

The Child Care for Working Families Act

Section 1 – Short Title

This Act is called the “Child Care for Working Families Act.”

TITLE I – Birth Through Five Child Care and Early Learning Program

Section 101 – Birth Through Five Child Care and Early Learning Program

Provides that definitions from section 658P of the “Child Care and Development Block Grant Act of 1990” (CCDBG) except as otherwise specified will apply to the entitlement. Definitions for “child care certificate”, “child experiencing homelessness”, “child with a disability,” “eligible activity,” “eligible child,” “eligible child care provider,” “FMAP,” “family child care provider,” “inclusive care,” “infant or toddler,” “infant or toddler with a disability,” “lead agency,” “state,” and “territory” are provided.

The definition of “eligible child” outlines program eligibility. In order to be eligible, a child must be less than 6 years old and reside with a parent or parents who participate in an eligible activity. Eligible activities include:

- full-time or part-time employment;
- self-employment;
- job search activities;
- job training;
- classes, a course of study at an institution of higher education, classes towards an equivalent of a high school diploma recognized by State law, or English as a second language classes;
- health treatment (including mental health and substance use treatment) for a condition that prevents the parent from participating in other eligible activities;
- activities to prevent child abuse and neglect, or family violence prevention or intervention activities;
- employment and training activities under the Workforce Innovation and Opportunity Act (WIOA); and
- taking leave under the Family and Medical Leave Act of 1993 (or equivalent provisions for Federal employees), a State or local paid or unpaid leave law, or a program of employer-provided leave.

Certain children are “categorically eligible,” including children with disabilities, infants and toddlers with disabilities, children experiencing homelessness, children in foster care, children in kinship care, children in families eligible for the special supplemental nutrition program for women, infants, and children (WIC), children in a household that is eligible to receive assistance through the supplemental nutrition assistance program (SNAP), or children in a family that is eligible to receive assistance through the program of block grants to States for temporary assistance for needy families (TANF) and children who are receiving, or need to receive, child protective services. In addition, children that live with a parent who is over the age of 65, a parent employed by an eligible child care provider or a parent that is enrolled in high school are “categorically eligible.”

An eligible child care provider is defined as a center-based child care provider, a family child care provider, or other child care provider that is licensed, participates in the State’s tiered system for measuring quality of child

care services (within 4 years after the State receives funds under the title), and meets the applicable requirements under the Child Care Development Block Grant (CCDBG). Providers are given 3.5 years before they need to be licensed.

Appropriations

Appropriates such sums for the purposes of making payments to states, localities, Indian Tribes, and Tribal organizations for each fiscal year 2024 through 2029 for purposes of carrying out activities related to the entitlement. In addition, the title appropriates \$20 billion to carry out a program of grants to localities and Head Start programs to remain available through September 30, 2029. Finally, the title appropriates \$1.3 billion from fiscal year 2024 through 2029 for monitoring, enforcement, and federal administration.

Establishment of Birth Through Five Child Care and Early Learning Entitlement Program

Authorizes the Secretary to administer a child care and early learning program under which families in each State are provided the opportunity to obtain high-quality 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 2024, subject to the requirements and limitations of this section.

Lead Agency

The Governor of a State or the head of a territory or Indian Tribe is directed to designate a lead agency (such as a State agency or joint interagency office) to administer the child care program carried out under this section.

Application and State Plan

Requires states to submit for approval by the Secretary a state plan to be implemented during a period of not more than three years.

- Requires States to certify that payment rates for the provision of direct care services will be sufficient to meet the cost of child care (including fixed costs such as rent, mortgage or salaries) and will be set in accordance with a cost estimation model or cost study that is approved by the Secretary. In addition, the payment rates will correspond to differences in quality based on the State's tiered system for measuring quality for child care services.
- Requires States to demonstrate that, after consulting with relevant entities and administrators, it has developed a statistically valid and reliable cost estimation model or cost study to reflect the cost of child care at each of the tiers of the State's tiered system for measuring quality of child care services and variations in cost by geography, type of provider, and age of child, as well as the costs of providing inclusive care.
- Requires States to certify that the State's payment rates for direct child care are set with the most recent estimates from the cost estimation model or cost study and that payments are set so that eligible child care providers not at the top tier of quality will receive payments to enable them to increase quality to meet the requirements for the next quality tier. Payment rates must also ensure adequate wages for staff, including, at a minimum, a living wage and wages that are equivalent to wages for elementary educators with similar credentials and experience in the State and adjusted on an annual basis for cost of living increases.
- Within 30 days of finalizing the cost estimation model or cost study, the State must publish a report containing the estimated child care costs. At least 60 days before submitting this report to the Secretary, the State must establish a system for public comment on the report and provide opportunity for such public comment. The State must also establish a system for appeals of the estimated child care costs. Requires States to certify that they have implemented or will develop or revise their tiered system for measuring the quality of eligible child care services within 3 years after receiving funds under this

