgrants or contracts under  
10 this subsection and in addition to meeting the require-  
11 ments of subsection (a)(2), the State shall award sub-  
12 grants or contracts with enhanced payments to eligible  
13 providers that offer local preschool programs funded under  
14 this section to a high percentage of low-income children  
15 to support comprehensive services.

16 (c) ESTABLISHING AND EXPANDING UNIVERSAL  
17 PRESCHOOL PROGRAMS.—

18 (1) ESTABLISHING AND EXPANDING UNIVERSAL  
19 PRESCHOOL PROGRAMS IN HIGH-NEED COMMU-  
20 NITIES.—In awarding subgrants or contracts under  
21 this section, the State shall first prioritize estab-  
22 lishing and expanding universal local preschool pro-  
23 grams within and across high-need communities by  
24 awarding subgrants or contracts to eligible providers  
25 operating within and across, or with capacity to op-

1       erate within and across, such high-need commu-  
2       nities. The State shall—

3               (A) use a research-based methodology ap-  
4               proved by the Secretary to identify such high-  
5               need communities, as determined by—

6                       (i) the rate of poverty in the commu-  
7                       nity;

8                       (ii) rates of access to high-quality pre-  
9                       school within the community; and

10                      (iii) other indicators of community  
11                      need as required by the Secretary; and

12               (B) distribute funding for preschool serv-  
13               ices under this section within such a high-need  
14               community so that a majority of children in the  
15               community are offered such preschool services  
16               before the State establishes and expands pre-  
17               school services in communities with lower levels  
18               of need.

19               (2) USE OF FUNDS.—Subgrants or contracts  
20               awarded under paragraph (1) shall be used to enroll  
21               and serve children in such a local preschool program  
22               involved, including by paying the costs—

23                      (A) of personnel (including classroom and  
24                      administrative personnel), including compensa-  
25                      tion (including benefits);

1 (B) associated with implementing the  
2 State's preschool standards, providing cur-  
3 riculum supports, and meeting early learning  
4 and development standards;

5 (C) of professional development, teacher  
6 supports, and training;

7 (D) of implementing and meeting develop-  
8 mentally appropriate health and safety stand-  
9 ards (including licensure, where applicable),  
10 teacher to child ratios, and group size maxi-  
11 mums;

12 (E) of materials, equipment, and supplies;  
13 and

14 (F) of rent or a mortgage, utilities, build-  
15 ing security, indoor and outdoor maintenance,  
16 and insurance.

17 (d) ESTABLISHING AND EXPANDING UNIVERSAL  
18 PRESCHOOL PROGRAMS IN ADDITIONAL COMMUNITIES.—  
19 Once a State that receives a payment under section 303(b)  
20 meets the requirements of subsection (c) with respect to  
21 establishing and expanding local preschool programs with-  
22 in and across high-need communities, the State shall use  
23 funds from such payment to enroll and serve children in  
24 local preschool programs, as described in such subsection,  
25 in additional communities in accordance with the metrics

1 described in subsection (e)(1)(A). Such funds shall be used  
2 for the activities described in subparagraphs (A) through  
3 (F) of subsection (e)(2).

4 **SEC. 305. PAYMENTS FOR UNIVERSAL PRESCHOOL SERV-**  
5 **ICES TO INDIAN TRIBES AND TERRITORIES.**

6 (a) INDIAN TRIBES AND TRIBAL ORGANIZATIONS.—

7 (1) IN GENERAL.—For each of fiscal years  
8 2026 through 2031, from the amount appropriated  
9 for Indian Tribes and Tribal organizations under  
10 section 302(b)(1), the Secretary shall make pay-  
11 ments to Indian Tribes and Tribal organizations  
12 with an application approved under paragraph (2),  
13 and the Tribes and Tribal organizations shall be en-  
14 titled to such payments for the purpose of carrying  
15 out the preschool program described in this title,  
16 consistent, to the extent practicable as determined  
17 by the Secretary, with the requirements applicable to  
18 States.

19 (2) APPLICATIONS.—An Indian Tribe or Tribal  
20 organization seeking a payment under this sub-  
21 section shall submit an application to the Secretary  
22 at such time, in such manner, and containing such  
23 information as the Secretary may specify.

