

AMENDMENT TO RULES COMMITTEE PRINT

119-32

OFFERED BY Mr. Scott _____

Page 9, line 12, strike “Section” and insert the following:

1 (a) ELIMINATING AUTHORITY.—Section

Page 10, after line 2, insert the following:

2 (b) BUILDING AN AFFORDABLE SYSTEM FOR EARLY
3 EDUCATION GRANTS.—The purposes of subsections (b)
4 through (n) are to make child care services more accessible
5 for families and to support the stability and quality of eli-
6 gible child care providers by—

7 (1) promoting the stability of the child care sec-
8 tor by providing a source of stable funding to eligible
9 child care providers to help offset their operating ex-
10 penses;

11 (2) supporting sustained and increased wages
12 for early childhood educators or other staff of eligi-
13 ble child care providers, in order to stabilize and
14 grow the child care workforce;

15 (3) expanding the supply and capacity of eligi-
16 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 (c) DEFINITIONS.—In subsections (b) through (n):

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

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

22 (A) an eligible child care provider as de-
23 fined in section 658P of the Child Care and De-
24 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 (d) SECRETARIAL RESERVATION.—From the funds
17 appropriated to carry out subsections (b) through (n), the
18 Secretary shall reserve not more than 3 percent for the
19 Federal administration of grants described in subsection
20 (e), which may include providing technical assistance to
21 the lead agencies.

22 (e) GRANTS.—

23 (1) IN GENERAL.—From the amounts appro-
24 priated to carry out subsections (b) through (n) that
25 remain after the Secretary makes the reservation re-

1 quired under subsection (d), and under the authority
2 of section 6580 of the Child Care and Development
3 Block Grant Act of 1990 (42 U.S.C. 9858m) and
4 this subsection, the Secretary shall award to each
5 lead agency a BASE Grant, without regard to the
6 requirements in subparagraphs (C) and (E) of sec-
7 tion 658E(c)(3), and in section 658G, of that Act
8 (42 U.S.C. 9858c(c)(3), 9858e). Such grant shall be
9 made from an amount allotted in accordance with
10 section 6580 of that Act (42 U.S.C. 9858m), ex-
11 cluding paragraphs (3) through (5) of subsection (a)
12 of that section.

13 (2) PAYMENTS FOR INDIAN CHILDREN.—In ac-
14 cordance with section 6580 of that Act, the Sec-
15 retary may make BASE Grants to Indian Tribes or
16 Tribal organizations for the planning and carrying
17 out of programs or activities consistent with the ob-
18 jectives of subsections (b) through (n).

19 (f) STATE APPLICATION.—To be eligible to receive a
20 grant under subsection (e), a lead agency shall submit an
21 application to the Secretary at such time, in such manner,
22 and including such information as the Secretary may rea-
23 sonably require, including—

24 (1) a description of the process the lead agency
25 will establish to award subgrant funds to eligible

1 child care providers under subsections (b) through
2 (n);

3 (2) a description of how the lead agency will, in
4 determining the subgrant amount for an eligible
5 child care provider under subsections (b) through
6 (n)—

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

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

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

16 (ii) costs associated with providing
17 care during nontraditional or extended
18 hours;

19 (iii) costs associated with serving chil-
20 dren with disabilities, including infants and
21 toddlers with disabilities; and

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

1 (C) account for the cost of attracting,
2 training, and retaining a qualified and skilled
3 workforce, which shall include at a minimum,
4 supporting increased wages for all staff of the
5 provider, as described in subsection (i)(E)); and

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

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

17 (4) a description of how the lead agency will
18 use funds reserved under subsection (h)(1)(A) to
19 conduct widespread outreach and provide technical
20 assistance to eligible child care providers (including
21 family child care providers, providers with limited
22 administrative capacity, and providers whose pri-
23 mary language is not English), either directly or
24 through child care resource and referral organiza-
25 tions, staffed family child care networks, or local

1 governments, to ensure such providers are aware of
2 the subgrants available under subsections (b)
3 through (n) and are able to apply for and manage
4 the resources provided through such subgrants.

5 (g) ADMINISTRATION.—Activities funded under a
6 grant made for a State under subsection (e) may be ad-
7 ministered—

8 (1) directly by the State’s lead agency; or

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

16 (h) STATE ACTIVITIES AND SUBGRANTS.—

17 (1) IN GENERAL.—A lead agency for a State
18 that receives a BASE Grant pursuant to subsection
19 (e) shall—

20 (A) reserve not more than 10 percent of
21 the grant funds to administer subgrants, pro-
22 vide technical assistance and support to enable
23 all provider types to apply for, access, and man-
24 age the resources provided through such sub-
25 grants and other sources of public financial as-

1 sistance available for the objectives of sub-
2 sections (b) through (n), publicize the avail-
3 ability of the subgrants, and carry out activities
4 to increase the supply of child care services,
5 under subsections (b) through (n); and

6 (B) with the remaining grant funds, make
7 subgrants to eligible child care providers to
8 carry out the activities described in subsection
9 (k).

10 (2) SUBGRANT PERIOD.—The lead agency shall
11 make the subgrants for a period of 5 years.