section. In developing and revising the system, the State must seek input from a diverse group of child care provider types, families and other child care organizations representing child care directors, teachers and other staff.

- Requires States to certify that their tiered system for measuring the quality of eligible child care services uses standards for a highest tier that are at minimum equivalent to a Head Start program performance standards or other evidence-based standards approved by the Secretary.
- The tiered system must include quality standards that are appropriate for child development in different types of child care settings, including child care centers and settings of family child care providers, and are appropriate for providers serving different age groups. This includes different standards for care during nontraditional hours of operation.
- Requires States to certify that they have or will implement within 3 years after first receiving funds policies to ensure all eligible children can choose to attend child care at the highest quality tier within 10 years after the date of enactment of this Act.
- Requires States to certify that they have or will have, within 3 years after first receiving funds, a wage ladder for staff of eligible child care providers that ensures wages for staff, at a minimum, are at a living wage and equivalent to wages for elementary educators with similar credentials and experience in the State and adjusted on an annual basis for cost of living increases, as mentioned above.
- Requires States to use a sliding fee scale, that gradually increases, providing that a family with a family income:
 - Of no more than 85 percent of the State median income for a family of the same size will not pay a copayment.
 - Between 85-100 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.
 - Of more than 150 percent of State median income for a family of the same size will pay a copayment of no more than 7 percent of the family's income.
- 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.
- After the cost estimation model or cost study is implemented, a State cannot allow an eligible child care provider receiving financial assistance under this section to charge more than the copayment.
- Requires States to ensure that each child who receives assistance will receive assistance for not less than 12 months, unless the child ages out of the program, and that redetermination will be implemented in a manner that supports child well-being and reduced barriers to enrollment.
- Requires the State to demonstrate that it will prioritize increasing access to, and the quality and supply of, child care in the State for underserved populations.
- Requires the State to certify that it will apply policies and procedures described in subparagraphs (A), (B), (I), (J), (K)(i), (R), and (U) of section 658E(c)(2) of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858c(c)(2)), and the policies and procedures described in section 658H of such Act (42 U.S.C. 9858f), to child care services provided under this title.
- Requires States to demonstrate that they have consulted with or will consult with certain organizations to develop or revise licensing standards. The revised standards must take into account different provider types and providers providing care during nontraditional hours of operation. All providers have a certain number of years to become licensed. This will offer providers eligible under the Child Care and Development Block Grant Act of 1990 a reasonable pathway to become eligible providers under this

section, and that will assure an adequate supply of child care.

- States are required to describe how the State will use Quality Grant funds to enable a variety of child care provider types to achieve licensure.
- States must assure they will provide assistance to eligible child care providers that prohibit the use of suspension and expulsion of children and prohibit the use of aversive behavioral interventions. States must also provide training resources to eligible child care providers and information to families to support the prohibition of such policies.
- States must assure the State will provide assistance to eligible child care providers to implement multi-tiered systems of support and trauma-informed care to promote positive social and emotional development and reduce challenging behaviors.
- States must describe how the lead agency will ensure that families have access to a low-barrier enrollment (including re-enrollment) that is accessible and minimizes burden for families with diverse characteristics.
- States must provide certification that every child in the State from a family with a family income of not more than 85 percent of the State median income for a family of the same size is provided assistance, before expanding the program involved to provide such assistance to children from additional families.

