

SECTION BY SECTION

House Committee on Education and Labor

Chairman Robert C. "Bobby" Scott

The Child Care for Working Families Act (H.R. 2817)

Section 1 - Short Title

This Act is called the "Child Care for Working Families Act."

TITLE I – Child Care and Development Assistance

Section 101 – Purposes

Amends section 658A of the "Child Care and Development Block Grant Act of 1990" (CCDBG) to add as purposes:

- Ensure no low- to moderate-income family pays more than seven percent of its household income on child care.
- Help working parents make informed decisions about the child care services that best meet their families' needs.
- Assist States in delivering high-quality and inclusive early childhood care and education as well as before- and after-school and summer care.
- Help child care programs meet evidence-based, national standards to improve program quality.
- Improve child care and development of participating children, including infants, toddlers, and children with disabilities.

Section 102 – Appropriations

Amends section 658B of CCDBG to strike previous appropriations levels and appropriate \$20 billion in FY22, \$30 billion in FY23, \$40 billion in FY24, and such sums as necessary in FY25 and all subsequent fiscal years.

Section 103 – Establishment of Program

Amends section 658C of CCDBG to authorize the Secretary of the Department of Health and Human Services (Secretary) to create a child care program under which families in each State are provided the opportunity to obtain child care for eligible children. Also establishes a requirement that every child who applies for assistance and is deemed eligible shall be offered assistance beginning in fiscal year 2025, subject to the requirements and limitations of this subchapter.

Section 104 – Lead Agency

Amends section 658D of CCDBG to direct the lead agency of a State to administer the financial assistance received by the State under this Act, including certifying the eligibility of children.

Section 105 - Application and Plan

Amends section 658E(c) of CCDBG to add the following requirements:

State Plan:

- Requires States to report to parents and the general public on the State's:
 - Tiered and transparent system for measuring quality of child care providers, including its standards, payment rates, and the number and percentage of providers at each tier of quality.
 - Wage ladder and opportunities for providers to improve skills and credentials.
- Requires States to demonstrate how they facilitate participation of staff of eligible child care providers in organizations that foster the professional development and stakeholder engagement of the child care workforce.
- Requires that each child who receives assistance be considered eligible for no less than 12 months, regardless of a temporary change in parents' participation in an eligible activity or family income, or a change in custody or guardianship of the child.
- Requires that each child who is determined to be homeless or in foster care at the time of eligibility
 determination remain eligible for and receive assistance, if so desired by the child's family, until such
 child reaches the age of compulsory school attendance.
- Requires States to coordinate services with other programs operating at the federal, State, and local levels, such as preschool programs, programs serving homeless children and children in foster care, and programs funded under the "Individuals with Disabilities Education Act" (IDEA).
- Requires States to give priority for investments made to increase access to programs providing highquality and inclusive child care to areas that have high concentrations of poverty and unemployment and areas that do not have services available for children with disabilities, and infants and toddlers with disabilities.
- Ensures States will provide assistance only to providers that prohibit the use of suspension and expulsion and prohibit the use of aversive behavioral interventions.
- Requires States to describe how they use the results of the child care equity review required under section 658K to inform the distribution of quality funds provided under this subchapter.
- Requires States to ensure eligible child care providers support children who are dual language learners and their families.
- Requires States to make publicly available information about the State's child care program and policies in formats accessible to parents and child care providers in the State, including making such information available in the languages most commonly spoken in the State.
- Requires States to ensure families have access to low-barrier enrollment and re-enrollment processes.

Tiered System for Measuring Program Quality:

- Requires States, in collaboration with stakeholders, to create a tiered and transparent system for measuring the quality of child care providers that is inclusive and appropriate for all child care providers, and:
 - Applies to all eligible child care providers (except family, friend, or neighbor care that elect to be covered under a separate clause).
 - o Includes a set of standards for determining the tier of quality of a provider based on rigorous, evidence-based standards (which may be Head Start Performance Standards).
 - o Includes indicators that are appropriate for different types of providers and different age groups, and sets different standards for care provided during non-traditional hours of operation.
 - o Provides sufficient resources to enable standards at the entry tier to increase in rigor over time.
- Requires States to submit a report to the Secretary outlining the process by which the lead agency developed or revised the State's systems for measuring program quality.