12 (3) PAYMENT PRACTICES.—The lead agency
13 shall make the subgrant payments in advance, with
14 necessary adjustments on account of overpayments
15 or underpayments.

16 (i) PRIORITY FOR SUBGRANTS.—

17 (1) IN GENERAL.—In making subgrants under
18 subsections (b) through (n), the lead agency shall
19 give priority to eligible child care providers that—

20 (A) provide child care services during non-
21 traditional or extended hours;

22 (B) provide child care services to infants
23 and toddlers;

24 (C) provide child care services to dual lan-
25 guage learners, children with disabilities, chil-

1 dren experiencing homelessness, children in fos-
2 ter care, or children from low-income families;

3 (D) provide child care services to children
4 whose families received subsidies under the
5 Child Care and Development Block Grant Act
6 of 1990 (42 U.S.C. 9857 et seq.) or under title
7 I, as applicable, for the child care services;

8 (E) operate in communities, including com-
9 munities with a high proportion of children in
10 households with incomes below the poverty line
11 and rural communities, with a low supply of
12 child care services; or

13 (F) are small business concerns, as defined
14 in section 3 of the Small Business Act (15
15 U.S.C. 632), or nonprofit organizations that are
16 described in section 501(c)(3) of the Internal
17 Revenue Code of 1986 and exempt from tax-
18 ation under section 501(a) of such Code.

19 (2) DEFINITION.—In this subsection, the term
20 “poverty line” means the poverty line defined and
21 revised as described in section 673 of the Commu-
22 nity Services Block Grant Act (42 U.S.C. 9902).

23 (j) ELIGIBLE CHILD CARE PROVIDER APPLICA-
24 TION.—To be qualified to receive a subgrant under sub-
25 sections (b) through (n), an eligible child care provider

1 shall submit to the corresponding lead agency, at such
2 time and in such manner as the lead agency may reason-
3 ably require, an application containing each of the fol-
4 lowing:

5 (1) A description of how the eligible child care
6 provider meets the priority requirements in sub-
7 section (i), if applicable.

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

18 (3) An assurance that the eligible child care
19 provider, for the duration of the period of the grant
20 under subsection (e), will be open and available to
21 serve children unless temporarily closed due to or for
22 a building safety issue or maintenance as a result of
23 a building safety issue, widespread illness or a staff
24 shortage, a routine closure or break due to a holiday
25 or scheduled staff professional development session,

1 or a state of emergency, major disaster, or emer-
2 gency within the meaning of section 658E(c)(2)(U)
3 of the Child Care Development Block Grant Act of
4 1990 (42 U.S.C. 9858c(c)(2)(U)).

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

11 (5) A description of how the eligible child care
12 provider will pay staff increased compensation over
13 the course of the grant period including, at a min-
14 imum, providing—

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

16 (B) graduated pay increases based on a
17 staff member's credentials, experience, and job
18 responsibilities, including, for a provider with
19 15 or more staff, a wage ladder based on the
20 credentials, experience, and responsibilities.

21 (k) USE OF FUNDS.—

22 (1) IN GENERAL.—An eligible child care pro-
23 vider that receives a subgrant under subsections (b)
24 through (n)—

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

4 (i) wages (including salaries), or simi-
5 lar compensation for a person who is a
6 staff member or any sole proprietor or
7 independent contractor, aligned with wage
8 standards; and

9 (ii)(I) annual cost-of-living adjust-
10 ments for staff; and

11 (II) graduated pay increases based on
12 a staff member's credentials, experience,
13 and job responsibilities, including, for a
14 provider with 15 or more staff, a wage lad-
15 der based on the credentials, experience,
16 and responsibilities; and

17 (B) may use the subgrant funds for costs
18 of activities related to the provider's program,
19 consisting of—

20 (i) professional development and in-
21 structional coaching for staff involved in
22 the direct education and care of children,
23 and providing support for planning and in-
24 struction;

1 (ii) providing recruitment and reten-
2 tion bonuses for staff;

3 (iii) providing staff benefits, such as
4 health insurance, paid leave (including pa-
5 rental, family, medical, sick, and bereave-
6 ment leave, and including personal leave or
7 vacation), and funds for retirement ac-
8 counts;

9 (iv) hiring staff, including conducting
10 background checks, and including hiring
11 staff to reduce staff-to-child ratios or sub-
12 stitute staff to support use of paid leave;

13 (v) paying for occupancy, including
14 making payments for—

15 (I) rent (including rent under a
16 lease), or on any mortgage obligation;
17 and

18 (II) insurance, utilities, and
19 maintenance;

20 (vi) obtaining equipment, repairs, sup-
21 plies, services, and training necessary to
22 ensure compliance with applicable health,
23 safety, educational, and quality require-
24 ments and to support high-quality, devel-
25 opmentally appropriate child care services,

1 and achieving licensure as a child care pro-
2 vider;

3 (vii) providing comprehensive services
4 to support the health, including mental
5 health, and well-being, of children and
6 families from underserved populations, as
7 described in section 101(f)(3)(I);

8 (viii) improving the quality of child
9 care services in a way that is appropriate
10 for child development by provider type in-
11 volved, and for the age group of the chil-
12 dren served; and

13 (ix) providing inclusive and develop-
14 mentally appropriate care for children with
15 disabilities, including implementing reason-
16 able accommodations, making space more
17 accessible, and providing additional staff-
18 ing and coordinating early intervention
19 services provided through the provider's
20 program with early intervention services
21 provided through other early childhood
22 programs.