Payments

Requires the Secretary to pay each State, with an approved plan, an amount equal to 90 percent of expenditures for direct child care services for eligible children. The section also requires the Secretary to pay the federal share (FMAP) of funding for quality and supply of child care services quarterly to approved entities, as well as the federal share of administrative funding (50 percent). The section also provides for advance payments or adjustments for under- or overpayments as the Secretary finds necessary. The section also clarifies that funding for territories and tribes will be allocated on the basis of relative need.

Use of Funds

Requires States to use amounts for direct child care services (provided on a sliding fee scale basis), to improve the quality and supply of child care services (including increased wages for staff and facilities grants), and State administration.

States must reserve between 5 and 10 percent for quality child care activities. These activities include start up grants and supply expansion grants. These grants are intended to support startup and expansion costs; assist child care providers in meeting health and safety requirements, achieving licensure, and meeting the requirements of the State's tiered system for measuring the quality of child care services. State activities also include quality grants that are intended to support providers in meeting or making progress toward the highest tier of quality in the State's tiered system for measuring the quality of child care services, and supporting providers in increasing wages for staff and supporting payment of fixed cost. In addition, State activities include facilities grants that can be used for remodeling, renovation, or repair of a building or a facility, or for construction, permanent improvement, or major renovation of a building or facility. Eligible child care providers may not use funds for buildings or facilities that are used primarily for sectarian instruction or religious worship. States must also use quality funds for professional development for the child care workforce; to develop or revise the State's tiered system for measuring the quality of child care services; improving supply and quality of developmentally appropriate and inclusive child care; increasing access to child care for underserved populations and vulnerable children; providing outreach and enrollment support to families; supporting eligible providers in eliminating suspensions and expulsions and aversive behavior interventions, strengthening mental health services and promoting multitiered systems of support and supports for trauma-informed care; professional development; and strengthening licensing systems in the State and identifying and eliminating barriers to achieving licensure. The State must also provide technical assistance, in coordination with local

governments, where applicable, including on licensure and quality.

Grants to Localities and Awards to Head Start Programs

Requires the Secretary to award Birth Through Five Child Care and Early Learning Grants to cities, counties, and other units of general local government located in states that have not otherwise received payments under the entitlement on the basis of the share of children under six years of age living in families below 200 percent of the poverty line. Funds shall also be used to make awards to Head Start agencies carry out the Head Start Act, with preference given based on entities serving a high percentage of individuals from underserved populations.

Program Requirements

Applies current law nondiscrimination protections (including Title IX of the Education Amendments of 1972, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, and The Americans with Disabilities Act of 1990), maintenance of effort requirements, and supplement not supplant requirements to the Birth Through Five Child Care and Early Learning Grants, as well as defines allowable sources of non-federal share dollars and required periodic reports for entities receiving payments.

Monitoring and Enforcement

Requires the Secretary to review and monitor compliance of States, territories, Tribal entities, and local entities with the entitlement, as well as compliance with the transitional or full state plan.

Federal Administration

Requires the Secretary to provide technical assistance to States, territories, Indian Tribes, and Tribal organizations and requires the Secretary to carry out research and evaluations related to the entitlement.

Transition Provisions

Requires States receiving entitlement assistance to use a portion of funds received under the Child Care and Development Block Grant Act of 1990 to provide assistance for direct child care services to children who are under the age of 6, are not yet in kindergarten, and are eligible under CCDBG in the fiscal years 2024 through 2029, and allows states to transfer children's eligibility under the Child Care and Development Block Grant Act of 1990 where appropriate.

Reports

States receiving funds under this title are required to collect and report information to the Secretary on a quarterly basis. States must annually report to the Secretary and Congress additional data.

TITLE II – Building an Affordable System for Early Education (BASE) Grants

Section 201 – Purposes

Describes the purposes under this title including:

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

Section 202 – Definitions

Provides that the terms “child care certificate”, “child with a disability”, “family child care provider”, “lead agency”, “Secretary”, and “State” are defined as in section 658P of the “Child Care and Development Block Grant Act of 1990” (CCDBG). A definition for “eligible childcare provider” is also provided, and means an eligible child care provider as defined in section 658P of the Child Care and Development Block Grant Act of 1990, and an eligible child care provider as defined in Title I. “Provider type” is defined to mean a center-based child care provider; a family child care provider; a group home child care provider; or- another non-center- based child care provider.