Assurances:

- Ensures that child care providers do not charge the family of an eligible child more than the applicable copayment.
- Requires States to describe how eligible child care providers will prioritize children with disabilities and infants and toddlers with disabilities for slots in programs.

Payment Rates:

- Requires States to certify that payment rates for child care assistance:
 - Are based on a cost estimation model and approved by the Secretary.
 - o Correspond to differences in quality based on the State's tiered and transparent system.
 - May include a bonus to providers serving children during nontraditional hours, children in underserved areas, infants and toddlers, children with disabilities, infants and toddlers with disabilities, or children who are dual language learners.
 - May waive a copayment for children identified as eligible for assistance under child protective services.

Cost Estimation Model:

- Requires States to:
 - Develop a cost estimation model for providers at each tier of the State's tiered and transparent system and for providers of family, friend, and neighbor care.
 - Describe how payment rates:
 - Cover the cost of providing care at each tier of quality.
 - Ensure that wages for staff of child care providers are comparable to wages for elementary educators with similar credentials and experience or, at minimum, provide a living wage for all staff of child care providers.
 - Delink provider payment rates from children's occasional absences.

Payment Practices:

- Requires States to:
 - Certify that payment practices reflect generally accepted payment practices of child care providers in the State.
 - Provide an assurance that the State will implement enrolment and eligibility policies that support the fixed costs of providing child care services.
 - Describe how the State will use direct contracts or grants to support the stability of child care providers and increase the supply and improve the quality of services for underserved populations.

Sliding Scale:

- Requires States to ensure that:
 - Families receiving assistance under this subchapter will pay the appropriate copayment, or another entity will pay the copayment on behalf of the family, voluntarily or in accordance with the law.
 - Copayments will be based on a sliding scale providing that a family with a family income:
 - Of no more than 75 percent of the State median income for a family of the same size will not pay a copayment.
 - Between 75-100 percent of State median income for a family of the same size will pay a copayment between 0-2 percent of the family's income.
 - Between 100-125 percent of State median income for a family of the same size will pay a copayment between 2-4 percent of the family's income.

- Between 125-150 percent of State median income for a family of the same size will pay a copayment between 4-7 percent of the family's income.
- o A family with a child that is eligible for Head Start does not have to pay a copayment.
- States will make publicly available the income ranges in dollar amounts that correspond to each of the income brackets in the sliding scale along with the required copayment amount in each bracket, by family size.

Section 106 – Limitations

Amends section 658F of CCDBG to make conforming edits.

Section 107 – Activities to Improve the Quality of Child Care

Amends section 658G of CCDBG to make the following changes to the quality set aside.

In General:

- During fiscal years 2022 through 2024, States shall use 50 percent of their allotment for quality improvement activities, during which time States may use quality improvement funds for:
 - Remodeling, renovation, repair, construction, permanent improvement, or major renovation, with priority given to providers in underserved communities and underserved populations as identified by the assessment of the State's needs, the child care equity review required under section 658K, and, as applicable, the statewide needs assessment conducted under the Preschool Development Grant program.
- For fiscal year 2025 and each subsequent year, the State will receive an amount equal to no more than 10 percent of its allotment (paid out quarterly) for quality improvement activities.

Supply Building Activities:

- Requires States to use quality child care amounts to implement activities that increase the supply of eligible child care providers, which shall include:
 - Startup grants to support child care providers in paying for startup costs and to assist providers in meeting health and safety requirements and achieving licensure.
 - Technical assistance, such as providing business startup support, recruiting new providers, offering orientations for new providers, and supporting the development of shared services models for child care programs.

Quality Improvement Grants:

- Requires States to use quality child care amounts to make two types of grants:
 - Quality startup grants for providers who cannot yet participate in the State's tiered system for measuring program quality.
 - Quality improvement grants to help child care providers move up in the tiered and transparent system.

Activities to Assist Homeless Children and Children in Foster Care:

 Requires States to use quality child care amounts to improve access to child care services for homeless children and children in foster care, including by ensuring immediate enrollment, training on identifying and supporting children and families, and specific outreach.

Child Care Resource and Referral System:

Allows States to use quality child care amounts to establish or support a system of local or regional
child care resource and referral organizations, which shall collect data about the availability of child
care and early childhood education programs and provide such information to parents in formats
and language accessible to parents to help parents make informed decisions about child care.