24 (b) TERRITORIES.—

1           (1) IN GENERAL.—For each of fiscal years  
2           2026 through 2031, from the amount appropriated  
3           for territories under section 302(b)(2), the Secretary  
4           shall make payments to the territories with an appli-  
5           cation approved under paragraph (2), and the terri-  
6           tories shall be entitled to such payments, for the  
7           purpose of carrying out the preschool program de-  
8           scribed in this title, consistent, to the extent prac-  
9           ticable as determined by the Secretary, with the re-  
10          quirements applicable to States.

11          (2) APPLICATIONS.—A territory seeking a pay-  
12          ment under this subsection shall submit an applica-  
13          tion to the Secretary at such time, in such manner,  
14          and containing such information as the Secretary  
15          may specify.

16          (c) LEAD AGENCY.—The head of an Indian Tribe or  
17          territory desiring for the Indian Tribe or a related Tribal  
18          organization, or territory, to receive a payment under this  
19          section shall designate a lead agency (such as a tribal or  
20          territorial agency or joint interagency office) for the ad-  
21          ministration of the preschool program of the Indian Tribe  
22          or territory, under this section.

1 **SEC. 306. GRANTS TO LOCALITIES AND HEAD START EX-**  
2 **PANSION IN NONPARTICIPATING STATES.**

3 (a) **ELIGIBLE LOCALITY DEFINED.**—In this section,  
4 the term “eligible locality” means a city, county, or other  
5 unit of general local government, a local educational agen-  
6 cy, or a Head Start agency.

7 (b) **GRANTS TO LOCALITIES.**—

8 (1) **IN GENERAL.**—The Secretary, in consulta-  
9 tion with the Secretary of Education, shall use funds  
10 reserved in section 302(b)(5) to award local uni-  
11 versal preschool grants, as determined by the Sec-  
12 retary of Health and Human Services, to eligible lo-  
13 calities located in States that have not received pay-  
14 ments under section 303. The Secretary shall award  
15 the grants to eligible localities in a State from the  
16 allotment made for that State under paragraph (2).  
17 The Secretary shall specify the requirements for an  
18 eligible locality to conduct a preschool program  
19 under this section which shall, to the greatest extent  
20 practicable, be consistent with the requirements ap-  
21 plicable to States under this title, for a universal,  
22 high-quality, free, and inclusive preschool program.

23 (2) **ALLOTMENTS.**—For each State described in  
24 paragraph (1), the Secretary shall allot for the State  
25 for a fiscal year an amount that bears the same rela-  
26 tionship to the funds appropriated under section

1 302(b)(5) for the fiscal year as the number of chil-  
2 dren from families with family incomes at or below  
3 200 percent of the poverty line, and who are under  
4 the age of 6, in the State bears to the total number  
5 of all such children in all States described in para-  
6 graph (1).

7 (3) APPLICATION.—To receive a grant from the  
8 corresponding State allotment under this section, an  
9 eligible locality shall submit an application to the  
10 Secretary at such time, in such manner, and con-  
11 taining such information as the Secretary may re-  
12 quire. The requirements for the application shall, to  
13 the greatest extent practicable, be consistent with  
14 the State plan requirements applicable to States  
15 under this title.

16 (c) HEAD START EXPANSION IN NONPARTICIPATING  
17 STATES.—

18 (1) IN GENERAL.—The Secretary shall use  
19 funds appropriated under section 302(b)(5), to make  
20 awards to Head Start agencies in a State described  
21 in subsection (b)(1) to carry out the purposes of the  
22 Head Start Act (42 U.S.C. 9831 et seq.) in such  
23 State.

24 (2) RULE.—For purposes of carrying out the  
25 Head Start Act in circumstances not involving

1 awards under this subsection, funds awarded under  
2 paragraph (1) shall not be included in the calcula-  
3 tion of a “base grant” as such term is defined in  
4 section 640(a)(7)(A) of the Head Start Act (42  
5 U.S.C. 9835(a)(7)(A)).

6 (3) DEFINITION.—In this subsection, the term  
7 “Head Start agency” means an entity designated or  
8 eligible to be designated as a Head Start agency  
9 under section 641(a)(1) of the Head Start Act (42  
10 U.S.C. 9836(a)(1)) or as an Early Head Start agen-  
11 cy (by receiving a grant) under section 645A(a) of  
12 such Act (42 U.S.C. 9840a(a)).