Section 203 – Secretarial Reservation

Provides that the Secretary may reserve not more than 3 percent of the funds provided for grants under the following section for purposes including providing technical assistance.

Section 204 – Grants

Requires the Secretary use funding under Title I and this title (after the required reservation in the previous section) to award each lead agency a BASE grant in accordance with section 658O of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858m). The Secretary may also make BASE Grants to Indian Tribes or Tribal organizations for the planning and carrying out of programs or activities consistent with the objectives of this title.

Section 205 – State Application

Requires States to submit an application to be eligible for a grant under this Title that includes a sub-granting process to eligible child care providers under this title; a description of how the lead agency will ensure each subgrant is sufficient to support ongoing operations and long-term sustainability of the eligible child care provider, explain how the subgrant accounts for the cost of providing high-quality child care services across variations in cost of living, hours of operation, ages of children, and inclusive care needs, account for the cost of attracting, training, and retaining a qualified and skilled workforce (including, at a minimum, supporting increased wages for all staff of the provider); if the lead agency uses a formula for awarding subgrants that is based on general cost estimates, requiring the estimates will be based on the provider’s enrollment capacity rather than attendance; a description of how the lead agency will work with eligible child care providers to improve the quality of services (which may include improving the State’s tiered system of measuring the quality of child care services); and a description of how the lead agency will use funds to conduct widespread outreach and provide technical assistance to child care providers.

Section 206 – Administration

Provides that grant funded activities under this title may be administered directly by the State or under a grant or contract to provide administration through another State government agency, a local or regional child care resource and referral agency, a community development financial institution, another nonprofit intermediary with experience supporting child care providers, or another appropriate entity.

Section 207 – State Activities and Subgrants

Provides that a lead agency for a State shall not reserve more than 10 percent of the grant funds to administer subgrants, provide technical assistance and support to enable all provider types to apply for, access, and manage the resources provided through such subgrants, publicize the availability of the subgrants, and carry out activities to increase the supply of child care services under this title. Specifies that the remaining funds should be used to carry out the activities described in Section 210. Specifies that the lead agency shall make the subgrant for a period of 5 years and that they lead agency shall make subgrant payments in advance or account for over- or underpayments.

Section 208 – Priority for Subgrants

Requires that the lead agency give priority to eligible child care providers who provide child care services during nontraditional or extended hours; provide child care services to infants and toddlers; provide child care services to dual language learners, children with disabilities, children experiencing homelessness, children in foster care, or children from low-income families; provide child care services to children whose families received subsidies under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9857 et seq.) or under Title I, as applicable, for the child care services; operate in communities, including communities with a high proportion of children in households with incomes below the poverty line and rural communities, with a low supply of child care services; or are small business concerns, as defined in section 3 of the Small Business Act (15 U.S.C. 632), or nonprofit organizations that are described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code.

Section 209 – Eligible Child Care Provider Application

Requires that the eligible child care provider provide the lead agency the following to be qualified to receive a subgrant under this title: a description of how the eligible child care provider meets the priority requirements in section 208; an assurance that the eligible child care provider accepts child care subsidies in the form of certificates, grants, or contracts as authorized under the Child Care Development Block Grant Act of 1990 (42 U.S.C. 9857 et seq.), or child care subsidies in the form of certificates, grants, or contracts under Title I as an acceptable form of payment, regardless of whether children who are the beneficiaries of the child care subsidies are actually enrolled; an assurance that the eligible child care provider, for the duration of the period of the grant, will be open and available to serve children unless temporarily closed due to building safety or maintenance as a result of safety issues, widespread illness or staff shortages, routine closures or breaks due to holidays or scheduled staff professional development, or a national or State health emergency or natural disaster; a description of how the eligible child care provider will use funds provided under the subgrant to improve the quality of child care services and operations, such as through participation in a State's tiered and transparent system for measuring the quality of child care services; and a description of how the eligible child care services provider will pay staff higher wages over the course of the grant period including, at a minimum, annual cost of living adjustments and graduated pay increases based on staff members' credentials, experience, and job responsibilities.