23 (C) SPECIAL RULE FOR STATES PARTICI-
24 PATING IN TITLE I PROGRAM.—Notwith-
25 standing subsection (a) and subject to the ap-

1 proval of the Secretary, a lead agency of a
2 State participating in the program established
3 in title I may make alternative uses of the
4 funds received through a grant made under
5 subsection (e), if such funds support—

6 (i) the provision of high-quality, af-
7 fordable child care services, in accordance
8 with title I;

9 (ii) compensation for early childhood
10 educators and staff of child care programs,
11 of eligible child care providers, that meet
12 the requirements of title I; or

13 (iii) initiatives to expand the supply of
14 eligible child care providers or improve the
15 quality of child care services provided by
16 eligible child care providers.

17 (2) RULE.—For purposes of subsection (a), the
18 terms “staff” and “staff member” include a person
19 described in subsection (a)(1)(A).

20 (1) REPORTING.—

21 (1) LEAD AGENCY REPORTS.—Not later than 1
22 year after a lead agency has received a grant under
23 subsection (e) and annually thereafter, the lead
24 agency shall submit to the Secretary, in such man-
25 ner and containing such information as the Sec-

1 retary may require, a report that includes, at a min-
2 imum—

3 (A) the total number of eligible child care
4 providers who applied for a subgrant under sub-
5 sections (b) through (n) relative to the total
6 number of eligible child care providers in the
7 State, disaggregated by provider type, race and
8 ethnicity of provider, and geographic area;

9 (B) the total number of eligible child care
10 providers that received such a subgrant (re-
11 ferred to in this subsection as a “subgrant re-
12 cipient”) relative to the total number of eligible
13 child care providers in the State, disaggregated
14 by provider type, race and ethnicity of provider,
15 and geographic area;

16 (C) information stating the lead agency’s
17 methodology for determining the amounts of
18 subgrants under subsection (h)(1)(B);

19 (D) the average and range of the subgrant
20 amounts made available by the lead agency,
21 disaggregated by provider type, race and eth-
22 nicity of provider, and geographic area;

23 (E) the percentages, of the subgrant re-
24 cipients, that—

1 (i) provided child care services during
2 nontraditional or extended hours;

3 (ii) served dual language learners,
4 children with disabilities, children experi-
5 encing homelessness, children in foster
6 care, children from low-income families, or
7 infants and toddlers;

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

13 (iv) operated in communities described
14 in subsection (i)(1)(E); and

15 (v) are concerns or organizations de-
16 scribed in subsection (i)(1)(F);

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

20 (G) the average family tuition for a
21 subgrant recipient, disaggregated by—

22 (i) age of the child served; and

23 (ii) provider type;

24 (H) the average wages (including salaries),
25 or similar compensation specified in section

1 (k)(1)(A)(i) of staff of a subgrant recipient,
2 disaggregated by provider type;

3 (I) the percentages of subgrant recipients,
4 for each of the provider types;

5 (J) the percentage of subgrant recipients
6 that have staff members that are represented
7 by labor organizations;

8 (K) information about how the subgrant
9 recipients used the funds received under such a
10 subgrant, including how funds were used for
11 child care personnel costs;

12 (L) information about how the lead agency
13 used funds reserved under subsection (h)(1)(A);

14 (M) a description of how the lead agency
15 publicized the availability of the subgrants, in-
16 cluding through making applications and mate-
17 rials available in multiple languages, and pro-
18 vided technical assistance and support to ensure
19 all provider types were able to apply for and ac-
20 cess the subgrants; and

21 (N)(i) information about subgrant recipi-
22 ents that have corporate or other business rela-
23 tionships across multiple locations and serve
24 more than 5,000 children in the year covered by
25 the report; and

1 (ii) the percentage of all children served by
2 subgrant recipients that are subgrant recipients
3 described in clause (i).

4 (2) REPORTS TO CONGRESS.—The Secretary
5 shall—

6 (A) submit an annual report to the Com-
7 mittee on Health, Education, Labor, and Pen-
8 sions and the Committee on Appropriations of
9 the Senate and the Committee on Education
10 and Workforce and the Committee on Appro-
11 priations of the House of Representatives, sum-
12 marizing the findings from the reports received
13 under subsection (a); and

14 (B) make such report publicly available on
15 the website of the Department of Health and
16 Human Services.

17 (m) SUPPLEMENT NOT SUPPLANT.—Amounts made
18 available to carry out subsections (b) through (n) shall be
19 used to supplement and not supplant other Federal, State,
20 and local public funds expended to provide child care serv-
21 ices for eligible individuals.

22 (n) APPROPRIATIONS.—There are authorized to be
23 appropriated to carry out subsections (b) through (n) such
24 sums as necessary for fiscal years 2026 through 2031.