Training and Professional Development:

- Expands the list of allowable training and professional development activities to include:
 - Implementing effective behavior management strategies (and related training), including multi-tiered systems of support such as positive behavior interventions and supports, and trauma informed care, that:
 - Promote positive social and emotional development;
 - Prevent and reduce challenging behaviors, including by setting consistent expectations for all students; and
 - Eliminate suspensions, expulsions, and aversive behavioral interventions.
 - Connecting staff members of child care providers with available Federal and State financial aid, or other resources, to assist in pursuing postsecondary training and creating or expanding Statewide scholarship programs to obtain credentials related to child care; developing apprenticeship programs; and supporting articulation agreements between public institutions of higher education that offer 2-year programs and public institutions of higher education that offer 4-year programs.
 - Undertaking efforts to improve staff diversity of eligible providers and recruit a more diverse workforce.
 - o Providing training and professional development related to the impact of trauma and the implementation of best practices in trauma-informed care.
 - Providing access to trained early childhood mental health consultants to help child care providers implement mental health promotion and prevention strategies.
 - Developing and providing professional development on competencies for early childhood educators, including specialized competences for educators serving infants and toddlers.

Programs and Services for Infants and Toddlers:

Maintains allowable infant and toddler quality improvement activities, including activities to improve
the quality of infant and toddler care and health and safety, cognitive and physical development, wellbeing, or social and emotional development, such as providing health and safety training for providers
and caregivers, and activities to implement or sustain partnerships with Early Head Start programs.

Inclusive Care for Children with Disabilities and Infants and Toddlers with Disabilities:

- Requires States to use quality child care amounts to improve the supply of eligible child care providers
 that provide high-quality and inclusive care for children with disabilities and infants and toddlers with
 disabilities, which shall include:
 - Offering training, professional development, or coaching opportunities that relate to the use of evidence-based, developmentally, and age-appropriate strategies.
 - o Improving the ability of parents to access transparent and easy-to-understand consumer information.
 - Promoting and expanding child care providers' ability to provide developmentally appropriate services for infants and toddlers with disabilities through improved coordination of systems, services, and other activities.

 Specific outreach to families with parents with disabilities, children with disabilities, and infants and toddlers with disabilities.

Other Activities:

- Permits States to spend quality child care amounts to:
 - o Improve the development or implementation of early learning and developmental guidelines.
 - Develop, implement, or enhance the State's tiered and transparent system for measuring the quality of child care providers.
 - o Facilitate compliance with State requirements and licensing standards.
 - Evaluate the quality and effectiveness of child care programs.
 - Support child care providers in the voluntary pursuit of accreditation.
 - Support efforts to develop or adopt high-quality program standards relating to health, mental health, social and emotional development, nutrition, physical activity, and physical development.
 - Support eligible child care providers to eliminate suspensions, expulsions, and aversive behavioral interventions.
 - o Support local efforts to expand Early Head Start-Child Care Partnerships.
 - o Improve the quality of providers of family, friend, or neighbor care.
 - Establish or expand high-quality, inclusive school-age child care standards for before- and after-school care and summer care and inclusive community or neighborhood-based family and child development centers.
 - o Promote simple and streamlined enrollment in eligible programs.
 - Establish or expand community or neighborhood-based family child care network.
 - Develop or expand the use of shared services models.
 - Establish, maintain, improve, or expand substitute pools.
 - Support child care providers in providing accessible comprehensive services for children and their families, including screenings of vision, hearing, health (including mental health), dental health, and development (including early literacy and math skill development) support services, such as parent education, home visiting, family literacy services, and regular, age-appropriate, nutrition education for children and their families.

Section 108 – Administration and Enforcement

Amends section 658I of CCDBG to make clarifying changes and require the Secretary to disseminate information about evidence-based curricula.

Section 109 – Payments to States

Amends section 658J of CCDBG to define the terms "FMAP", and "infant or toddler."

Payments to States:

- Requires the Secretary to:
 - Pay each State with an application approved under section 658E an amount for each quarter equal to the FMAP of expenditures in the quarter for child care assistance under the plan for eligible children, other than such children who are infants or toddlers, and for children who are infants and toddlers, an amount for each quarter equal to 90 percent of expenditures in the quarter for child care assistance under the plan for eligible children.