Section 210 – Use of Funds

Requires that an eligible child care provider use at least 70 percent of subgrant funds for personnel costs, including wages (including salaries) or similar compensation for a person who is a staff member or any sole proprietor or independent contractor, aligned with wage standards, whereas remaining funding may be used for other costs relating to the provider's program, including professional development; providing recruitment and retention bonuses for staff; providing staff benefits, such as health insurance, paid leave (including parental, family, medical, sick, and bereavement leave, and including personal leave or vacation), and funds for retirement accounts; hiring staff, including conducting background checks, and including hiring staff to reduce staff-to-child ratios or substitute staff to support use of paid leave; making payments for rent or on any mortgage obligation; obtaining equipment, repairs, supplies, services, and training necessary to ensure compliance with applicable health, safety, educational, and quality requirements; providing comprehensive services to support the health, including mental health, and well-being, of children and families from underserved populations; improving the quality of child care services in a way that is appropriate for child development by provider type involved, and for the age group of the children served; and providing inclusive and developmentally appropriate care for children with disabilities. States that also participate in the Title I program are granted additional flexibility for BASE grants.

Section 211 – Reporting

Requires that not later than one year after a lead agency receives a grant under this title, and annually thereafter, the lead agency submit a report to the Secretary including a variety of listed performance metrics, including among others the total number of eligible child care providers who applied for a subgrant relative to the total eligible in the State, information stating the lead agency’s methodology for determining the amounts of the subgrants, and the average wages (or other compensation of staff of eligible child care centers that received a subgrant by type of provider.

Section 212 – Supplement Not Supplant

Requires funds received under this title be used to supplement and not supplant other Federal, State, and local public funds expended to provide child care services for eligible individuals.

Section 213 – Authorization of Appropriations

This program receives \$9 billion per year in mandatory funding from 2024 through 2029.

Title III – Universal Preschool

Section 301 – Definitions

Defines the terms “child experiencing homelessness,” child with a disability,” “comprehensive services,” “dual language learner,” eligible child,” “eligible provider,” “Head Start agency,” Indian Tribe,” local educational agency,” “poverty line,” “Secretary,” “State,” “territory,” and “Tribal Organization.” An “eligible child” is defined to mean a child who is age 3 or 4, on the date established by the applicable local educational agency for kindergarten entry. An “eligible provider” means a local educational agency (alone or in consortium), that is licensed by the State or meets comparable health and safety standards; a Head Start agency or delegate agency funded under the Head Start Act; a licensed center-based child care provider, licensed family child care provider, or network of licensed family child care providers; or a consortium of the above entities.

Section 302 – Universal Preschool

Appropriates such sums as may be necessary to the Department of Health and Human Services for fiscal years 2024 through 2029 to carry out this title. In addition to the amounts otherwise available, there is appropriated to the Department of Health and Human Services for fiscal years 2024 through 2029, \$2.5 billion for Indian Tribes and Tribal Organizations, \$1.25 billion for carrying out payments to territories, \$300 million for local entities that serve children and families who are engaged in migrant and seasonal agricultural labor, \$995 million for Federal administration and activities, and \$20 billion for grants to localities and Head Start agencies.

Section 303 – Payments for State Universal Preschool Services

Provides that a State, with an approved State plan, is entitled to payments under this section. The Federal share of the program in 2024 and 2025 is 90 percent, 80 percent in 2026, 75 percent in 2027, 65 percent in 2028, and 60 percent in 2029. The federal share for State activities and system-wide activities is 50 percent of the amount of the State’s expenditures, except that payments will not exceed 10 percent of the total State expenditure. The Secretary is required to make payments on the basis of advanced estimates of expenditures and shall reduce or increase payments as necessary.

A State that receives a payment must carry out the following activities:

- State administration of the State preschool program described in this section.
- Supporting a continuous quality improvement system for providers of preschool services participating, or seeking to participate, in the State preschool program, through the use of data, research, monitoring, training, technical assistance, professional development, and coaching.

