

118TH CONGRESS
2D SESSION

H. R. 9901

To enhance the supply of child care, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

OCTOBER 1, 2024

Mr. KHANNA introduced the following bill; which was referred to the Committee on Education and the Workforce, and in addition to the Committees on Ways and Means, Agriculture, Energy and Commerce, and Financial Services, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To enhance the supply of child care, and for other purposes.

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

3 **SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Child Care for America Act of 2024”.

6 (b) TABLE OF CONTENTS.—The table of contents of
7 this Act is the following:

Sec. 1. Short title; table of contents.

TITLE I—CHILD CARE FOR AMERICA

Sec. 101. Definitions.

Sec. 102. Funding.

Sec. 103. Child care for America grant program.

TITLE II—STAY-AT-HOME PARENT CHILD CARE SUPPORT PROGRAM

- Sec. 201. Definitions.
- Sec. 202. Establishment of stay-at-home parent support benefit program.
- Sec. 203. Funding authorization and allocation.
- Sec. 204. Application process.
- Sec. 205. Responsibilities of the Secretary of the Treasury.
- Sec. 206. Responsibilities of the Secretary.
- Sec. 207. Coordination.
- Sec. 208. Waste, fraud, and abuse.
- Sec. 209. Outreach and education.
- Sec. 210. Evaluation metrics.
- Sec. 211. Sunset provision/reauthorization requirement.
- Sec. 212. Interaction with other benefits.
- Sec. 213. Benefit structure and payment mechanism.

TITLE III—KIN CARE: FAMILY, FRIEND, AND NEIGHBOR (FFN) CARE PROGRAM

- Sec. 301. Definitions.
- Sec. 302. Authorization of appropriations.
- Sec. 303. Parent roles and responsibilities in the FFN Care Program.
- Sec. 304. FFN provider responsibilities in the Kin Care Program.
- Sec. 305. Child care practices for family, friend, and neighbor providers.
- Sec. 306. FFN provider verification procedures and ongoing monitoring.
- Sec. 307. FFN Provider Payment Process.
- Sec. 308. Data privacy and security measures.
- Sec. 309. Transition to licensed family child care.
- Sec. 310. Supports for serving children with special needs.
- Sec. 311. Collaboration with other early childhood programs.
- Sec. 312. Evaluation and research.
- Sec. 313. Community engagement for the Kin Care Program.

1 **TITLE I—CHILD CARE FOR** 2 **AMERICA**

3 **SEC. 101. DEFINITIONS.**

4 For purposes of this Act:

- 5 (1) **ELIGIBLE CHILD.**—The term “eligible child”
- 6 means a child who is below the age of 6 and not yet
- 7 in kindergarten, with no other eligibility conditions
- 8 unless the context specifies otherwise.

1 (2) ELIGIBLE CHILD CARE PROVIDER.—Unless
2 the context specifies otherwise, the term “eligible
3 child care provider” is any program that provides
4 child care which—

5 (A) is not an individual who is related to
6 all children from whom child care services are
7 provided;

8 (B) is licensed, regulated or registered
9 under State law; and

10 (C) agrees to requirements as laid out in
11 this Act.

12 (3) ELIGIBLE FAMILY.—The term “eligible
13 family” means—

14 (A) a married couple with a combined an-
15 nual income not exceeding \$250,000;

16 (B) an individual with an annual income
17 not exceeding \$125,000; or

18 (C) a family under 85 percent State me-
19 dian income.

20 (4) LOW-INCOME.—The term “low-income”
21 means an eligible child with a family income that is
22 not more than 85 percent of State median income.

23 (5) SECRETARY.—The term “Secretary” means
24 the Secretary of Health and Human Services.

1 (6) TRIBAL ORGANIZATION.—The term “Tribal
 2 organization” means the recognized governing body
 3 of any Native tribe, or any legally established orga-
 4 nization of Natives, which is controlled, sanctioned
 5 or chartered by such governing body or which is
 6 democratically elected by the adult members of the
 7 Native community to be served by such organization
 8 and which includes the maximum participation of
 9 Natives in all phases of its activities.

10 **SEC. 102. FUNDING.**

11 (a) AUTHORIZATION OF APPROPRIATIONS.—To carry
 12 out this title, there are authorized to be appropriated—

13 (1) \$78,000,000,000 for fiscal years 2024
 14 through 2028, and

15 (2) \$78,000,000,000 for fiscal years 2029
 16 through 2034.

17 (b) USES OF FUNDS.—

18 (1) FISCAL YEARS 2024 THROUGH 2028.—Funds
 19 appropriated for fiscal years 2024 through 2028
 20 shall be distributed to States under section 658O(b)
 21 of the Child care and Development Block Grant Act
 22 of 1990 (42 19 U.S.C. 9858m(b)).

23 (2) REQUIREMENTS.—

24 (A) MATCHING FUNDS.—To be eligible to
 25 received funds under this title—

1 (i) in fiscal years 2026 and 2027, a
2 State shall agree to match at least 5 per-
3 cent of Federal funds; and

4 (ii) in fiscal years 2028 through 2034,
5 a State shall agree to match at least 10
6 percent.

7 (B) MAINTENANCE OF EFFORT.—To be el-
8 igible to receive funds under this title for a fis-
9 cal year a State shall—

10 (i) agree spend at least as much as
11 the average of its expenditures on child
12 care services. over the previous 3 previous
13 fiscal years; and

14 (ii) use such funds to supplement not
15 supplant other Federal, State, or local
16 public funds to support child care services;

17 (iii) continue spending its own funds
18 on child care services, not just Federal
19 funds.

20 (c) ALLOCATION OF FUNDS.—To carry out this
21 Act—

22 (1) funds appropriated to carry out the section
23 4 shall be allocated—

24 (A) to carry out a child care program for
25 low- and moderate- income parents,

1 (B) to carry out a Parent Fee Reduction
2 Program with \$20,000,000,000 annually every
3 fiscal year from fiscal year 2024 through fiscal
4 year 2034; and

5 (C) to establish a Worker Wage Ladder;

6 (2) to implement a Child care Facilities Fund
7 with \$250,000,000 annually every fiscal year from
8 fiscal year 2024 through fiscal year 2034;

9 (3) to implement a Homecare Fund with
10 \$250,000,000 annually every fiscal year from fiscal
11 year 2024 through fiscal year 2034; and

12 (4) to implement a Child Care Innovation Fund
13 with \$250,000,000 annually every fiscal year from
14 fiscal year 2024 through fiscal year 2034.

15 **SEC. 103. CHILD CARE FOR AMERICA GRANT PROGRAM.**

16 (a) ESTABLISHMENT OF PROGRAM.—The Secretary
17 shall establish and carry out a grant program entitled the
18 “Child care for America Grant Program” to make grants
19 to States and Tribal organizations to provide child care
20 services in accordance with this section.

21 (b) ALLOCATION OF FUNDS.—Of the funds appro-
22 priated for a fiscal year, the Secretary shall—

23 (1) reserve for Tribal organizations a portion of
24 such funds based on the number of eligible children
25 served by the Tribal organization and the dem-

1 onstrated need for child care services in the Tribal
2 community, and

3 (2) allocate the remainder of such funds for
4 grants to eligible States to provide child care serv-
5 ices.

6 (c) ELIGIBILITY OF STATES.—To be eligible to re-
7 ceive a grant under this section, a State shall submit to
8 the Secretary an application that includes—

9 (1) identification of the lead agency and key
10 contact information;

11 (2) a description of the lead agency’s roles, re-
12 sponsibilities, and organizational structure for ad-
13 ministering the grant program;

14 (3) a certification that the State will comply
15 with all requirements of this section and applicable
16 Federal laws and regulations;

17 (4) an assurance that the State will administer
18 the program in a manner that supports equal access
19 and parental flexibility in child care services pursu-
20 ant to assurances States are making to receive such
21 funds;

22 (5) a detailed plan for conducting meaningful
23 consultation with stakeholders, including parents,
24 child care providers, employers, child care workers,

1 and local government representatives, in the develop-
2 ment and implementation of the program; and

3 (6) a proposed time line for implementing key
4 components of the program, including—

5 (A) providing advance disbursement of
6 parent fees and wage supplements, subgranting
7 with eligible providers, and establishing a wage
8 and benefits ladder;

9 (B) a description of the State’s process for
10 determining eligibility and prioritizing eligible
11 child care providers for subgrants and funding;

12 (C) the State’s proposed formula for allo-
13 cating subgrant amounts to eligible providers
14 pursuant to section 103(m);

15 (D) an outline of the State’s plan for es-
16 tablishing and implementing a wage and bene-
17 fits ladder for staff of eligible providers receiv-
18 ing assistance;

19 (E) a plan for providing wage supplements
20 to staff of eligible providers within 12 months
21 of the program’s implementation;

22 (F) a description of the State’s strategies
23 for increasing access to high-quality child care
24 services for underserved populations, including
25 low-income families, children with disabilities,

1 and families in need of non-traditional hour
2 care;

3 (G) a plan for conducting data collection
4 and reporting on the use of funds and the effec-
5 tiveness of the program;

6 (H) any reasonable and relevant informa-
7 tion or assurances required by the Secretary of
8 Health and Human Services;

9 (I) the Secretary will review the applica-
10 tions and provide feedback or requests for addi-
11 tional information as needed;

12 (J) funds allocated to States and Tribal
13 organizations under this section shall be used in
14 accordance with the requirements and priorities
15 outlined in subsection (f); and

16 (K) applications shall be approved by the
17 Secretary of Health and Human Services before
18 the State can receive grant funding.

19 (d) ELIGIBILITY OF LEAD AGENCY.—To receive
20 grant funding the lead agency shall agree to the following
21 certifications and assurances—

22 (1) all communities in their State or respective
23 territory will be served;

24 (2) establish and administer a system for sub-
25 granting with eligible child care providers to cover

1 annual operational expenses pursuant to subsection
2 (i) of this section and subsection (m) of this section;

3 (3) establish a wage and benefits ladder for
4 staff of eligible child care providers receiving assist-
5 ance under this grant, including assurances that
6 wage and benefits for such staff, at minimum will
7 meet subsection (p) of this section;

8 (4) within the first 12 months after the date of
9 the enactment of this Act, the State will establish a
10 system for providing wage supplements to all full
11 time and part-time staff members of eligible child
12 care providers pursuant to subsection (p) of this sec-
13 tion;

14 (5) within the first 12 months after the date of
15 the enactment of this Act, the State shall provide
16 every eligible child care provider, who is accepted
17 with—

18 (A) 50 percent of their total parent fees
19 charged in the previous fiscal year,

20 (B) advance wage supplement disburse-
21 ments; and

22 (C) an assurance that programs already
23 offering free services shall continue doing so,
24 pursuant to subsection (h) of this section;

1 (6) will provide necessary accommodations to
2 ensure family child care, faith-based care, care dur-
3 ing non-traditional hours, and care for children with
4 disabilities are available, equitable and viable options
5 for families, including but not limited to offering an
6 incentive for providers to expand care offerings dur-
7 ing non-traditional hours;

8 (7) reserve no more than 5 percent of grants to
9 administer subgrants, provide technical assistance
10 and support for applicants to apply for and access
11 the grant opportunity and to carry out the activities
12 in this Act;

13 (8) existing health and safety measures will be
14 continued;

15 (9) provide explanations to the Secretary as
16 necessary; and

17 (10) States may reserve up to 5 percent of their
18 total grant allocation each fiscal year for administra-
19 tive costs associated with implementing this section,
20 including activities such as developing and imple-
21 menting the State plan, providing technical assist-
22 ance to child care providers, conducting monitoring
23 and oversight, and compensating parents for pro-
24 viding input to the lead agency. This compensation
25 shall be used to ensure consumers are included in

1 the development of the State plan prior to submis-
2 sion and as an advisory body thereafter.