- Pay each State with such an approved application an amount for each quarter equal to 50 percent of expenditures in the quarter for administrative costs.
- State Entitlement —This subchapter constitutes budget authority in advance of appropriations Acts and represents the obligation of the Federal Government to provide for payments to States with approved applications from amounts provided under section 658B(a).

Section 110 – Reports and Audits

Amends section 658K of CCDBG to:

- Add reporting on whether children receiving assistance are children with disabilities or infants and toddlers with disabilities.
- Require States to complete, every three years, a child care equity review to inform the distribution of funds under section 658G.

Section 111 – Reports, Hotline, and Web Site

Amends section 658L of CCDBG to require the State's Web site to provide directly or through linkages to State databases, at a minimum:

- Provider-specific information from a tiered and transparent system for measuring the quality of child care providers.
- Information about high-quality and inclusive care for children with disabilities and infants and toddlers with disabilities, including child care with early intervention services.

Section 112 – Nondiscrimination

Amends section 658N of CCDBG to prohibit discrimination on the basis of race, color, religion, national origin, sex (including sexual orientation and gender identity), or disability under any program or activity under this subchapter.

• Clarifies that nothing in this subchapter shall be construed to invalidate or limit rights, remedies, procedures, or legal standards available to victims of discrimination in employment or in provision of programs and activities under any other Federal law or law of a State or political subdivision of a State

Section 113 – Indian Tribes and National Activities

Amends section 6580 of CCDBG to:

- Require the Secretary to reserve a portion of the amount appropriated in each fiscal year for payments to Guam, American Samoa, the Virgin Islands of the United States, and the Commonwealth of the Northern Mariana Islands in accordance with the respective needs of those territories, the population of eligible children, the population of eligible children from low-income families, to be served by the territory involved, and the cost of child care in the territory.
- Require the Secretary to reserve the remainder of the amount appropriated under in each fiscal year
 for payments to Indian tribes and tribal organizations with approved applications based on the
 population of Indian or Native Hawaiian eligible children, the cost of child care in the area, and
 whether awarding a grant or contract will increase the number of programs that meet the State's
 quality standards.
- Require the Secretary to use such sums as necessary to operate a national toll-free hotline and website.
- Require the Secretary to use such sums as necessary for technical assistance and dissemination activities.
- Require the Secretary to use such sums as necessary for research and demonstration activities.

Section 114 - Definitions

Amends section 658P of CCDBG to define the terms "eligible child", "eligible activity", "foster care", "high-quality and inclusive care", "homeless child", "infant or toddler with a disability", and "key programmatic strategies". The definitions of the terms "eligible child" and "eligible activity" require States to accept, at a minimum, the following activities when determining whether a parent is participating in an eligible activity: full-or part-time employment (including self-employment), job search, job training, education programs, health treatment (including mental health and substance use treatment) that prevents the individual from participating in other eligible activities, activities to prevent child abuse or neglect or family violence prevention activities, employment and training activities under the Supplemental Nutrition Assistance Program (SNAP) program, work activities under the Temporary Assistance for Needy Families (TANF) program, and participation in Federal, State, or local leave programs.

Section 115 – Parental Rights and Responsibilities

Amends section 658Q of CCDBG to strike the prohibition on favoring grants over certificates as a mechanism to provide child care.

Section 116 – Miscellaneous Provisions

Amends section 658S of CCDBG to ensure that nothing in this subchapter alters, diminishes, or otherwise affects the rights, remedies, and procedures afforded to individuals to bargain collectively.

Adds special rules so that:

- States cannot use eligibility requirements more restrictive than those outlined in this subchapter.
- Parents participating in an education program cannot be required to participate in any additional eligible activities for the purposes of eligibility.
- If annual state median income drops and a child is no longer income-eligible, such child shall continue to be considered eligible as long as such child meets the other requirements of section 658P.
- This program shall be considered a non-postsecondary education program for the purposes of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.

Section 117 – Conforming Amendment

Amends the title of the CCDBG subchapter to "Child Care and Development Assistance".