13 (d) PRIORITY FOR SERVING UNDERSERVED COMMU-  
14 NITIES.—In making determinations to award a grant or  
15 make an award under this section, the Secretary shall give  
16 priority to entities serving communities with a high per-  
17 centage of children from families with family incomes at  
18 or below 200 percent of the poverty line.

19 **SEC. 307. ALLOWABLE SOURCES OF NON-FEDERAL SHARE.**

20 For purposes of calculating the amount of the non-  
21 Federal share, as determined under section 303(b)(3), re-  
22 lating to a payment under section 303(b), a State’s non-  
23 Federal share—

1           (1) may be in cash or in-kind, fairly evaluated,  
2           including facilities or property, equipment, or serv-  
3           ices;

4           (2) shall include any increase in amounts spent  
5           by the State to expand half-day kindergarten pro-  
6           grams in the State, as of the day before the date of  
7           enactment of this Act, into full day kindergarten  
8           programs;

9           (3) shall not include contributions being used as  
10          a non-Federal share or match for another Federal  
11          award;

12          (4) shall be provided from State or local  
13          sources, contributions from philanthropy or other  
14          private organizations, or a combination of such  
15          sources and contributions; and

16          (5) shall count not more than 100 percent of  
17          the State's current spending on prekindergarten pro-  
18          grams, calculated as the average amount of such  
19          spending by the State for fiscal years 2023, 2024,  
20          and 2025, toward the State's non-Federal share.

21 **SEC. 308. MAINTENANCE OF EFFORT.**

22          (a) IN GENERAL.—If a State reduces its combined  
23          fiscal effort per child for the State preschool program  
24          (whether a publicly funded preschool program or a pro-  
25          gram under this title) or through State supplemental as-

1 sistance funds for Head Start programs assisted under the  
2 Head Start Act, or through any State spending on early  
3 childhood programs or preschool services for any fiscal  
4 year that a State receives payments under section 303(b)  
5 (referred to in this paragraph as the “reduction fiscal  
6 year”) relative to the previous fiscal year, the Secretary,  
7 in collaboration with the Secretary of Education, shall re-  
8 duce support for such State under such subsection by the  
9 same amount as the total reduction in that State fiscal  
10 effort for such reduction fiscal year.

11 (b) WAIVER.—The Secretary, in collaboration with  
12 the Secretary of Education, may waive the requirements  
13 of subsection (a) if—

14 (1) the Secretaries determine that a waiver  
15 would be appropriate due to a precipitous decline in  
16 the financial resources of a State as a result of un-  
17 foreseen economic hardship, or a natural disaster,  
18 that has necessitated across-the-board reductions in  
19 State services during the 5-year period preceding the  
20 date of the determination, including for early child-  
21 hood education programs; or

22 (2) due to the circumstance of a State requiring  
23 reductions in specific programs, including early  
24 childhood education programs, the State presents to  
25 the Secretaries a justification and demonstration

1        why other programs could not be reduced and how  
2        early childhood education programs in the State will  
3        not be disproportionately harmed by such State re-  
4        ductions.

5        **SEC. 309. SUPPLEMENT NOT SUPPLANT.**

6        Funds received under this title shall be used to sup-  
7        plement and not supplant other Federal, State, and local  
8        public funds expended on prekindergarten programs in the  
9        State on the date of enactment of this Act, calculated as  
10       the average amount of such Federal, State, and local pub-  
11       lic funds expended for fiscal years 2023, 2024, and 2025.

12       **SEC. 310. NONDISCRIMINATION PROVISIONS.**

13       The following provisions of law shall apply to any pro-  
14       gram or activity that receives funds provided under this  
15       title:

16                (1) Title IX of the Education Amendments of  
17                1972 (20 U.S.C. 1681 et seq.).

18                (2) Title VI of the Civil Rights Act of 1964 (42  
19                U.S.C. 2000d et seq.).

20                (3) Section 504 of the Rehabilitation Act of  
21                1973 (29 U.S.C. 794).

22                (4) The Americans with Disabilities Act of  
23                1990 (42 U.S.C. 12101 et seq.).