3 (e) ELIGIBILITY OF TRIBAL ORGANIZATIONS.—

4 (1) Tribal organizations are eligible to apply for
5 and receive funding under this section.

6 (2) The Secretary shall reserve a portion of the
7 total appropriation for the program each fiscal year
8 to be allocated to Tribal organizations based on the
9 number of eligible children served by the Tribal or-
10 ganization and the demonstrated need for child care
11 services in the Tribal community.

12 (3) Tribal organizations that receive funding
13 under this section shall comply with all the require-
14 ments outlined in the “Requirements for States Ad-
15 ministering Subgrants to Eligible Child care Pro-
16 viders” section except that they may use their own
17 Tribal licensing, regulatory, or monitoring systems
18 in lieu of State systems, provided that such Tribal
19 systems meet minimum Federal standards as estab-
20 lished by the Secretary.

21 (4) Tribal organizations that receive funding
22 under the program established in this section are eli-
23 gible to apply for and receive additional funding
24 under the Low-Moderate Income Fee Reduction Pro-
25 gram. Tribal organizations shall comply with all the

1 requirements outlined in subsection (n)(7) of this
2 section, except that they may use their own median
3 income data and eligibility criteria, provided that
4 such criteria align with the overall goals and require-
5 ments of the program.

6 (5) Tribal organizations that receive funding
7 under this section may reserve up to 15 percent of
8 their total grant allocation each fiscal year for ad-
9 ministrative costs, in recognition of the unique chal-
10 lenges and costs associated with administering child
11 care programs in Tribal communities.

12 (f) USE OF FUNDS.—Funds appropriated to carry
13 out the program under this section shall be used to sup-
14 port the provision of high-quality, affordable child care
15 services for eligible, children and families, in accordance
16 with the requirements and priorities established in this
17 section.

18 (1) PARTICULAR USES.—State and Tribal orga-
19 nizations shall use the funds to—

20 (A) expand access to child care services,
21 especially for low-income families and under-
22 served populations;

23 (B) improve the quality of child care serv-
24 ices through investments in workforce develop-
25 ment, facilities and other key areas;

1 (C) provide financial assistance to eligible
2 families to help them access child care services;
3 and

4 (D) support the implementation and ad-
5 ministration of the grant received under this
6 section and related initiatives.

7 (2) SPECIFIC ALLOCATIONS.—States and Tribal
8 organizations will allocate funds received under this
9 section in accordance with the following require-
10 ments:

11 (A) At least 70 percent of the funds shall
12 be used to provide direct services to eligible
13 children and families, including through grants
14 and subgrants with eligible child care providers
15 and other initiatives designed to expand access
16 and affordability.

17 (B) At least 10 percent of the funds shall
18 be used for quality improvement activities that
19 are defined and co-created with families and the
20 child care workforce.

21 (C) No more than 5 percent of the funds
22 may be used for State or Tribal administrative
23 costs, as outlined in subsections (i) and (e) of
24 this section.

1 (D) Remaining funds may be used for
2 other activities that support the goals and re-
3 quirements of this section, as approved by the
4 Secretary.

5 (3) PROHIBITED USES.—Funds appropriated
6 under this section shall not be used for the fol-
7 lowing:

8 (A) The purchase or improvement of land,
9 or the purchase, construction, or permanent im-
10 provement of any building or facility, except as
11 authorized under the Quality Child Care Facili-
12 ties Grant Program established in subsection
13 (p)(9) of this section.

14 (B) Any sectarian purpose or activity, in-
15 cluding religious worship or instruction.

16 (C) Any lobbying or political activity, as
17 defined by the Secretary.

18 (D) Any other purpose or activity that is
19 not consistent with the goals and requirements
20 of this section, as determined by the Secretary.

21 (4) REPORTING AND ACCOUNTABILITY.—

22 (A) States and tribal organizations receiv-
23 ing funds under the child care for America
24 Grant Program shall maintain detailed records
25 on the use of funds and shall submit annual re-

ports to the Secretary on the allocation and impact of these funds.

(B) The Secretary shall establish reporting requirements and performance measures to ensure that funds are being used effectively and in accordance with the requirements of this Act.

(C) The Secretary shall have the authority to withhold or recapture funds from States or tribal organizations that fail to comply with the requirements of this Act or that do not demonstrate adequate progress toward meeting the goals and priorities established in their State or tribal plans.

(g) PREVENTING WASTE, FRAUD AND ABUSE.—

(1) POLICY AND PRACTICES.—

(A) States and tribal organizations receiving funds under this section will have in place policies and practices that reduce the risk of waste, fraud and abuse including:

(i) Establish procedures for verifying the accuracy of the reported parent fees. Such procedures should be as streamlined as reasonably possible in order to minimize administrative burden on providers.

1 (ii) Monitoring child care providers to
2 ensure compliance with program require-
3 ments, with a focus on supporting pro-
4 viders to meet these requirements rather
5 than punitive measures. This monitoring
6 shall be conducted in a manner that is cul-
7 turally responsive, minimizes administra-
8 tive burden, and prioritizes program qual-
9 ity and child well-being over strict proce-
10 dural compliance.

11 (iii) Maintaining records sufficient to
12 document compliance with program re-
13 quirements through appropriate measures,
14 including investigating and recovering
15 fraudulent payments and imposing sanc-
16 tions on clients or providers in response to
17 fraud.

18 (B) INTERNAL CONTROLS AND ACCOUNT-
19 ABILITY MEASURES.—

20 (i) INTERNAL CONTROLS.—States and
21 Tribal organizations receiving funds under
22 this section shall have in place effective in-
23 ternal control procedures to ensure integ-
24 rity and accountability in the program, in-
25 cluding—

1 (I) fiscal controls and accounting
2 procedures sufficient to permit the
3 tracing of funds to a level of expendi-
4 ture adequate to establish that these
5 funds have not been used in violation
6 of the provisions of this Act or any
7 other applicable Federal or State law;

8 (II) record keeping requirements
9 sufficient to ensure that all expendi-
10 tures and receipts are accounted for
11 and available for audit and examina-
12 tion; and

13 (III) regular monitoring and in-
14 spection of child care providers to en-
15 sure compliance with health, safety,
16 and quality standards, as well as
17 proper use of grant funds.

18 (ii) GUIDANCE.—The Secretary will
19 issue guidance and provide technical assist-
20 ance to States and Tribal organizations on
21 implementing effective internal control pro-
22 cedures and will monitor compliance
23 through regular reporting and oversight.

24 (2) ELIGIBILITY DETERMINATION AND
25 VERIFICATION.—

1 (A) VERIFICATION.—States and Tribal or-
2 ganizations will have in place procedures for
3 documenting and verifying the eligibility of chil-
4 dren and families for assistance under this sec-
5 tion, including—

6 (i) verifying family income through
7 automatic enrollment if already enrolled in
8 another public assistance program or by
9 pay stubs, tax returns or other reliable
10 sources which can be submitted electroni-
11 cally (the State agency should make
12 verification as simple and efficient to re-
13 duce the burden on families to prove their
14 eligibility) or other reliable resources;

15 (ii) establishing eligibility redeter-
16 mination periods of a minimum of 12
17 months, with provisions for interim report-
18 ing of changes in income or employment
19 status; and

20 (iii) safeguarding the confidentiality
21 and security of eligibility information and
22 records, in accordance with applicable Fed-
23 eral and State privacy laws.

24 (B) GUIDANCE.—The Secretary shall pro-
25 vide guidance and technical assistance to States

1 and Tribal organizations on implementing effective
2 eligibility determination and verification
3 procedures, and shall monitor compliance
4 through regular reporting and oversight.

5 (3) IDENTIFICATION OF RISK.—States and
6 Tribal organizations will identify areas of risk for
7 waste, fraud and abuse in their program under this
8 sections, including conducting criminal background
9 checks on child care providers, including prospective
10 providers, in accordance with Federal requirements.

11 (4) TRAINING AND TECHNICAL ASSISTANCE.—
12 The Secretary will provide training and technical assistance
13 to States and Tribal organizations on effective
14 policies and practices for preventing waste,
15 fraud, and abuse, including—

16 (A) conducting periodic training for State
17 and Tribal staff on identifying and preventing
18 fraud,

19 (B) providing guidance on implementing
20 risk assessment tools and procedures, and

21 (C) developing and disseminating best
22 practices for monitoring child care providers
23 and enforcing program requirements.

24 (5) REPORTING AND INVESTIGATION.—

1 (A) PROCEDURES.—States and Tribal or-
2 ganizations will have procedures in place for re-
3 porting and investigating suspected cases of
4 waste, fraud and abuse including—

5 (i) establishing mechanisms for the
6 public to report suspected fraud, such as
7 hotlines or online reporting systems;

8 (ii) conducting prompt and thorough
9 investigations of suspected fraud, in co-
10 ordination with law enforcement agencies
11 and as appropriate;

12 (iii) referring substantiated cases of
13 fraud for criminal prosecution and taking
14 steps to recover fraudulent payments; and

15 (iv) reporting instances of waste,
16 fraud and abuse to the Secretary, along
17 with any actions taken in response.

18 (B) TRANSPARENCY AND PUBLIC REPORT-
19 ING.—States and Tribal organization will make
20 available to the public, in a consumer friendly
21 and easily accessible format—

22 (i) the results of monitoring and in-
23 spection reports for child care providers,
24 including any violation of health, safety or

1 quality standards and any corrective ac-
2 tions taken;

3 (ii) aggregate data on the number of
4 serious injuries, deaths, and substantiated
5 cases of child abuse or neglect occurring in
6 child care settings, by provider type and li-
7 censing status; and

8 (iii) information on the availability
9 and quality of child care services in dif-
10 ferent geographic areas and for different
11 age groups and populations. At minimum,
12 such information should include gathering
13 data from parents and practitioners in a
14 way that is reasonably representative of
15 the State.

16 (C) ANNUAL REPORTS.—The Secretary
17 will compile and publish annual reports on the
18 implementation and outcomes of the program
19 established in this section, including data on
20 program enrollment, expenditures and service
21 delivery, as well as any instance of waste, fraud
22 or abuse identified and corrective actions taken.

23 (6) PENALTIES AND SANCTIONS.—

24 (A) PROCEDURES.—States and Tribal or-
25 ganizations shall have in place procedures for

1 imposing penalties and sanctions on child care
2 providers or clients who engage in waste, fraud
3 or abuse, including—

4 (i) terminating the eligibility of clients
5 who engage in fraud and disqualifying
6 them from future participation in the pro-
7 gram;

8 (ii) suspending or terminating the eli-
9 gibility of providers who engage in fraud
10 and prohibiting them from receiving future
11 payments under the program; and

12 (iii) recovering fraudulent payments
13 from providers or clients through repay-
14 ment plans or other means.