- Providing outreach and enrollment support for families of eligible children.
- Supporting data systems building.
- Supporting staff of eligible providers through professional development and coaching, and supporting staff in pursuing credentials and degrees, including baccalaureate degrees.
- Supporting activities that ensure access to inclusive preschool programs for children with disabilities.
- Providing age-appropriate transportation services for children, which at a minimum shall include transportation services for children experiencing homelessness and children in foster care.
- Conducting or updating a statewide needs assessment of access to high-quality preschool services.

The Governor of a State desiring payment under this title must designate a lead agency. The Governor of the State must submit a State plan that includes a plan for achieving universal, high-quality, free, inclusive, and mixed-delivery preschool services. The plan must include:

- A certification that the State has in place, or will have in place no later than 1 year after the State first receives funding under this section, developmentally appropriate, evidence-based preschool education standards that, at a minimum, are as rigorous as the Head Start performance standards and include program standards for class sizes and ratios; and the State will coordinate such standards with other early learning standards in the State.
- An assurance that the State will ensure all preschool services in the State funded under this section will be universally available to all children in the State without any additional eligibility requirements; and be high-quality, free, and inclusive.
- An assurance that the local preschool programs in the State funded under this section will, by not later than 18 months after the program receives such funding, meet the State's preschool education standards described above; offer programming that meets the duration requirements of at least 1,020 annual hours; adopt policies and practices to conduct outreach and provide expedited enrollment; provide for salaries, and set schedules for salaries, for staff of providers in the State preschool program, including staff serving infants and toddlers employed by the same provider, that are equivalent to salaries of elementary school staff with similar credentials and experience; at a minimum, provide a living wage for all staff of such providers;
- An assurance that the State will require educational qualifications for teachers in the preschool program including, at a minimum, requiring that lead teachers in the preschool program have a baccalaureate degree in early childhood education or a related field by not later than 6 years after the date on which the State first receives funds under this section, except that the requirements shall not apply to individuals who were employed by an eligible provider or early education program for a cumulative 3 of the 5 years immediately preceding the date of enactment of this Act and have the necessary content knowledge and teaching skills for early childhood educators, as demonstrated through measures determined by the State.
- For States with existing publicly funded State preschool programs (as of the date of submission of the State plan), a description of how the State will to use funding to ensure that existing programs in the State meet the requirements of this title for a State preschool program.
- A description of how the State, in establishing and operating the State preschool program supported under this section, will support a mixed-delivery system for any new slots funded under this section, including by facilitating the participation of Head Start programs and programs offered by licensed child care providers; ensure the State preschool program does not disrupt the stability of infant and toddler child care throughout the State; ensure adequate consultation with the State Advisory Council on Early Childhood Education and Care in the development of its plan, including consultation in how the State intends to distribute slots; partner with Head Start agencies to ensure the full utilization of Head Start programs within the State; and distribute new preschool slots and resources equitably among child care (including family child care) providers, Head Start agencies, and schools within the State.

- A certification that the State, in operating the program described in this section for a fiscal year, will not reduce the total preschool slots provided in State-funded preschool programs from the number of such slots in the previous fiscal year; or if the number of eligible children identified in the State declines from the previous fiscal year, will maintain at least the previous year's ratio of the total preschool slots.
- An assurance that the State will use funding provided under this section to ensure children with disabilities have access to and participate in inclusive preschool programs.
- 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 for children served in the preschool program.
- An assurance that the State will coordinate services provided under this title with services and supports provided under the Child Care and Development Block Grant Act of 1990, section 619 and part C of the Individuals with Disabilities Education Act, the Head Start Act, the Preschool Development Grants program, the Elementary and Secondary Education Act of 1965, the McKinney-Vento Homeless Assistance Act, and the maternal, infant, and early childhood home visiting programs.
- A certification that the State will support the continuous quality improvement of programs providing preschool services under this title, including support through technical assistance, monitoring, and research.
- A certification that the State will ensure a highly qualified early childhood workforce to support the requirements of this title.
- An assurance that the State will meet the requirements of the Child Care and Development Block Grant Act of 1990 with respect to funding and assessments under this title.
- A certification that subgrant and contract amounts provided as described in section 304 will be sufficient to enable eligible providers to meet the requirements of this title.
- An agreement to provide to the Secretary periodic reports, providing a detailed accounting of the uses of funding received under this section, as the Secretary may require for the administration of this section.