1 **SEC. 311. MONITORING AND ENFORCEMENT.**

2 (a) REVIEW OF COMPLIANCE WITH REQUIREMENTS  
3 AND STATE PLAN.—The Secretary shall review and mon-  
4 itor compliance of States, territories, Tribal entities, and  
5 local entities with this title and State compliance with the  
6 State plan described in section 303(e), including a process  
7 for progress updates on the requirements described in sec-  
8 tion 303(e)(1).

9 (b) ISSUANCE OF RULE.—The Secretary shall estab-  
10 lish by rule procedures for—

11 (1) receiving, processing, and determining the  
12 validity of complaints or findings concerning any  
13 failure of a State to comply with the State plan or  
14 any other requirement of this title;

15 (2) notifying a State when the Secretary has  
16 determined there has been a failure by the State to  
17 comply with a requirement of this title; and

18 (3) imposing sanctions under this section for  
19 such a failure.

20 **SEC. 312. REPORTING.**

21 (a) IN GENERAL.—Each State that receives a pay-  
22 ment under section 303 shall prepare an annual report,  
23 in such manner and containing such information as the  
24 Secretary of Health and Human Services may reasonably  
25 require.

1 (b) CONTENTS.—A report prepared under subpara-  
2 graph (a) shall contain, at a minimum—

3 (1) a description of the manner in which the  
4 State has used the funds made available through the  
5 payment and a report of the expenditures made with  
6 the funds;

7 (2) a summary of the State’s progress toward  
8 providing access to high-quality preschool programs  
9 for eligible children;

10 (3) the number and percentage of children in  
11 the State participating in eligible preschool pro-  
12 grams, disaggregated by race, ethnicity, family in-  
13 come, child age, disability, and whether the children  
14 are homeless children, children in foster care, or  
15 dual language learners;

16 (4) data on the number and percentage of chil-  
17 dren in the State participating in public kinder-  
18 garten programs, disaggregated by race, family in-  
19 come, child age, disability, and whether the children  
20 are homeless children, children in foster care, or  
21 dual language learners, with information on whether  
22 such programs are offered—

23 (A) for a full day; and

24 (B) at no cost to families;

1 (5) data on the kindergarten readiness of chil-  
2 dren across the State;

3 (6) data on recruitment and retention of early  
4 childhood staff disaggregated by provider type, and  
5 age of children served; and

6 (7) data regarding coordination efforts with  
7 other child care and early childhood education pro-  
8 grams, including those funded under the Head Start  
9 Act (42 U.S.C. 9831 et seq.).

10 **TITLE IV—HEAD START**  
11 **EXTENDED DURATION**

12 **SEC. 401. EXTENDED DURATION.**

13 (a) IN GENERAL.—The Head Start Act (42 U.S.C.  
14 9801 et seq.) is amended—

15 (1) by redesignating section 657C (42 U.S.C.  
16 9852c) as section 657D; and

17 (2) by inserting after section 657B (42 U.S.C.  
18 9852b) the following:

19 **“SEC. 657C. EXTENDED DURATION.**

20 **“(a) IN GENERAL.—**The Secretary shall make grants  
21 to Head Start agencies (including Early Head Start agen-  
22 cies) funded under this subchapter to enable such agen-  
23 cies—

24 **“(1) to provide access to a full school year and**  
25 **a full school day of services;**

1           “(2) in the case of a migrant and seasonal  
2 Head Start agency, to provide access to additional  
3 service hours to ensure continuous Head Start serv-  
4 ices as determined by the Secretary; or

5           “(3) in the case of a Head Start agency (in-  
6 cluding an Early Head Start agency) that already  
7 meets the full-day, full-year services needs within its  
8 community, to enhance the quality of Head Start  
9 services (including Early Head Start services) pro-  
10 vided to children served by such agency.