Section 118 – Transition Rules

Requires that during fiscal years 2022 through 2024, the Secretary:

- Make allotments and payments to States, territories, and Indian tribes and tribal organizations under section 658J and 658O as in effect immediately before the date of enactment of this Act.
- Reserve funds for the hotline and website, technical assistance, and research and demonstration activities according to the requirements of section 6580.
- Apply the cap on State administrative expenses in effect immediately before the date of enactment of this Act.
- As necessary, make adjustments to transition to making quarterly payments as required under the Child Care for Working Families Act.

Section 119 - Effective Date

Requires that amendments made in this bill take effect on October 1, 2021, except as otherwise provided.

TITLE II – High-Quality Preschool

Section 201 – Formula Grants to States to Establish Voluntary High-Quality Preschool Programs

Definitions:

• Defines the terms "child with a disability", "dual language learner", "eligible child", "eligible provider", "foster care", "governor", "high-need school", "high-need local educational agency", "homeless child", "infant or toddler with a disability", "key programmatic strategies", "low-income child", "outlying areas", "poverty line", "specialized instructional support personnel", and "State".

Allotments to States:

- Requires the Secretary to reserve:
 - Not less than 1 and not more than 2 percent for Indian tribes and tribal organizations.
 - ½ of 1 percent for the outlying areas.
 - ½ of 1 percent of eligible local entitles that serve children in families engaged in migrant or seasonal agricultural labor.
 - o Not more than 1 percent or \$30,000,000, whichever amount is less, for national activities.
 - 5 percent for State leadership activities.

Allotment Formula:

Requires the Secretary, in collaboration with the Secretary of Education, to allot to each State with an
approved application for the purpose of providing grants to eligible providers to offer high-quality
preschool, an amount that bears the same ratio of low-income children under the age of 6 in the State
to the total number of children under the age of 6, except that no State shall receive an allotment that
is less than ½ of 1 percent of the total amount allotted each year.

Leadership Activities Reservation:

- Requires the State to use its leadership activities reservation for:
 - Ongoing professional development opportunities for school principals, school superintendents, teachers, specialized instructional support personnel, and teacher assistants to improve their practices.
 - Grants to improve equitable access to high-quality preschool programs, including conducting a preschool equity review that includes data on the quality of preschool programs funded under this section and the percentage of children participating in preschool programs disaggregated by:
 - Children with disabilities.
 - Low-income children.
 - Children from major ethnic and racial groups.
 - Dual language learners.

State Application:

- Requires the Governor of a State to submit an application that includes:
 - A description of how the State will provide access to high-quality preschool during the school day for eligible children in the State within 3 years.
 - A description of how the State will ensure eligible providers receiving funds under this section use evidence-based curricula that cover the domains of early childhood development.

- A description of how the State will coordinate services provided under this section with other early care and education services in the State.
- A description of how the State will improve transitions from early childhood education to elementary school.
- A description of how the State will provide ongoing monitoring and support and conduct evaluations of the preschool programs funded under this section.
- A description of how the State has reviewed the strategic plan developed under the State's Preschool Development Grant or engaged in a similar strategy to coordinate existing early care and education programs in a mixed delivery system.
- A description of how the State plans to increase the number of children in the State who are enrolled in full-day kindergarten programs, if applicable.
- An assurance that preschool programs funded under this title will:
 - Meet Head Start's duration requirements.
 - Provide expedited enrollment to homeless children, children in foster care, and migratory children.
 - Conduct outreach to families of homeless children, dual language learners, children in foster care, children and infants and toddlers with disabilities, and migratory children.
 - Provide salaries to staff that are on the same pay scale as elementary school educators with similar credentials and experience.
 - Require high staff qualifications for teachers, including, at a minimum, meeting the staff qualifications included in the quality standards of the National Institute for Early Education Research that are in effect on the date of enactment of this Act by not later than 4 years after the date the State first receives an allotment under this section.
 - Determine whether children are dual language learners and provide services to ensure the full and effective participating of such learners and their families.
- An assurance that the State will provide assistance under this section only to eligible providers that prohibit the use of suspension, expulsion, and aversive behavioral interventions.
- An assurance that the State will meet the requirements of clauses (ii) and (iii) of section 658E(c)(2)(T) of CCDBG.

Uses of Funds: Requires the State to use funds to carry out the activities described in its application.