The State plan remains in effect for a period of not more than 3 years.

Section 304 – Subgrants and Contracts for Local Preschool Programs

Requires a State to use payments to subgrant or contract with eligible providers to operate universal, high-quality, free, and inclusive preschool programs. States must subgrant or contract in an amount sufficient to enable an eligible provider to operate a local preschool program, and the amount must reflect variations in costs of preschool services by geographic area, provider type, age of child, and increased cost of providing services to children with disabilities. The subgrants are for a period of 3 years. Providers that offer preschool programs to a high-percentage of low-income children to support comprehensive services must receive an enhanced payment.

In awarding subgrants or contracts, the State must first prioritize establishing and expanding preschool programs within and across high-need communities. Once a State serves these high-need communities, the State must serve children in preschool programs in additional communities.

Subgrants or contracts must be used to enroll and serve children by paying the costs of personnel (including classroom and administrative personnel), including compensation and benefits; the costs associated with implementing the State's preschool standards, providing curriculum supports, and meeting early learning and development standards; the cost of professional development, teacher supports, and training; the cost of implementing and meeting developmentally appropriate health and safety standards (including licensure, where applicable), teacher to child ratios, and group size maximums; the cost of materials, equipment, and

supplies; and the cost of rent or a mortgage, utilities, building security, indoor and outdoor maintenance, and insurance.

Section 305 – Payments for Universal Preschool Services to Indian Tribes and Territories

Requires the Secretary to make payments to Indian Tribes and Tribal organizations with an approved application to carry out the preschool program described in this title, consistent, to the extent practicable as determined by the Secretary, with the requirements applicable to States. The Secretary must also make payments to the territories with an approved application and territories must carry out the preschool program described in this title, consistent, to the extent practicable as determined by the Secretary, with the requirements applicable to States. The head of an Indian Tribe or territory must also designate a lead agency.

Section 306 – Grants to Localities and Head Start Expansion in Nonparticipating States

Requires the Secretary to award local universal preschool grants to eligible localities located in States that do not take a payment. An “eligible locality” is defined as a city, county, or other unit of general local government, a local educational agency, or a Head Start agency. The Secretary shall specify the requirements for an eligible locality to conduct a preschool program under this section which shall, to the greatest extent practicable, be consistent with the requirements applicable to States under this title, for a universal, high- quality, free, and inclusive preschool program.

The Secretary must also make awards to a Head Start agency in a nonparticipating State to carry out the purposes of the Head Start Act. The Secretary must give priority to entities serving communities with a high percentage of children from families with family incomes at or below 200 percent of the poverty line.

Section 307 – Allowable Sources of Non-Federal Share

Outlines the allowable sources for the purpose of the non-Federal share. A State’s non-Federal share: may be in cash or in kind, fairly evaluated, including facilities or property, equipment, or services; shall include any increase in amounts spent by the State to expand half-day kindergarten programs in the State, as of the day before the date of enactment of this Act, into full-day kindergarten programs; shall not include contributions being used as a non-Federal share or match for another Federal award; shall be provided from State or local sources, contributions from philanthropy or other private organizations, or a combination of such sources and contributions; and shall count not more than 100 percent of the State’s current spending on prekindergarten programs, calculated as the average amount of such spending by the State for fiscal years 2021, 2022, and 2023, toward the State’s non-Federal share.

Section 308 – Maintenance of Effort

If a State reduces its combined fiscal effort per child for the State preschool program (whether a publicly funded preschool program or a program under this title) or through State supplemental assistance funds for Head Start programs assisted under the Head Start Act, or through any State spending on early childhood programs or preschool services for any fiscal year that a State receives payments relative to the previous fiscal year, the Secretary, in collaboration with the Secretary of Education, shall reduce support for such State under by the same amount as the total reduction in that State fiscal effort for such reduction fiscal year. The Secretary may waive these requirements if there is a precipitous decline in the financial resources of a State as a result of unforeseen economic hardship, or a natural disaster, that has necessitated across-the-board reductions in State services during the 5-year period preceding the date of the determination, including for early childhood education programs; or due to the circumstance of a State requiring reductions in specific programs, including early childhood education programs, the State presents a justification and demonstration why other programs could not be reduced and how early childhood education programs in the State will not be disproportionately harmed by such State reductions.