15 (B) FRAUD DETECTION AND REPAY-
16 MENT.—States and Tribal organizations shall
17 have in place for identifying and investigating
18 possible instances of fraud by child care pro-
19 viders or recipients of assistance under the this
20 section, including—

21 (i) conducting regular audits and re-
22 views of provider records and claims for re-
23 imbursement, using risk-based sampling,
24 and targeting methods;

1 (ii) establishing mechanism for report-
2 ing suspected fraud by the public, includ-
3 ing anomalously and for protecting whistle-
4 blowers from retaliation; and

5 (iii) promptly referring substantiated
6 cases of fraud to law enforcement for
7 criminal investigation and prosecution.

8 (C) PENALTY.—Any child care provider or
9 recipient of assistance found to have engaged in
10 fraud shall be subject to repayment of all mis-
11 used funds, plus interest and penalties, and
12 shall be disqualified from future participation in
13 the program for a period of not less than five
14 years.

15 (D) GUIDANCE AND TECHNICAL ASSIST-
16 ANCE.—The Secretary shall provide guidance
17 and technical assistance to States and Tribal
18 organizations on implementing effective fraud
19 detection and repayment procedures and shall
20 monitor compliance through regular reporting
21 and oversight.

22 (7) FEDERAL OVERSIGHT.—The Secretary will
23 monitor State and Tribal compliance with the re-
24 quirements of this section through—

1 (A) reviewing and approving State and
2 Tribal plans for preventing waste, fraud or
3 abuse;

4 (B) conducting periodic reviews and audits
5 of State and Tribal programs to identify poten-
6 tial instances of waste, fraud, or abuse; and

7 (C) investigating and taking enforcement
8 action in response to substantiated cases of
9 waste, fraud or abuse, including imposing pen-
10 alties on States or Tribal organizations that fail
11 to comply with the program requirements.

12 (h) INCOME ELIGIBILITY.—

13 (1) Only eligible families, as defined in section
14 101, may access the \$10 per day child care program
15 under this grant.

16 (2) Families with incomes exceeding the thresh-
17 olds specified in section 101 are not eligible for the
18 \$10 per day program but may still access child care
19 services at rates determined by the State, subject to
20 the other provisions of this Act.

21 (3) States shall establish procedures to verify
22 family income annually and to adjust eligibility ac-
23 cordingly.

24 (4) The Secretary shall adjust the income
25 thresholds specified in section 101 annually for infla-

1 tion, using the Consumer Price Index for All Urban
2 Consumers (CPI-U) as published by the Bureau of
3 Labor Statistics.

4 (i) INITIAL FUNDING FOR ELIGIBLE CHILD CARE
5 PROVIDERS.—

6 (1) AMOUNT OF FUNDS.—Within 12 months
7 after the date of enactment of this Act, each State
8 shall provide all eligible child care providers whose
9 applications have been accepted with the sum of the
10 following:

11 (A) An amount equal to 50 percent of the
12 total parent fees charged by the provider in the
13 previous fiscal year.

14 (B) Disbursements of wage supplements
15 for the provider's staff, as determined by the
16 State's wage and benefits ladder established
17 under this Act.

18 (2) BASE LEVEL OF FUNDS.—The amounts
19 provided in this section will serve as the base level
20 of funding for each eligible child care provider on an
21 annual basis until the provider enters a permanent
22 subgrant with the State under this Act.

23 (3) DISBURSEMENT OF FUNDS.—States will
24 disburse the funds described in subsection (a) to eli-
25 gible child care providers within 12 months of the

1 date of enactment of this Act, regardless of whether
2 the provider's application for a permanent subgrant
3 is still pending review or approval amount.

4 (4) AMOUNT.—In determining the amount of—

5 (A) parent fees charged in the previous fis-
6 cal year, the State will—

7 (i) require eligible child care providers
8 to submit documentation or attestation of
9 their total parent fees charged during the
10 applicable fiscal year;

11 (ii) establish procedures for verifying
12 the accuracy of the reported parent fees;
13 and

14 (iii) provide guidance to providers on
15 the calculation and reporting of parent
16 fees, including any allowable deductions or
17 adjustments;

18 (B) in determining the advance disburse-
19 ments of wage supplements, the State will—

20 (i) apply the wage and benefits ladder
21 established in accordance with the require-
22 ments of this section;

23 (ii) require eligible child care pro-
24 viders to submit information on their cur-

1 rent staffing levels and compensation
2 rates; and

3 (iii) provide guidance to providers on
4 the calculation and disbursement of wage
5 supplements, including the frequency of
6 payments and any necessary adjustments
7 based on staffing changes or other factors;
8 and

9 (C) at minimum, States are required to es-
10 tablish procedures for eligible child care pro-
11 viders to appeal or seek reconsideration of the
12 initial funding amounts determined under this
13 section, in cases where the provider believes an
14 error or miscalculation has occurred.

15 (5) GUIDANCE.—The Secretary will issue regu-
16 lations and guidance as necessary to ensure con-
17 sistent and equitable implementation of this section
18 by States, including standards for documentation,
19 verification, and calculation of initial funding
20 amounts.

21 (j) REQUIREMENTS FOR STATES ADMINISTERING
22 SUBGRANTS TO ELIGIBLE CHILD CARE PROVIDERS.—

23 (1) SUBGRANTS.—To receive funds under this
24 subsection, each State will establish a program for

1 subgranting with eligible child care providers within
2 3 years of enactment of this section.

3 (2) PURPOSE.—The purpose of this program is
4 to ensure affordable, accessible, and high-quality
5 child care options for families.

6 (3) DEFINITION OF STATE.—For the purpose
7 of this subsection the term “State” includes Tribal
8 organizations. Tribal organizations that receive
9 funding under this subsection shall comply with all
10 requirements outlined in this subsection, except that
11 they may use Tribal licensing, regulatory, or moni-
12 toring systems in lieu of State systems, provided
13 that such Tribal systems meet minimum Federal
14 standards as established by the Secretary.

15 (4) FORMULA.—Within the first 12 months
16 after the enactment of this Act, each State will de-
17 velop and publish a formula for allocating subgrant
18 amounts to eligible child care providers.

19 (5) SUBGRANTS PROGRAM.—To receive funds
20 under this subsection, each State will establish a
21 program for subgrants to eligible child care pro-
22 viders within 3 years of enactment of this Act. The
23 purpose of this program is to ensure affordable, ac-
24 cessible, and high-quality child care options for fami-
25 lies.

1 (6) ALLOCATION OF SUBGRANTS.—Within the
2 first 12 months after the enactment of this Act,
3 each State will develop and publish a formula for al-
4 locating subgrant amounts to eligible child care pro-
5 viders. The formula will be used to calculate the
6 operational costs necessary for providers to operate
7 sustainably while maintaining high-quality stand-
8 ards.

9 (7) GUIDANCE.—The Secretary will provide
10 guidance and minimum standards for States to fol-
11 low in developing their subgrant allocation formulas.
12 At a minimum these formulas will consider the fol-
13 lowing cost components:

14 (A) Personnel costs, including wages, bene-
15 fits, and professional development.

16 (B) Facility maintenance and improvement
17 costs, including outdoor environments.

18 (C) Curricular materials, educational re-
19 sources and other supplies.

20 (D) Costs associate with meeting the needs
21 of enrolled children with disabilities or special
22 needs.

23 (E) Food costs, if applicable.

24 (F) Administrative and operational costs.

1 (8) SUBMISSION OF SUBGRANT FORMULA.—

2 Each State will submit its proposed subgrant alloca-
3 tion formula to the Secretary of Health and Human
4 Services for review and approval. The Secretary will
5 ensure that formulas comply with the minimum
6 standards and guidance provided.

7 (k) PUBLICATION OF APPLICATION PROCESS FOR
8 SUBGRANTS.—The lead agency in each State will develop
9 and make available on its website an application process
10 for child care providers to apply for and receive subgrants
11 under this program. States will accept, process, and dis-
12 burse funds for subgrants from eligible child care pro-
13 viders on a rolling and continuous basis pursuant to State
14 Subgrants to Eligible Providers section of this Act. The
15 application shall include at minimum the following:

16 (1) The assurances outline in the State Sub-
17 grants to Eligible Providers section of this Act.

18 (2) Process advance disbursement of funds pur-
19 suant to the Initial Funding for Child care Providers
20 section of this Act.

21 (l) PRIORITY.—States will establish a process to
22 prioritize the disbursement of funds and the awarding of
23 subgrants to eligible child care providers pursuant to the
24 Low-Moderate Income section of this Act.

1 (m) MONITORING AND COMPLIANCE.—States will es-
2 tablish a monitoring and oversight system to ensure that
3 subgranted child care providers maintain compliance with
4 the terms of their subgrants, quality standards, and all
5 applicable requirements under this section.

6 (n) STATE SUBGRANTS TO ELIGIBLE CHILD CARE
7 PROVIDERS.—

8 (1) To be eligible to receive a subgrant funded
9 under this section, a child care provider shall—

10 (A) be licensed, regulated or registered
11 under State law to provide child care services;

12 (B) submit an application to the State lead
13 agency and agree to the provider requirements
14 in section c; and

15 (C) meet the quality standards established
16 by the State.

17 (2) CHILD CARE PROVIDER APPLICATION AND
18 SELECTION.—To receive funds from the State, the
19 child care provider shall do the following:

20 (A) make the following certifications, as-
21 surances:

22 (i) When open and available, to pro-
23 vide child care services, implement policies
24 in line with guidance from their State.

1 (ii) Implement all State health, safety
2 and quality standards and policies.

3 (iii) Use subgrant funds solely for al-
4 lowable expenses outlined in Allowable Use
5 of Subgrant Funds.

6 (iv) Limit annual increases in parent
7 tuition fees to no more than 3 percent
8 above the prior year.

9 (v) Not charge mandatory parents an-
10 cillary fees except as approved by the lead
11 agency and after written approval from the
12 Secretary.

13 (vi) Cap total executive compensation
14 at no more than 10 times the median em-
15 ployee wage.

16 (vii) Not use funds for undue profit or
17 to pay interest or dividends to investors.

18 (viii) Maintain or increase wage and
19 benefits in accordance with Wage Supple-
20 ment section of this Act.

21 (ix) Meet lead teacher qualifications
22 standards pursuant to Lead Teacher
23 Qualifications subsection.

24 (x) Prioritize serving low-income pop-
25 ulations pursuant to Low-Mod Income.

1 The eligible child care provider will pro-
2 vider relief from co-payments and tuition
3 payments for the families enrolled in the
4 providers program, to the extent possible,
5 with the goal of fees not exceeding \$10 a
6 day for full-time care. If available funds do
7 not allow for this goal to be met, providers
8 shall prioritize relief for families struggling
9 to make either type of payment pursuant
10 to Low- to Moderate-Income section.

11 (xi) not engage in a sale-leaseback
12 transaction that leaves a provider site with
13 more debt than it previously held.

14 (xii) if a child care company or its af-
15 filiate brands holds more than 20 licenses
16 across all States, agree to submit detailed
17 annual financial reports to the Department
18 of Health and Human Services, the spe-
19 cifics of which will be determined by the
20 Secretary.