11       “(b) APPLICATION.—

12           “(1) IN GENERAL.—To be eligible to receive a  
13 grant under this section, a Head Start agency shall  
14 submit an application at such time and in such man-  
15 ner as the Secretary may require. Such application  
16 shall include—

17           “(A) evidence of—

18           “(i) the number and percentage of  
19 slots—

20           “(I) in the agency’s Head Start  
21 center-based programs (that are not  
22 Early Head Start programs)—

23           “(aa) that are currently  
24 funded (as of the date of submis-  
25 sion of the application); and

1                   “(bb) in which services are  
2                   provided for at least the equiva-  
3                   lent of 1,020 hours per year; and

4                   “(II) in the agency’s Early Head  
5                   Start center-based programs—

6                   “(aa) that are currently  
7                   funded (as of that date); and

8                   “(bb) in which services are  
9                   provided for at least the equiva-  
10                  lent of 1,380 hours per year; and

11                  “(ii) the number and percentage of  
12                  slots, in the agency’s Head Start family  
13                  child care programs—

14                  “(I) that are currently funded  
15                  (as of that date); and

16                  “(II) in which services are pro-  
17                  vided for at least the equivalent of  
18                  1,380 hours per year;

19                  “(B) a description of an approach, using  
20                  the current community-wide strategic planning  
21                  and needs assessment described in section  
22                  640(g)(1)(C) and current program schedule  
23                  (current as of the date of submission of the ap-  
24                  plication), that transitions all of the agency’s

1 Head Start programs to a full school day, full  
2 school year program schedule; and

3 “(C) a budget justification that estimates  
4 the supplemental funding necessary to provide  
5 for incremental ongoing operating costs for the  
6 extended hours of service under such a program  
7 schedule for the current enrollment in the agen-  
8 cy’s Head Start programs.

9 “(2) EXCEPTIONS.—

10 “(A) MIGRANT AND SEASONAL HEAD  
11 START.—

12 “(i) IN GENERAL.—A migrant and  
13 seasonal Head Start agency may apply for  
14 a grant described in subsection (a) without  
15 meeting the requirements specified in para-  
16 graph (1) to ensure continuous Head Start  
17 services are provided to children enrolled in  
18 a migrant and seasonal Head Start pro-  
19 gram. To be eligible to receive the grant,  
20 the agency shall submit an application at  
21 such time and in such manner as the Sec-  
22 retary may require.

23 “(ii) PRIORITY.—In making grants to  
24 applicants described in clause (i), the Sec-  
25 retary shall give priority to a migrant and

1 seasonal Head Start agency operating for  
2 fewer than 8 months per year.

3 “(B) FULL-DAY, FULL-YEAR HEAD START  
4 AGENCIES.—

5 “(i) IN GENERAL.—A Head Start  
6 agency (including an Early Head Start  
7 agency) that certifies to the Secretary that  
8 it is meeting the full-day, full-year need  
9 within its community may apply for a  
10 grant to enhance the quality of services  
11 provided to children enrolled in its Head  
12 Start program (including its Early Head  
13 Start program) in accordance with sub-  
14 section (c)(2).

15 “(ii) APPLICATION.—A Head Start  
16 agency (including Early Head Start agen-  
17 cy) that meets the requirements of clause  
18 (i) shall submit an application, which shall  
19 include—

20 “(I) the proposed uses of funds  
21 in accordance with subsection (c)(2);  
22 and

23 “(II) how such uses of funds re-  
24 late to the community-wide strategic

1                   planning and needs assessment de-  
2                   scribed under section 640(g)(1)(C).

3           “(c) USE OF FUNDS.—

4                   “(1) EXTENDED DURATION.—A Head Start  
5           agency that meets the requirements of paragraph  
6           (1) or (2) of subsection (a) receiving a grant under  
7           this section shall use the grant funds to cover the  
8           costs associated with extending those hours of serv-  
9           ice for the current enrollment, such as additional  
10          costs for—

11                   “(A) the purchase, rental, renovation, and  
12           maintenance of additional facilities;

13                   “(B) ongoing purchases of classroom sup-  
14           plies;

15                   “(C) staff providing services during the ex-  
16           tended hours; and

17                   “(D) professional development to staff  
18           transitioning to providing services during the  
19           extended hours.

20                   “(2) ENHANCING PROGRAM QUALITY.—A Head  
21           Start agency (including an Early Head Start agen-  
22           cy) that meets the requirements of subsection (a)(3)  
23           shall use funds for the activities authorized under  
24           section 640(a)(5)(B).