Section 309 – Supplement not Supplant

Funds received under this title must be used to supplement not supplant other Federal, State, and local public funds spent on preschool programs in the State.

Section 310 – Nondiscrimination Provisions

Applies nondiscrimination protections (including Title IX of the Education Amendments of 1972, Title VI of the Civil Rights Act of 1964, Section 504 of the Rehabilitation Act of 1973, and The Americans with Disabilities Act of 1990) to any program or activity that receives funds under this title.

Section 311 – Monitoring and Enforcement

Requires the Secretary to review and monitor compliance of States, territories, Tribal entities, and local entities with this title and State compliance with the State plan.

Section 312 – Reporting

Requires a State receiving a payment to annually report certain data to the Secretary of Health and Human Services.

Title IV – Head Start Extended Duration and Wage Increases**Section 401 – Extended Duration**

Amends the Head Start Act and requires the Secretary to make grants to Head Start agencies (including Early Head Start agencies) to provide access to a full school year and a full school day of services; in the case of a migrant and seasonal Head Start agency, to provide access to additional service hours to ensure continuous Head Start services as determined by the Secretary; or in the case of a Head Start agency (including an Early Head Start agency) that already meets the full-day, full-year services needs within its community, to enhance the quality of Head Start services (including Early Head Start services) provided to children served by the agency.

In order to be eligible, a Head Start agency must submit an application with:

- evidence of the number and percentage of slots in the agency's Head Start center-based programs (that are not Early Head Start programs) that are currently funded (as of the date of submission of the application); and in which services are provided for at least the equivalent of 1,020 hours per year;
- in the agency's Early Head Start center-based programs that are currently funded (as of that date); and in which services are provided for at least the equivalent of 1,380 hours per year;
- the number and percentage of slots, in the agency's Head Start family child care programs that are currently funded (as of that date); and in which services are provided for at least the equivalent of 1380 hours per year;
- a description of an approach, using the current community-wide strategic planning and needs assessment and current program schedule (current as of the date of submission of the application), that transitions all of the agency's Head Start programs to a full school day, full school year program schedule; and
- a budget justification that estimates the supplemental funding necessary to provide for incremental ongoing operating costs for the extended hours of service under such a program schedule for the current enrollment in the agency's Head Start programs.

A migrant and seasonal Head Start agency may apply for a grant without meeting the requirements above to ensure continuous Head Start services are provided to children enrolled in a migrant and seasonal Head Start program. To be eligible to receive the grant, the agency must still submit an application to the Secretary. The Secretary must give priority to a migrant and seasonal Head Start agency operating for fewer than 8 months per

year.

A Head Start agency, with an approved application, must use the grant funds to cover the costs associated with extending those hours of service for the current enrollment, such as additional 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.

A Head Start agency (including an Early Head Start agency) that already provides full day, full year services must use grant funds to support staff training, child counseling, and other services, necessary to address the challenges of certain populations of children; ensure that the physical environments of Head Start programs are conducive to providing effective program services to children and families, and are accessible to children with disabilities and other individuals with disabilities; employ additional qualified classroom staff to reduce the child-to-teacher ratio in the classroom and additional qualified family service workers to reduce the family-to-staff ratio for those workers, ensure that Head Start programs have qualified staff that promote the language skills and literacy growth of children, improve communitywide strategic planning and needs assessments for Head Start programs and collaboration efforts for such programs; transport children in Head Start programs safely; or improve the compensation and benefits of staff of Head Start agencies, in order to improve the quality of Head Start programs.

The title authorizes a mandatory \$4 billion in fiscal year 2024 for the purchase, rental, renovation, and maintenance of additional facilities. This is a one-year authorization. \$ 833 million in mandatory funds is authorized in fiscal year 2024, \$852 million in fiscal year 2025 and \$872 million in fiscal year 2026 for 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. Priority is given to Head Start agencies that will be extending the day and year. 4.5 percent of funds are reserved for migrant or seasonal Head Start programs.

Section 402 – Appropriation for Wages

Authorizes \$2.7 billion in mandatory funding for fiscal year 2024 and each subsequent year to ensure that 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.