21 (B) Subgrants will be for every 2 years,
22 and renewable.

23 (C) Funds provided to eligible child care
24 providers through State subgrants shall be used
25 to support the provision of high-quality child

1 care services and to meet the requirement out-
2 lined in the subgrant, such as improving com-
3 pensation for workers, reducing fees for families
4 and meeting quality standards established by
5 the State.

6 (3) ALLOWABLE USE OF SUBGRANT FUNDS.—

7 (A) Providers can use funds received under
8 the subgrant, at minimum, for the following al-
9 lowable operational expenses:

10 (i) Personnel costs (wages, benefits,
11 professional development).

12 (ii) Mortgage, rent, and facility main-
13 tenance and improvement.

14 (iii) Educational materials, supplies
15 and technology.

16 (iv) Food service, if applicable.

17 (v) Administrative and general oper-
18 ating expenses.

19 (B) The Secretary will establish guidance
20 for State on categories of additional allowable
21 expenses.

22 (C) The Secretary will establish procedures
23 for regularly getting feedback from States, par-
24 ents, and providers and adjust the guidance as
25 needed in response.

1 (4) SUBGRANT AMOUNT DETERMINATION.—

2 (A) Within 12 months after the date of the
3 enactment of this Act, each State lead agency
4 will develop a formula to determine annual
5 subgrant amounts for eligible providers.

6 (B) The subgrant amount formula will
7 consider at minimum:

8 (i) Staffing and personnel costs based
9 on enrollment.

10 (ii) Facility, maintenance, and im-
11 provement costs.

12 (iii) Costs of curricula, materials, and
13 other quality inputs.

14 (iv) Administrative and operating ex-
15 penses.

16 (v) Regional cost of living adjust-
17 ments.

18 (vi) Other factors identified by the
19 Secretary.

20 (C) States will submit formulas to the Sec-
21 retary for approval.

22 (D) Subgrant amounts will be adjusted an-
23 nually based on the State's formula.

24 (i) For each employee, the eligible
25 child care provider will not pay less than

1 the full compensation, including any bene-
2 fits, that was provided to the employee as
3 of the date of their subgrant in the last
4 full year prior to the subgrant application
5 or date of the subgrant application (which-
6 ever was higher application submission of
7 the application for the subgrant and will
8 not take any action that reduces the week-
9 ly amount of the employee's compensation,
10 or that reduces the employee's rate of full
11 compensation, or that reduces the employ-
12 ee's rate of full compensation in compli-
13 ance with subsection (p) of this section.

14 (ii) The eligible child care provider
15 will provider relief from co-payments and
16 tuition payments for the families enrolled
17 in the providers program, to the extent
18 possible, with the goal of fees not exceed-
19 ing \$10 a day for full-time care. If avail-
20 able funds do not allow for this goal to be
21 met, providers shall prioritize relief for
22 families struggling to make either type of
23 payment pursuant to subsection (n)(7) of
24 this section.

1 (E) The amount awarded in a subgrant to
 2 the eligible child care provider will be based on
 3 the providers current operating expenses for fis-
 4 cal year 2024. This includes the costs associ-
 5 ated with providing or preparing to provide
 6 child care services and to the extent practicable,
 7 cover sufficient operating expenses to ensure
 8 continuous operations for the intended part of
 9 the subgrant so that parent fees are signifi-
 10 cantly reduced overtime.

11 (5) MONITORING, ENFORCEMENT AND AP-
 12 PEALS.—

13 (A) The Secretary will establish monitoring
 14 requirements for State lead agencies to ensure
 15 provider compliance.

16 (B) States shall implement enforcement
 17 mechanisms, including subgrant termination
 18 and funds recoupment for non-compliance.

19 (C) States will provide an appeals process
 20 for providers to dispute subgrant amounts, ter-
 21 mination or other adverse actions.

22 (o) PARENT FEE REDUCTION PROGRAM.—

23 (1) ESTABLISHMENT AND APPROPRIATIONS.—

24 (A) The Secretary shall establish the par-
 25 ent fee reduction program as a mandatory com-

1 ponent of the program under this section to as-
2 sist States in reducing parent fees for child care
3 services.

4 (B) The parent fee reduction program will
5 be funded through the appropriations author-
6 ized for the program under this section, as out-
7 lined in section 102 of this Act.

8 (C) From the total appropriations to carry
9 out this section, the Secretary will allocate suf-
10 ficient funds each fiscal year to enable States to
11 provide the initial 50 percent fee reduction to
12 all eligible child care providers and to support
13 ongoing fee reductions as needed.

14 (D) The Secretary will work with States to
15 determine the amount of funding needed for the
16 parent fee reduction program based on the
17 number of eligible child care providers, the total
18 amount of parent fees collected by these pro-
19 viders, and other relevant factors.

20 (E) If the appropriations authorized for
21 the program under this section are insufficient
22 to fully fund the parent fee reduction program,
23 the Secretary will prioritize funding for this
24 program, after the Low-Moderate Income Pro-
25 gram.

1 (2) ELIGIBILITY.—

2 (A) Eligible Child care providers that meet
3 the requirements for participation in the pro-
4 gram under this section, as outlined in the
5 State Subgrants to Eligible Child care Pro-
6 viders section, shall be eligible to receive fund-
7 ing through the 50 percent fee reduction pro-
8 gram.

9 (B) Eligible Child care Providers shall
10 serve eligible children and shall agree to reduce
11 fees by at least 50 percent for all families en-
12 rolled in their programs (since they would be
13 receiving at least 50 percent of these parents
14 fees through the program under this section to
15 subsidize parent fees).

16 (C) Eligible Child care Providers shall
17 comply with all State and Federal health, safety
18 and quality standards as established in these
19 sections within this Act, as well as any addi-
20 tional requirements established by the State for
21 participation in the parent fee reduction pro-
22 gram.

23 (3) USE OF FUNDS.—

24 (A) Funds provided to eligible child care
25 providers through the parent fee reduction pro-

1 gram established in this section will be used
2 solely for the purpose of reducing parent fees.

3 (B) Eligible child care providers are not al-
4 lowed to use these funds to supplant other
5 funding sources or to cover expenses not di-
6 rectly related to reducing parent fees.

7 (C) Eligible child care provide shall main-
8 tain detailed records documenting the use of
9 funds received through the 50 percent fee re-
10 duction program and shall make these records
11 available to the State and the Secretary upon
12 request.

13 (D) Any funds not used for the purpose of
14 reducing parent fees will be returned. The Sec-
15 retary will establish guidance on how returning
16 excess funds will work.

17 (4) SECRETARY REQUIREMENTS.—

18 (A) The Secretary will provide guidance
19 and technical assistance to States implementing
20 the parent fee reduction program, including es-
21 tablishing guidelines for determining the
22 amount of initial funding on ongoing support
23 needed by eligible child care providers.

24 (B) The Secretary will review and approve
25 State plans that include States plans to admin-

1 ister the 50 percent fee reduction program, en-
2 suring that they comply with the requirement.

3 (5) STATE REQUIREMENTS.—

4 (A) States will be responsible for admin-
5 istering the 50 percent fee reduction program
6 and disbursing funds to eligible child care pro-
7 viders in accordance with the requirements of
8 this section.

9 (B) Within their State plan, lead agencies
10 will codify a process for implementing the par-
11 ent fee reduction program and disbursing funds
12 to eligible child care providers in accordance
13 with the requirements of this section.

14 (C) States will require eligible child care
15 providers to submit documentation verifying the
16 total amount of parent fees collected in the pre-
17 vious fiscal year and will establish a process for
18 reviewing and verifying this documentation.

19 (D) States will disburse the initial funding
20 for the parent fee reduction program to eligible
21 child care providers within 3 months of receiv-
22 ing the necessary documentation and will estab-
23 lish a process for transferring these funds.

24 (E) States will establish a process for de-
25 termining the amount of ongoing funding need-

1 ed by each eligible child care providers to main-
2 tain reduced parent fees and will disburse this
3 funding on a quarterly basis.

4 (F) States will require eligible child care
5 providers to submit quarterly reports docu-
6 menting the amount of parent fees collected,
7 the number of families served, and the use of
8 funds received for fee reductions, and will re-
9 view these reports and conduct periodic audits
10 to ensure compliance with program require-
11 ments.

12 (G) States will submit annual reports to
13 the Secretary detailing the implementation and
14 impact of the parent fee reduction program, in-
15 cluding the total amount of funds disbursed,
16 the number of families benefitting from reduced
17 fees and challenges, successes encountered.

18 (H) States will prioritize fee reductions
19 and waivers for families enrolled in the Low- to
20 Moderate-Income Fee Reduction Program.

21 (6) PROVIDER REQUIREMENTS.—

22 (A) Eligible child care providers will sub-
23 mit documentation to the State verifying the
24 total amount of parent fees collected in the pre-
25 vious fiscal year and shall cooperate with the

1 State in reviewing and verifying this docu-
2 mentation.

3 (B) Eligible child care providers will work
4 to use the funds received through the parent fee
5 reduction program solely for the purpose of re-
6 ducing parent fees and shall maintain records
7 documenting the use of these funds.

8 (C) Eligible child care providers will co-
9 operate will submit quarterly reports to the
10 State documenting the amount of parent fees
11 collected, the number of families served and the
12 use of funds received pursuant to this section.

13 (D) Eligible child care providers will co-
14 operate with the State in any audits or reviews
15 conducted to ensure compliance with the re-
16 quirement of the parent fee reduction program.

17 (7) LOW-MODERATE INCOME FEE REDUCTION
18 PROGRAM.—

19 (A) ESTABLISHMENT AND APPROPRIA-
20 TIONS.—

21 (i) The Secretary shall establish the
22 Low-Moderate Income Fee Reduction Pro-
23 gram as a mandatory component of the
24 program under this section to assist States

1 in reducing child care fees for families with
2 low to moderate incomes.

3 (ii) For purposes of section, the term
4 family with low to moderate income means
5 a family with an income that is not more
6 than 85 percent of State median income.

7 (iii) Carve out \$6 Billion annually
8 from FY 2024 through FY 2026, \$7 Bil-
9 lion from FY 2027 through FY 2029 and
10 \$8 Billion annually from FY 2030 through
11 FY 2034 from the total new appropria-
12 tions funding established for the entire
13 grant program in Funding for Entire Bill
14 section of this Act.