Match Required: Requires States to provide a 10 percent match.

Reporting:

- Requires States to submit an annual report that includes, at a minimum:
 - A description of how the State used its funds.
 - o A summary of the State's progress towards providing preschool to eligible children.
 - An evaluation of the State's progress towards equitable access to preschool, as described in the Preschool Equity review.
 - The number and percentage of children participating in preschool programs, disaggregated by race, ethnicity, family income, child age, disability, and whether the children are homeless children, children in foster care, or dual language learners.

- The number and percentage of children in the State participating in public kindergarten programs, disaggregated by race, family income, child age, disability, and whether the children are homeless children, children in foster care, or dual language learners.
- o Data on the kindergarten readiness of children across the State.
- Data regarding coordination efforts with other child care and early childhood education programs, including Head Start programs.

Maintenance of Effort: Requires the State to maintain its effort year to year and provides for a waiver of extenuating circumstances.

Supplement Not Supplant: Funds received under this section shall be used to supplement and not supplant other Federal, State, and local public funds expended on early childhood education programs in the State.

Appropriations: Authorizes and appropriates \$8 billion for each of the fiscal years 2022-2032.

TITLE III-Head Start Duration

Section 301 – Extended Duration

In General:

- Amends the Head Start Act to authorize the Secretary to make grants to Head Start (including Early Head Start) agencies to enable such agencies to:
 - Provide access to a full school year and full school day of services;
 - In the case of a Head Start agency that already meets full school year, full school day service needs within the community, make quality improvements; and
 - o In the case of a Migrant and Seasonal Head Start agency, provide additional service hours.

Application:

- Requires a Head Start agency wanting a grant to submit an application that includes:
 - The number of currently funded slots and slots that meet duration requirements.
 - A description of the agency's approach to transition all slots to meet duration requirements.
 - A budget justification that estimates the funding necessary to meet duration requirements.
- Provides for an exception for migrant and seasonal Head Start agencies and priority for migrant and seasonal Head Start agencies that operate fewer than 8 months per year.
- Provides for an exception for Head Start agencies that already meet full school year, full school day service needs within the community.

Uses of Funds:

- Allows a Head Start agency to use funds to cover the costs associated with extending hours of service for the current enrollment, such as costs for:
 - The purchase, rental, renovation, and maintenance of additional facilities;
 - Ongoing purchases of classroom supplies;
 - Staff providing services during the extended hours; and
 - Professional development to staff transitioning to providing services during the extended hours.

• Allows a Head Start agency that already meets full school year, full school day service needs within the community to use funds for quality improvement activities.

Reservations:

- Requires the Secretary to reserve \$4 billion for the costs of facilities and additional funds for other supports described in subsection (c).
- Requires the Secretary to reserve 4.5 percent for migrant or seasonal Head Start programs for the activities described in subsection (c).

Authorization of Appropriations: Authorizes \$4.5 billion for FY22, \$610 million for FY23, and \$730 million for FY24.

Definitions: Defines "full school day; full school year", and "migrant and seasonal Head Start agency." Conforming Amendments: Makes other conforming amendments to the Head Start Act.

Section 302 – Appropriation for Wages

Appropriates \$4 billion for fiscal year 2022 and each subsequent fiscal year to ensure Head Start and Early Head Start teachers and staff receive wages that are comparable to wages for elementary educators with similar credentials and experience in the State or, at a minimum, receive a living wage.

TITLE IV – Appropriations for Supports and Services for Inclusive Child Care for Infants, Toddlers, And Children With Disabilities

Section 401 - Appropriations for Supports and Services for Inclusive Child Care for Infants, Toddlers, and Children with Disabilities

Authorizes and appropriates an amount that is equal to 5 percent of the payment to each State under section 658J to the State's lead agencies that administer the Individuals with Disabilities Education Act to provide early intervention and other services and supports to infants, toddlers, and children with disabilities and their families in settings that provide high-quality inclusive care.

Title V – Maternal, Infant, And Early Childhood Home (MIECHV) Visiting Program

Section 501 – Sense of Congress

Adds a Sense of the Congress that the Congress should increase its investment in the Maternal, Infant, and Early Childhood Home Visiting Program to support the work of States to help additional at-risk families access voluntary home visiting services.