1           “(3) EXCEPTION.—The Head Start agency  
2 shall not use the grant funds to expand the number  
3 of children served in the Head Start program (in-  
4 cluding the Early Head Start program) of the agen-  
5 cy.

6           “(d) RESERVATIONS.—

7           “(1) ACTIVITIES.—From the total amount ap-  
8 propriated to carry out this section, the Secretary  
9 shall—

10                   “(A) for making grants for the activities  
11 described in subsection (c)(1)(A), reserve  
12 \$4,000,000,000 of the funds appropriated for  
13 fiscal year 2026; and

14                   “(B) for making grants for the activities  
15 described in any of subparagraphs (B) through  
16 (D) of subsection (c)(1), reserve—

17                           “(i) \$833,000,000 of the funds appro-  
18 priated for fiscal year 2026;

19                           “(ii) \$852,000,000 of the funds ap-  
20 propriated for fiscal year 2027; and

21                           “(iii) \$872,000,000 of the funds ap-  
22 propriated for fiscal year 2028.

23           “(2) PRIORITY.—The Secretary shall prioritize  
24 Head Start agencies (including Early Head Start

1 agencies) that are applying to use funds to carry out  
2 the activities described in subsection (a)(1).

3 “(3) MIGRANT OR SEASONAL HEAD START PRO-  
4 GRAMS.—From the amount appropriated to carry  
5 out this section for a fiscal year and reserved under  
6 paragraph (1)(B), the Secretary shall reserve 4.5  
7 percent for migrant or seasonal Head Start pro-  
8 grams.

9 “(e) AUTHORIZATION OF APPROPRIATIONS.—There  
10 are authorized to be appropriated to carry out this sec-  
11 tion—

12 “(1) \$4,833,000,000 for fiscal year 2026;

13 “(2) \$852,000,000 for fiscal year 2027; and

14 “(3) \$872,000,000 for fiscal year 2028.

15 “(f) DEFINITIONS.—In this section:

16 “(1) FULL SCHOOL DAY; FULL SCHOOL  
17 YEAR.—The terms ‘full school day’ and ‘full school  
18 year’ mean such a day and year, respectively, within  
19 the meaning of the Head Start Program Perform-  
20 ance standards issued under section 641A(a).

21 “(2) MIGRANT AND SEASONAL HEAD START  
22 AGENCY.—The term ‘migrant and seasonal Head  
23 Start agency’ means an agency that is funded under  
24 this subchapter to provide a migrant and seasonal  
25 Head Start program.”.

1 (b) CONFORMING AMENDMENTS.—Section 640 of the  
2 Head Start Act (42 U.S.C. 9835) is amended—

3 (1) in subsection (a)(6), by striking “appropriated under this subchapter” each place it appears  
4 and inserting “appropriated under section 639”; and

5 (2) in subsection (g)(3)(A)—

6 (A) by striking “amount appropriated”  
7 each place it appears and inserting “amount  
8 appropriated under section 639”;

9 (B) by striking “services provided under  
10 this subchapter” and inserting “services pro-  
11 vided under this subchapter (other than section  
12 657C)”; and

13 (C) by striking “agency under this sub-  
14 chapter” and inserting “agency under this sub-  
15 chapter (other than section 657C)”.

16 **SEC. 402. APPROPRIATION FOR WAGES.**

17 (a) APPROPRIATION.—There is authorized to be ap-  
18 propriated, and there is appropriated, out of any funds  
19 in the Treasury not otherwise appropriated,  
20 \$2,700,000,000 for fiscal year 2026 and each subsequent  
21 fiscal year, to carry out subsection (b).

22 (b) USE OF FUNDS.—Using funds made available  
23 under subsection (a), the Secretary of Health and Human  
24 Services shall assist Head Start agencies (including Early  
25

1 Head Start agencies) funded under the Head Start Act  
2 (42 U.S.C. 9831 et seq.), to the extent needed to ensure  
3 that their teachers and staff—

4           (1) receive wages that are comparable to wages  
5           for elementary educators with similar credentials  
6           and experience in the State; or

7           (2) at a minimum, receive a living wage.

8           (c) APPLICATION.—In carrying out subsection (b),  
9 the Secretary shall apply the Head Start Act, except to  
10 the extent that subsection (b) is inconsistent with that  
11 Act.