15 (B) STATE ELIGIBILITY AND REQUIRE-
16 MENTS.—States applying for the program
17 under this section shall substantially agree to—

18 (i) use the funding carve out in this
19 section exclusively to cover 100 percent of
20 parent fees for families making less than
21 85 percent State median income;

22 (ii) use the funds exclusively to cover
23 all child care fees for families with—

24 (I) incomes at or below 85 per-
25 cent of the State median income; and

1 (II) children enrolled in licensed,
2 registered, or regulated child care pro-
3 grams;

4 (iii) prioritize funding for eligible fam-
5 ilies with incomes at or below 50 percent
6 of the State median income if funding is
7 limited;

8 (iv) collect and report annual data on
9 the use of funds to the Secretary, as a
10 mandatory condition for receiving future
11 funds;

12 (v) promote policy changes that maxi-
13 mize the availability of funds and stream-
14 line determination procedures to improve
15 the customer experience;

16 (vi) provide explanations to the Sec-
17 retary as needed;

18 (vii) establish a process to prioritize
19 disbursing funds to eligible child care pro-
20 viders serving underserved populations, as
21 defined in this section and concurrently
22 abiding by the requisites in section103(m)
23 of this Act;

1 (viii) include their plan for imple-
2 menting this section in their grant applica-
3 tion;

4 (ix) be responsible for determining
5 family eligibility for the Low-Moderate In-
6 come Fee Reduction Program based on in-
7 come and other criteria established by the
8 State in accordance with Federal guide-
9 lines;

10 (x) develop and implement a stream-
11 lined application and eligibility determina-
12 tion process for the Low-Moderate Income
13 Fee Reduction Program that minimizes the
14 burden on families and providers;

15 (xi) automatically deem families eligi-
16 ble for the Low-Moderate Income Fee Re-
17 duction Program if they are currently en-
18 rolled in other means-tested programs,
19 such as WIC, SNAP, TANF, Section 8
20 housing assistance, or Medicaid; No addi-
21 tional income verification is required for
22 these families;

23 (xii) for families not enrolled in
24 means-tested programs, States shall use
25 existing data sources, such as State income

1 records or eligibility determinations for
2 other programs, to verify income whenever
3 possible (when such data is not available
4 States may use a simplified income
5 verification process, such as self-attestation
6 of income, with a random sample of appli-
7 cations selected for more rigorous
8 verification);

9 (xiii) States shall provide clear and
10 timely communication to families and pro-
11 viders regarding eligibility determinations
12 and any required documentation or
13 verification; and

14 (xiv) States will work with providers
15 to establish a system to recertify parents
16 every 12 months.

17 (C) PROVIDER REQUIREMENTS.—Eligible
18 child care providers receiving funds through the
19 program under this section shall—

20 (i) provide relief from co-payments
21 and tuition for enrolled families pursuant
22 to the parent fee reduction section;

23 (ii) prioritize fee relief for low-mod-
24 erate income families;

1 (iii) assist families “or work with rel-
2 evant partner agencies and organizations
3 to assist families,” in completing the appli-
4 cation for the Low-Moderate Income Fee
5 Reduction Program and will provide any
6 necessary documentation to the State to
7 support eligibility determinations, as ap-
8 propriate;

9 (iv) providers will not be responsible
10 for determining family eligibility for the
11 Low-Moderate Income Fee Reduction Pro-
12 gram but shall relay on eligibility deter-
13 minations made by the State;

14 (v) comply with State reporting re-
15 quirements and provide necessary docu-
16 mentation to verify the use of funds;

17 (vi) can provide parents with contin-
18 uous eligibility for 12 months following the
19 determination, and at the conclusion of the
20 12 months, be responsible for working with
21 lead agencies to re-certify parents to en-
22 sure the provider is meeting their responsi-
23 bility to uphold the mandatory
24 prioritization of low-moderate income pro-

1 viders subsection and to be eligible for con-
2 tinued grant funding;

3 (vii) collect and report annual data on
4 the use of funds to the State, as a manda-
5 tory condition for receiving future funds;
6 and

7 (viii) provide explanations to the State
8 as needed.

9 (D) SECRETARIAL REQUIREMENTS.—

10 (i) The Secretary will review State
11 plans for implementing, and approve or
12 deny funding based on compliance with the
13 requirements I outlined in this section.

14 (ii) The Secretary will provide guid-
15 ance and technical assistance to States in
16 developing and implementing their Low-
17 Moderate Income Fee Reduction Pro-
18 grams.

19 (iii) The Secretary will compile and
20 report to Congress annually on the out-
21 comes and effectiveness of this section, in-
22 cluding State-level data on the use of
23 funds and the impact on families' access to
24 affordable child care.

1 (E) MANDATORY PRIORITIZATION OF LOW-
2 MODERATE INCOME PROVIDERS.—

3 (i) States will prioritize awarding sub-
4 grants funded by program under this sec-
5 tion to providers serving families based on
6 clause (ii).

7 (ii) In each fiscal year, States will al-
8 locate all funds appropriate for the pro-
9 gram under this section to eligible child
10 care providers based on the following pri-
11 ority order:

12 (I) Providers serving high pro-
13 portions of families with incomes at or
14 below 50 percent of the State median
15 income then.

16 (II) Providers serving families
17 with incomes between 51 percent and
18 85 percent of the State median in-
19 come then.

20 (III) Providers serving families
21 with incomes above 85 percent of the
22 State median income, up to a max-
23 imum of 250 percent of the State me-
24 dian income (approximately \$125,000

1 for single parents and \$250,000 for
2 married parents).

3 (IV) All the funds carved out in
4 this section, specifically, shall be given
5 to families with low to moderate in-
6 comes to cover their parent fees and
7 child care costs to ensure they pay \$0
8 for child care.

9 (V) States will develop a mecha-
10 nism to ensure that providers serving
11 the neediest populations receive pri-
12 ority funding and that funding pro-
13 gressively expands to serve higher-in-
14 come families over time.

15 (iii) PRIORITY FOR LOW-INCOME FAM-
16 ILIES.—States will prioritize the use of
17 funds allocated through the Low-Moderate
18 Income Fee Reduction Program to reduce
19 and waive fees for families at the lowest
20 income levels first, before expanding.

21 (8) MINIMUM REQUIREMENT FOR LEAD TEACH-

22 ERS.—

23 (A) States retain the authority to set high-
24 er qualification standards for lead child care
25 teachers if deemed necessary.

1 (B) Lead child care teachers employed by
2 a eligible child care provider, at minimum, hold
3 at least a certificate from an accredited institu-
4 tion related to child development within 3 years
5 of the provider receiving funds. Employees with
6 six years or more of full-time experience with a
7 licensed child care provider this work experience
8 is enough, an alternative to fulfill this require-
9 ment.

10 (9) CHILD CARE FACILITIES GRANT PRO-
11 GRAM.—

12 (A) ESTABLISHMENT AND PURPOSE.—

13 (i) The Secretary will establish the
14 Child care Facilities Grant Program to
15 support the improvement, renovation, and
16 construction of child care facilities.

17 (ii) The purpose of the fund is to ad-
18 dress the need for facilities improvements
19 in the child care sector and to expand ac-
20 cess to safe, healthy and high-quality
21 learning environments for children.

22 (B) FUNDING ALLOCATION AND GRANT
23 TYPES.—

24 (i) \$3,000,000,000 will be allocated
25 annually for the Child Care Facilities

1 Grant Program from fiscal year 2024
2 through fiscal year 2034.

3 (ii) Funding will be awarded for no
4 longer than 3 years.

5 (iii) The funding will be allocated as
6 follows:

7 (I) 50 percent for renovation
8 grants to support the repair, innova-
9 tion and modernization of existing
10 child care facilities.

11 (II) 40 percent for construction
12 grants to support the construction of
13 new child care facilities in under-
14 served areas.

15 (III) 10 percent for planning
16 grants to support the planning and
17 re-development activities for child care
18 facility projects.

19 (iv) The Secretary may adjust these
20 allocations based on the quality and quan-
21 tity of applications received, as well as the
22 needs and priorities of the child care sec-
23 tor.

24 (C) ELIGIBILITY AND APPLICATION PROC-

25 ESS.—

1 (i) The following entities are eligible
2 to apply for grants from the Child Care
3 Facilities Fund: States, Tribes, Territories,
4 local governments and non-profit organiza-
5 tions.

6 (ii) Applicants will submit a detailed
7 application to the Secretary which should
8 at minimum include.

9 (I) A comprehensive project plan
10 that describes the proposed facility
11 improvements, including the need for
12 the project, the target population to
13 be served and the expected outcomes.

14 (II) A detailed budget that out-
15 lines the costs associated with the pro-
16 posed project, including any matching
17 funds or other sources of support.

18 (III) A time line for completing
19 the proposed project, including key
20 milestones and deliverables. o Docu-
21 mentation of the applicant's experi-
22 ence and expertise in developing or fi-
23 nancing child care facilities.

24 (iii) Priority will be give to applica-
25 tions that do the following:

1 (I) Serve low-income communities
2 or other underserved populations o
3 Address urgent health and safety
4 needs or other critical facility defi-
5 ciencies.

6 (II) Demonstrate strong partner-
7 ships and collaboration with stake-
8 holders, including child care providers,
9 community organizations and families.

10 (III) Propose projects that will
11 result in a significant expansion of
12 child care capacity or improvement in
13 the quality of child care facilities.

14 (IV) Commit to use at least 30
15 percent of their funding to improve
16 home-based child care programs.

17 (V) Grant funds may not be used
18 for the following purposes:[(aa) [text
19 is missing.

20 (iv) Applicants shall make the fol-
21 lowing assurances to be eligible to receive
22 funding:

23 (I) Agree to prioritize child care
24 facilities that primarily service eligible
25 children in.

1 (II) Mainly serve families with
2 low income.

3 (III) Take care of children under
4 6years old.

5 (IV) Made significant changes for
6 health and safety due to COVID-19 ?
7 Are open during non-standard hours.

8 (V) Are in rural areas or places
9 that don't have enough child care op-
10 tions.

11 (VI) Are not owned by for-profit
12 corporations, or corporate affiliates,
13 with annual operating budgets above
14 \$1 million.

15 (D) USE OF FUNDS.—

16 (i) Grant funds may be used for the
17 following purposes:

18 (I) Renovation grants for repair,
19 renovation, and modernization of ex-
20 isting child care facilities, including
21 upgrades to meet the health and safe-
22 ty standards, improve energy effi-
23 ciency and enhance learning environ-
24 ments.

1 (II) Construction grant for new
2 construction of child care facilities in
3 underserved areas, including site ac-
4 quisition, design, engineering, and
5 construction costs.

6 (III) Planning grants for needs
7 assessments to determine the demand
8 for child care facilities in a given area,
9 feasibility studies to assess viability of
10 proposed facilities projects, and pre-
11 development activities such as site se-
12 lection and preliminary design.

13 (ii) Grant funds may not be used for
14 the following purposes:

15 (I) Purchase of land or buildings,
16 except as necessary for the construc-
17 tion of a new child care facility.

18 (II) Debt service or retirement of
19 bonds or other financing mechanisms.

20 (III) Lobbying or political activi-
21 ties.

22 (IV) Supplanting other Federal,
23 State, or local funds.

1 (iii) No more than 10 percent of grant
2 funds may be used for administrative ex-
3 penses.

4 (iv) The maximum allowable grant
5 amount is \$15,000,000.

6 (v) Any grant funded under this pro-
7 gram shall pay workers at least the pre-
8 vailing wage in the area, following the
9 Davis-Bacon Act, which ensures fair wages
10 for construction work.

11 (E) Preference is to be given to those with
12 a proven track record in financing child care,
13 can help States and local governments develop
14 child care places, and propose to focus on facili-
15 ties for children under 5, homecare-based pro-
16 grams and low-income families.

17 (10) MATCHING REQUIREMENTS.—

18 (A) Grantees will provide a match of at
19 least 10 percent of the total project cost, which
20 may include cash or in-kind contributions.

21 (B) The Secretary may waive or reduce the
22 matching requirement for applicants that dem-
23 onstrate significant financial hardship or service
24 high-need communities.

25 (11) REPORTING AND OVERSIGHT.—

1 (A) Grantees will submit quarterly
2 progress reports to the Secretary, including fi-
3 nancial Statements, project milestones, and any
4 challenges or delays encountered.

5 (B) The Secretary or his designee may
6 conduct periodic site visits and audits to mon-
7 itor grantee compliance and project perform-
8 ance.

9 (C) The Secretary may withhold or recap-
10 ture funds from grantees that fail to comply
11 with program requirements or demonstrate
12 progress towards program completion.

13 (12) TECHNICAL ASSISTANCE AND DISSEMINA-
14 TION.—

15 (A) States shall to tell the Secretary how
16 they plan to use the money, including how they
17 will report on what the funding achieved in the
18 State plan.

19 (B) A State may not receive more than
20 \$40,000,000 a year from this fund.

21 (C) The government will prefer States
22 that—

23 (i) want to improve both in-home and
24 center-based child care, including programs
25 like Head Start, and

1 (ii) plan to address child care needs in
2 different types of areas (urban, suburban,
3 rural) together with local governments,
4 other State agencies, non-profits, and com-
5 munity organizations.

6 (p) HOME-BASED CHILD CARE TRAINING AND SUP-
7 PORT FUND.—

8 (1) ESTABLISHMENT OF PROGRAM.—

9 (A) The Secretary will establish the Home-
10 Based Child Care Training and Support Fund
11 to address the unique challenges faced by fam-
12 ily child care providers and to promote their
13 success and sustainability.

14 (B) Appropriate \$750 million annually
15 from FY 2024 through FY 2034.

16 (2) ELIGIBILITY AND APPLICATION PROCESS.—

17 (A) The following entities are eligible to
18 apply for subgrants:

19 (i) Institutions of higher education,
20 with priority given to community colleges.

21 (ii) Nonprofit organizations with ex-
22 pertise in supporting and advocating for
23 FCC providers.

1 (iii) State and local government agen-
2 cies responsible for child care licensing and
3 regulation.

4 (B) Eligible entities will submit an applica-
5 tion to the Secretary that includes—

6 (i) a description of the proposed ac-
7 tivities to support FCC providers, includ-
8 ing but not limited to coaching, mentoring
9 and business training;

10 (ii) a plan for engaging and recruiting
11 FCC providers, particularly those from his-
12 torically underserved populations;

13 (iii) partnership with relevant stake-
14 holders (such as local child care resources
15 and referral agencies, business develop-
16 ment organization and other regulatory
17 bodies); and

18 (iv) a budget and sustainability plan
19 for the subgrant activity.

20 (3) USE OF FUNDS.—Grantees will use the
21 funds to support the success and sustainability of
22 FCC providers through activities like—

23 (A) developing and implementing coaching
24 and mentoring programs that provide individ-
25 ualized guidance and support to FCC providers;

1 (B) offering high-quality certificate and de-
2 gree programs aimed at enhancing child care
3 educator training and preparation;

4 (C) offering business training and classes
5 on topics such as financial management, mar-
6 keting and record-keeping;

7 (D) providing resources and technical as-
8 sistance to help FCC providers navigate licens-
9 ing and regulatory requirements;

10 (E) creating online platforms and resource
11 to connect FCC providers with relevant support
12 services;

13 (F) establishing networks or cooperative
14 that offer shared services and benefits to FCC
15 providers (such as retirement plans, insurance,
16 and bulk purchasing); and

17 (G) offering business training and classes
18 to scale an FCC facilities.

19 (4) GRANTEE RESPONSIBILITIES.—Grantees
20 will—

21 (A) design and implement high-quality pro-
22 grams and services that meet the unique needs
23 of FCC providers;

1 (B) engage and recruit a diverse range of
2 FCC providers, particularly those from histori-
3 cally underserved populations;

4 (C) collaborate with relevant stakeholders,
5 including parents and child care providers who
6 participate in the child care assistance program,
7 to leverage resources and expertise;

8 (D) collect and report data on program
9 outcomes and impact to the Secretary annually;

10 (E) establish a 20-member advisory council
11 consisting of 10 parents and 10 providers who
12 participate in the Child Care for America pro-
13 gram to—

14 (i) inform the lead agency of program
15 improvements;

16 (ii) provide feedback on program de-
17 velopment and new initiatives; and

18 (iii) center their expertise in program
19 decisions; and

20 (F) compensate participants in the advi-
21 sory council using the quality set-aside funds.

22 (5) SECRETARY RESPONSIBILITIES.—The Sec-
23 retary will—

24 (A) establish an application process and
25 criteria for awarding grants from the Home-

1 Based Child care and Training and Support
2 Fund;

3 (B) review and approve applications based
4 on their alignment with the purposes and re-
5 quirements of this section;

6 (C) provide guidance and technical assist-
7 ance to grantees in developing and imple-
8 menting their programs;

9 (D) monitor grantee compliance and per-
10 formance and take appropriate action in cases
11 of non-compliance or under-performance;

12 (E) gather leading practices and lessons
13 learned as a result of the subgrant on a publicly
14 available website;

15 (F) report to appropriate congressional
16 committees annually on the outcomes and im-
17 pact of the subgrant; and

18 (G) coordinate the subgrant with other
19 Federal programs supporting child care pro-
20 viders within the Department of Health and
21 Human Services and with the Administrator of
22 Small Business, as appropriate.

23 (q) CHILD CARE INNOVATION FUND.—

24 (1) ESTABLISHMENT AND APPROPRIATIONS.—

1 (A) The Secretary will establish the Child
2 Care Innovatioin Fund to support the develop-
3 ment and implementation of innovative pilots,
4 strategies and models that aim to improve the
5 quality, accessibility, affordability and sustain-
6 ability of child care programs.

7 (B) \$250,000,000 million is appropriated
8 annually for the Fund from fiscal year 2024
9 through fiscal year 2034.

10 (2) FUNDING ALLOCATION AND GRANT
11 TYPES.—60 percent of funds shall be allocated for
12 grants to pilot innovative approaches to child care
13 delivery that address one or more of the following
14 key areas:

15 (A) Improving the quality of child care
16 services.

17 (B) Increasing accessibility of child care,
18 particularly in underserved areas.

19 (C) Enhancing affordability of child care
20 for families.

21 (D) Supporting workforce development and
22 retention in the child care sector.

23 (E) Improving child care facilities and in-
24 frastructure.

25 (3) ELIGIBILITY AND APPLICATION PROCESS.—

1 (A) The following entities are eligible to
2 apply for the Child Care Innovatioin Fund:

3 (i) Municipalities.

4 (ii) State and local government agen-
5 cies.

6 (iii) Tribal organizations

7 (iv) Nonprofit organizations.

8 (v) Institutions of higher education.

9 (vi) For-profit organizations.

10 (vii) Consortia of the above entities.

11 (B) Eligible entities will submit an applica-
12 tion to the Secretary that includes—

13 (i) a description of the proposed
14 project, including its objectives, target pop-
15 ulation, and anticipated outcomes;

16 (ii) a plan for implement the pilot, in-
17 cluding key activities, time lines, and
18 partnering organizations;

19 (iii) a description of how the pilot
20 project addresses one or more of the fol-
21 lowing areas:

22 (I) quality improvement;

23 (II) accessibility;

24 (III) affordability;

25 (IV) workforce development; or

1 (V) facility improvement;

2 (iv) evidence supporting the effective-
3 ness of the pilot, such as research findings
4 or results from previous pilots;

5 (v) a plan for evaluating the innova-
6 tion, including key metrics and data collec-
7 tion methods; and

8 (vi) a budget proposal and sustain-
9 ability plan.

10 (C) In selecting grant recipients, the Sec-
11 retary will consider the following factors:

12 (i) The potential of the innovation to
13 significantly improve the quality, accessi-
14 bility, affordability or sustainability of
15 child care programs.

16 (ii) The strength of the evidence base
17 support the proposal.

18 (iii) The capacity of the application to
19 implement the innovation effectively and
20 efficiently.

21 (iv) The potential for the proposal to
22 be scaled or replicated in other settings.

23 (v) The extent to which the innovation
24 addresses the needs of underserved popu-
25 lations or areas.

1 (vi) The level of collaboration and
2 partnerships proposed.

3 (4) USE OF FUNDS.—

4 (A) Grantees will use the funds to develop,
5 implement and evaluate innovative approaches
6 to child care delivery that aims to improve—

7 (i) access to child care, particularly
8 for underserved populations and areas;

9 (ii) affordability of child care for fami-
10 lies; and

11 (iii) workforce development, com-
12 pensation, and retention in the child care
13 sector o Child care Facilities and Infra-
14 structure.

15 (B) Funds may be used for planning and
16 design, training and professional development of
17 child care providers, facility improvement and
18 construction, technology and infrastructure de-
19 velopment, community outreach and engage-
20 ment, data collection, and evaluations.

21 (C) Grant recipients shall not use more
22 than 15 percent of their total award for admin-
23 istrative costs.

24 (D) Examples of innovative approaches
25 may include, but are not limited to—

- 1 (i) shared services models that help
- 2 providers reduce costs and improve quality;
- 3 (ii) technology solutions that stream-
- 4 line enrollment, pay and reporting proc-
- 5 esses;
- 6 (iii) alternative financing mechanisms,
- 7 such as pay-for-success or social impact
- 8 bonds; and
- 9 (iv) strategies for integrating child
- 10 care with other family support services,
- 11 such as health care or housing assistance.

12 (E) GRANTEE RESPONSIBILITIES.—Grant-

13 ees shall—

- 14 (i) design and implement their pro-
- 15 posal in according with the approved appli-
- 16 cation and time line;
- 17 (ii) collect and report data on project
- 18 outcomes and impact to the Secretary an-
- 19 nually;
- 20 (iii) participate in knowledge-sharing
- 21 activities and contribute to the “what
- 22 works clearinghouse for early care and
- 23 education; and

1 (iv) develop plans for scaling and sus-
2 taining successful approaches beyond the
3 grant period.

4 (F) SECRETARIAL RESPONSIBILITIES.—

5 The Secretary shall—

6 (i) establish an application process
7 and criteria for awarding grants from the
8 Child Care Innovatioin Fund;

9 (ii) review and approve applications
10 based on their alignment with the purposes
11 and requirements of this subsection;

12 (iii) provide guidance and technical
13 assistance to grantees in developing and
14 implementing their projects;

15 (iv) monitor grantee compliance and
16 performance and take appropriate action
17 in cases of non-compliance or under-per-
18 formance;

19 (v) compile and disseminate best prac-
20 tice and lesson learned from grantees;

21 (vi) establish and maintain the “What
22 Works Clearinghouse for Early Care and
23 Education” to facilitate knowledge sharing
24 and replication of successful approaches;
25 and

1 (vii) report to Congress annually on
2 the outcomes and impact of the Child Care
3 Innovatioin Fund.

4 (5) GENERAL SECTIONS.—

5 (A) WORKFORCE SUPPORT AND COM-
6 PENSATION.—

7 (i) A Wage and Benefits Ladder shall
8 require as a condition of receiving funding
9 under section that States shall establish a
10 wage and benefits ladder for staff of eligi-
11 ble child care providers receiving assist-
12 ance.

13 (ii) The Wage and Benefits Ladder
14 will, at minimum—

15 (I) provide a clear pathway for
16 staff to increase their compensation
17 and benefits based on factors such as
18 education, training and experience
19 and performance;

20 (II) ensure that staff wages and
21 benefits meet or exceed the minimum
22 wage and benefit standards estab-
23 lished by the Secretary under this
24 Act;

1 (III) be developed in consultation
2 with early childhood education ex-
3 perts, labor organizations and other
4 relevant stakeholders;

5 (IV) require States to submit
6 their proposed wage and benefits lad-
7 der to the Secretary for approval as
8 part of their application for a grant
9 under this section; and

10 (V) require the Secretary to pro-
11 vide guidance and technical assistance
12 to State in developing and imple-
13 menting their wage and benefits lad-
14 ders.

15 (iii) Minimum wage requirements will
16 require wage supplements for full-time
17 staff members will be sufficient to ensure
18 that—

19 (I) the median wage for full-time
20 workers employed by eligible child
21 care providers is at least \$24 per
22 hour; and

23 (II) full-time workers receive an
24 additional wage supplement of at least
25 \$4 per hour.

1 (iv) Wage supplements for part-time
2 staff members will be sufficient to ensure
3 that—

4 (I) the median wage for part-
5 time workers employed by eligible
6 child care providers is at least \$15 per
7 hour; and

8 (II) part-time workers receive a
9 wage supplement of at least \$2 per
10 hour if the median hourly wage for
11 part-time staff exceeds \$15 per hour.

12 (v) Eligible child care providers receiv-
13 ing assistance under this section will—

14 (I) comply with the wage and
15 benefits ladders established by their
16 State;

17 (II) provide documentation to the
18 State demonstrating compliance with
19 the minimum wage requirements out-
20 lined in this section; and

21 (III) report data on staff wages,
22 benefits and turnover to the State as
23 required for program monitoring and
24 evaluation.

25 (vi) States will—

1 (I) disburse wage supplement
2 funds to eligible child care providers
3 within 12 months of the enactment of
4 this Act;

5 (II) monitor provider compliance
6 with the wage and benefits ladder and
7 minimum wage requirements and take
8 appropriate action in cases of non-
9 compliance; and

10 (III) report data on staff wages,
11 benefits and turnover to the Secretary
12 annually, as a condition of continued
13 funding under the program under this
14 section.

15 (vii) The Secretary shall—

16 (I) review and approve State
17 wage and benefits ladders as part of
18 the application process under this sec-
19 tion;

20 (II) provide guidance and tech-
21 nical assistance to States in imple-
22 menting their wage and benefits lad-
23 ders and minimum wage require-
24 ments; and

1 (III) compile and report to Con-
2 gress annually on the impact of the
3 workforce support and compensation
4 provisions on staff wages, benefits and
5 turnover in the child care sector.

6 (B) LABOR STANDARDS AND WORKFORCE
7 PROTECTIONS.—

8 (i) RIGHT TO ORGANIZE.—Providers
9 receiving funds under this title shall in-
10 form their employees of their rights under
11 the National Labor Relations Act (29
12 U.S.C. 151 et seq.), including the right to
13 organize and collectively bargain.

14 (ii) NEUTRALITY.—No provider re-
15 ceiving funds under this title shall use any
16 funds to deter union organizing or shall in
17 any way interfere with employees' rights to
18 form, join, or assist labor organizations.

19 (iii) EMPLOYEE CLASSIFICATION.—
20 For purposes of this title and any other
21 Federal labor laws, all individuals em-
22 ployed by providers receiving funds under
23 this title shall be considered employees
24 rather than independent contractors, un-
25 less they meet all criteria for independent

1 contractor status under applicable Federal
2 law.

3 (iv) ENFORCEMENT.—The Secretary
4 of Labor shall have authority to investigate
5 and enforce compliance with this section.
6 Violations may result in civil penalties and
7 ineligibility for funds under this title.

8 (v) PROFESSIONAL DEVELOPMENT.—
9 The Secretary shall establish a comprehen-
10 sive professional development program for
11 workers, developed in consultation with
12 labor unions representing such workers.
13 This program shall include:

14 (I) Ongoing training opportuni-
15 ties.

16 (II) Career ladder programs to
17 support professional advancement;
18 and (3) Mentoring and leadership de-
19 velopment initiatives.

20 (vi) WHISTLEBLOWER PROTEC-
21 TIONS.—No provider receiving funds under
22 this title may discharge or discriminate
23 against any employee because such em-
24 ployee has filed any complaint or instituted
25 or caused to be instituted any proceeding

1 under or related to this title, or has testi-
2 fied or is about to testify in any such pro-
3 ceeding.

4 (r) NONDISCRIMINATION.—The nondiscrimination
5 requirements applicable under following Act shall apply
6 with respect to financial assistance provided under this
7 section:

8 (1) Title IX of the Education Amendments of
9 1972 (20 U.S.C. 1681 et seq) (2).

10 (2) Title VI of the Civil Rights Act of 1964 (42
11 U.S.C. 2000Det seq.).

12 (3) Section 504 of the Rehabilitation Act of
13 1973 (29 U.S.C. 794).

14 (4) The Americans with Disabilities Act of
15 1990 (42.U.S.C. 12101 et seq).

16 (s) RESEARCH AND EVALUATION.—

17 (1) IN GENERAL.—

18 (A) The Secretary will conduct research,
19 demonstrations and evaluations that are di-
20 rectly relevant to the program under this sec-
21 tion and the overall goals of expanding access
22 to high-quality, affordable child care.

23 (B) The Secretary may award grants or
24 subgrants to eligible entities to conduct re-
25 search, demonstrations and evaluations.

1 (C) Eligible entities include State agencies,
2 Tribal organizations, institutions of higher edu-
3 cation, and other nonprofit or for-profit organi-
4 zations with expertise in child care research and
5 evaluation.

6 (2) PRIORITY AREAS.—The Secretary will
7 prioritize research, demonstrations and evaluations
8 that focus on the following areas:

9 (A) Identifying leading practices and strat-
10 egies for improving the quality of child care
11 services, including those related to workforce
12 development, curriculum and instruction, family
13 engagement, and program administration.

14 (B) Evaluating the impact of the child care
15 policies, programs and mechanisms in this sec-
16 tion on child outcomes, family well-being, and
17 the overall supply and quality of child care serv-
18 ices.

19 (C) Examining the factors that contribute
20 to the disparities in access to high-quality child
21 care, particularly for low-income families, rural
22 communities, and other underserved popu-
23 lations.

24 (D) Analyzing the costs and benefits of
25 different approaches to child care financing, in-

cluding the program under this section and other Federal, State, and local funding streams.

(E) Explore the use of technology and data systems to improve the delivery, coordination, and evaluation of child care services.

(3) DISSEMINATION.—The Secretary will make sure—

(A) the results of research, demonstrations, and evaluations conducted under this section are publicly available through various means, such as websites, reports and conferences; and

(B) the results from the research, demonstrations to inform the administration of the program under this section and provide technical support. The Secretary will provide assistance to States, Tribal organizations, and other entities involved in the delivery of child care services.

(4) COORDINATION.—

(A) The Secretary will coordinate the research, demonstrations and evaluations conducted under this section with other relevant Federal research and evaluation activities, including those carried out by the Department of

1 Education, the Department of Labor, and other
2 agencies as appropriate.

3 (B) The Secretary can use funds reserved
4 under this section to support cross-agency re-
5 search and evaluation initiatives that align with
6 the goals of the program under this section.

7 (5) FUNDING.—The Secretary will reserve and
8 use 1 percent of the total appropriation for the pro-
9 gram under this section each fiscal year to carry out
10 the activities described in this subsection.

11 (6) USE OF FUNDS.—Funds allocated for re-
12 search and evaluation activities under this sub-
13 section shall be used to support studies, assessments
14 and other activities that inform the implementation,
15 improvement, and impact of the program under this
16 subsection and its various initiatives, as determined
17 by the Secretary.

18 (t) FEDERAL ADMINISTRATION.—The Secretary will
19 reserve up to 1 percent of the total appropriation for the
20 program under this section each fiscal year for Federal
21 administrative costs, including activities such as providing
22 technical assistance to States and Tribal organizations,
23 conducting monitoring and oversight, and implementing
24 the research and evaluation agenda.

1 (u) CHILD CARE AND DEVELOPMENT BLOCK
2 GRANT.—The Child care and Development Block Grant
3 Act of 1990 (42 U.S.C. 9858n) shall apply to this section
4 except as provided or as otherwise specified.

5 (1) Child care and Development Block Grant
6 Act of 1990 (42 U.S.C. 9858n) shall apply to this
7 subsection except as provided in clause and as other-
8 wise specified.

9 (2) Within 3 years after the date of the enact-
10 ment of this Act, the Secretary shall propose a plan
11 to transition the Child care and Development Block
12 Grant program to serve school aged children.

13 (3) School aged children ages 6 through 13 and
14 will not be eligible for any program in this Act.

15 (v) HEAD START FUNDING.—

16 (1) There is appropriated \$18,000,000 a year
17 for fiscal year 2024 through fiscal year 2034 to
18 carry out the Head Start Act, which shall be in ad-
19 dition to existing funding already appropriated and
20 shall be exempt from the requirements of this Act.

21 (2) Funds appropriated under this subsection
22 can be allocated by the Secretary as statutorily di-
23 rected in Public Law 110–134 (121 Stat. 1363).

1 **TITLE II—STAY-AT-HOME PAR-**
2 **ENT CHILD CARE SUPPORT**
3 **PROGRAM**

4 **SEC. 201. DEFINITIONS.**

5 For purposes of this title:

6 (1) STAY-AT-HOME PARENT CHILD CARE STI-
7 PEND PROGRAM.—The term “stay-at-home parent
8 child care stipend program”, means the program es-
9 tablished under section 202.

10 (2) SUPPORT PROGRAM.—The term “stipend
11 program” means the stay-at-home parent child care
12 support program.

13 (3) BENEFIT.—The term “benefit” means a
14 stay-at-home parent support benefit received under
15 the support program.

16 (4) ELIGIBLE CHILD.—The term “eligible
17 child” means a child less than 3 years of age who
18 does not participate in a child care program imple-
19 mented under title I or title III.

20 (5) PARENT.—The term “parent” means a
21 stay-at-home individual who—

22 (A) is the biological parent or legal guard-
23 ian of an eligible child,

24 (B) is the primary child care provider for
25 an eligible child, and

1 (C) has a household income of not to ex-
 2 ceed—

3 (i) 75,000 for single individual, and

4 (ii) \$150,000 for married individual
 5 filing jointly.

6 (6) SECRETARY.—The term “Secretary” means
 7 the Secretary of Health and Human Services.

8 (7) SECRETARY OF THE TREASURY.—The term
 9 “Secretary of the Treasury” means the Secretary of
 10 the Treasury or the Secretary of the Treasury’s del-
 11 egate.

12 (8) STAY-AT-HOME PARENT.—The term “stay-
 13 at-home parent” means a parent who chooses to di-
 14 rectly care for an eligible child of such parent in
 15 such parent’s home.

16 **SEC. 202. ESTABLISHMENT OF STAY-AT-HOME PARENT SUP-**
 17 **PORT BENEFIT PROGRAM.**

18 The Secretary shall establish the stay-at-home parent
 19 support program to provide financial assistance to parents
 20 who opt to directly care for their eligible children at home.

21 **SEC. 203. FUNDING AUTHORIZATION AND ALLOCATION.**

22 (a) AUTHORIZATION OF APPROPRIATIONS.—There is
 23 authorized to be appropriated \$4,000,000,000 for each of
 24 the fiscal years 2024 through fiscal year 2034 to carry
 25 out this title.

1 (b) AVAILABILITY OF FUNDS.—Of the amount appro-
2 priated for a fiscal year—

3 (1) 95 percent shall be available for allocation
4 under subsection (c) for the payment benefits,

5 (2) 3 percent shall be available to the Secretary
6 of the Treasury for program administration, and

7 (3) 2 percent should be allocated to Secretary
8 for program support and evaluation.

9 (c) ALLOCATION OF APPROPRIATIONS AMONG
10 STATES.—Funds shall be allocated among the States
11 based on the proportion of children under age 3 in each
12 State, adjusted for State median levels.

13 **SEC. 204. APPLICATION PROCESS.**

14 (a) IN GENERAL.—Except as otherwise provided in
15 this Act, the stay-at-home parent child care stipend pro-
16 gram shall be administered in the same manner as the
17 child tax credit.

18 (b) SELF-CERTIFICATION.—Eligible applicants shall
19 annually self-certify their eligibility through the Internal
20 Revenue Service as part of the individual's annual income
21 tax return.

22 (c) PENALTY OF PERJURY.—Eligible applicants shall
23 attest under penalty of perjury that the applicants meets
24 the eligibility criteria to receive the stipend.

1 **SEC. 205. RESPONSIBILITIES OF THE SECRETARY OF THE**
2 **TREASURY.**

3 The Secretary of the Treasury shall, with respect to
4 the stay-at-home parent child care stipend program—

5 (1) modify relevant tax forms and systems to
6 allow for claiming the stipend,

7 (2) develop and implement systems for proc-
8 essing claims and distributing payments,

9 (3) utilize existing programs and databases to
10 verify eligibility based on income and dependent in-
11 formation,

12 (4) distribute monthly advanced payments of
13 the stipend using direct deposit,

14 (5) verify eligible children and eligible parents,

15 (6) process claims and distribute monthly pay-
16 ments,

17 (7) conduct periodic audits to ensure program
18 integrity,

19 (8) establish procedures for handling overpay-
20 ments and underpayments,

21 (9) implement a system for reconciliation of
22 payments through annual income tax returns, and

23 (10) develop a process for mid-year changes in
24 eligibility including, but not limited to, the birth of
25 a child or change in income status.

1 **SEC. 206. RESPONSIBILITIES OF THE SECRETARY.**

2 The Secretary shall—

3 (1) develop and maintain education resources
4 for parents, and

5 (2) conduct research on the impact of the sup-
6 port program on child development and the well-
7 being of the families of eligible children whose par-
8 ents receive benefits, and coordinate the support
9 program with other Federal early childhood pro-
10 grams.

11 **SEC. 207. COORDINATION.**

12 In carrying out the support program, the Secretary
13 and the Secretary of the Treasury shall—

14 (1) coordinate their activities,

15 (2) work with the Social Security Administra-
16 tion, to verify the eligibility of children whose par-
17 ents receive benefits, and

18 (3) ensure that the Social Security Administra-
19 tion or the Secretary of the Treasury, as appro-
20 priate, shall— (A) send notifications to parents via
21 letter and email, two months prior to their child's
22 third birthday and one month prior to their child's
23 third birthday, informing them that their eligibility
24 is ending; and (B) assume responsibility for pausing
25 payments upon the child's third birthday,

1 to verify the eligibility of children and parents partici-
2 pating in the support program so as to minimize waste,
3 fraud, and abuse involving such program.

4 **SEC. 208. WASTE, FRAUD, AND ABUSE.**

5 (a) PAYMENT RECOUPMENT.—

6 (1) ELIGIBILITY CHANGES.—Stipend recipients
7 must report changes affecting eligibility within 30
8 days of the occurrence of such change. Changes af-
9 fecting eligibility include enrollment in an eligible
10 child care program, income exceeding threshold, and
11 employment exceeding 10 hours per week.

12 (2) NOTIFICATION PROCESS.—The Internal
13 Revenue Service shall provide multiple notification
14 methods, including an online portal, mail, and
15 phone, for reporting changes. Failure to report
16 changes may result in penalties, including program
17 disqualification.

18 (3) REPAYMENT PROCEDURES.—

19 (A) INELIGIBILITY.—If ineligibility is de-
20 termined, the Internal Revenue Service will im-
21 mediately cease future payments.

22 (B) METHODS OF RECOUPMENT.—Over-
23 payments will be recouped through the fol-
24 lowing methods:

25 (i) Reduction of future tax refunds.

1 (ii) Establishment of a repayment
2 plan, not exceeding 12 months.

3 (iii) Deduction from other Federal tax
4 benefits, subject to applicable laws.

5 (C) HARDSHIP EXEMPTION.—Hardship ex-
6 emptions may be granted for repayment on the
7 basis for criteria established by the Internal
8 Revenue Service.

9 (4) GRACE PERIOD.—A 90-day grace period will
10 be granted for repayment without interest or pen-
11 alties if the parent voluntarily reports the change.

12 (b) APPEALS.—

13 (1) IN GENERAL.—Stipend recipients may ap-
14 peal recoupment decisions through the existing In-
15 ternal Revenue Service appeals process.

16 (2) GROUNDS FOR APPEAL.—Grounds for Ap-
17 peal include—

18 (A) Denial of eligibility.

19 (B) Disagreement with benefit amount.

20 (C) Recoupment decisions.

21 (D) Program disqualification.

22 (3) TIMELINE.—

23 (A) FILING OF APPEAL.—Stipend recipi-
24 ents must file an appeal within 60 days of re-
25 ceiving an adverse decision.

1 (B) ACKNOWLEDGMENT.—The Internal
2 Revenue Service shall acknowledge receipt of
3 appeals within 30 days.

4 (C) DECISION.—A decision on the appeal
5 shall be made within 90 days of receipt.

6 (4) APPEAL SUBMISSION.—Appeals may be sub-
7 mitted online, by mail, or by fax. The appeal must
8 at least include the taxpayers identification informa-
9 tion, specific reason for the appeal and supporting
10 documentation.

11 (5) REVIEW PROCESS.—An independent Inter-
12 nal Revenue Service appeals office will review each
13 case. The officer may request additional information
14 from the stipend recipient or relevant agencies.

15 (6) FINAL DECISION.—Decisions of the Internal
16 Revenue Service will be provided in writing, includ-
17 ing the rationale. If the appeal is denied, informa-
18 tion of further review options (including the Tax
19 Court) shall be provided.

20 (7) CONTINUED BENEFITS.—Benefits shall con-
21 tinue during the appeals process if the appeal is filed
22 within 10 days of the adverse decision. If the appeal
23 is denied, any benefits paid during the appeal proc-
24 ess may be subject to recoupment.

25 (c) PRIVACY AND DATA PROTECTIONS.—

1 (1) DATA COLLECTION LIMITATIONS.—Only in-
2 formation necessary for determining eligibility and
3 administering the program shall be collected. Social
4 Security numbers will be collected and used in ac-
5 cordance with section 7 of the Privacy Act.

6 (2) DATA USAGE.—Information collected shall
7 be used solely for the administration of the stay-at-
8 home parent child care stipend program and related
9 tax administration purposes. o Data sharing between
10 the Internal Revenue Service, Department of Health
11 and Human Service, and Social Security Adminis-
12 tration will be limited to information necessary for
13 program administration and evaluation.

14 (3) DATA RETENTION AND DISPOSAL.—Per-
15 sonal data will be retained only for the duration nec-
16 essary for program administration and in accordance
17 with Internal Revenue Service records retention
18 schedules. Secure data disposal methods will be used
19 when destroying records.

20 (4) TRANSPARENCY AND CONSENT.—Stipend
21 recipients will provide informed consent for the col-
22 lection and use of their data when applying for the
23 program. Stipend recipients will have the right to re-
24 quest access to their data and correct any inaccura-
25 cies. Any third-party contractors handling program

1 data will be contractually bound to the same privacy
2 and security standards as Federal employees.

3 **SEC. 209. OUTREACH AND EDUCATION.**

4 (a) IN GENERAL.—The Secretary of the Treasury, in
5 collaboration with the Secretary of Health and Human
6 Services, shall develop and implement a comprehensive
7 outreach strategy within 6 months of the date of the en-
8 actment of this Act to inform families of options available
9 for childcare.

10 (b) PROGRAM REQUIREMENTS.—At minimum, the
11 strategy must include:

12 (1) Targeted messaging for potentially eligible
13 families.

14 (2) Partnerships with State and local agencies,
15 community organizations and tax preparation serv-
16 ices.

17 (3) Multilingual materials and outreach effort
18 including the use of multiple mediums of commu-
19 nication delivery including online, mail, and print.

20 (c) EDUCATIONAL RESOURCES.—

21 (1) INTERNAL REVENUE SERVICE.—Pursuant
22 to such strategy, the Internal Revenue Service shall
23 develop and maintain—

1 (A) a dedicated website with program in-
2 formation, eligibility calculator, and answers to
3 frequently asked questions (FAQ),

4 (B) printed materials for distribution at
5 Internal Revenue Service offices, community
6 centers, and healthcare facilities, and

7 (C) a toll-free help line for program inquir-
8 ies.

9 (2) HEALTH AND HUMAN SERVICES.—The Sec-
10 retary shall develop—

11 (A) resources on child development and ef-
12 fective home-based early learning practices, and

13 (B) guides on transitioning children to for-
14 mal childcare (including the programs author-
15 ized in this Act) or preschool programs (includ-
16 ing making connections to relevant State agen-
17 cies so parents have more of a seamless experi-
18 ence during the transition).

19 (3) TAX PREPARER TRAINING.—The Internal
20 Revenue Service shall provide training materials and
21 guidance to tax preparers on the program and its
22 interaction with other tax credits.

23 (4) ANNUAL AWARENESS CAMPAIGN.—The Sec-
24 retary of the Treasury shall conduct an annual

1 awareness campaign prior to tax filing season to re-
2 mind eligible parents about the program.

3 **SEC. 210. EVALUATION METRICS.**

4 (a) ESTABLISHMENT OF METRICS.—Not later than
5 6 months after the date of the enactment of this Act, the
6 Secretary of Secretary shall establish a set of evaluation
7 metrics.

8 (b) DATA COLLECTION.—The Secretary shall estab-
9 lish a data collection system to gather information on
10 these metrics.

11 (c) ANNUAL EVALUATION.—The Secretary of shall
12 conduct an annual evaluation of the program using these
13 metrics and submit a report to Congress.

14 (d) LONGITUDINAL STUDY.—The Secretary of shall
15 initiate a longitudinal study to track long-term outcome
16 for child and families participating in the program.

17 (e) INDEPENDENT REVIEW.—Every 3 years the Gov-
18 ernment Accountability Office shall conduct an inde-
19 pendent review of the program’s effectiveness based on
20 these metrics.

21 **SEC. 211. SUNSET PROVISION/REAUTHORIZATION RE-**
22 **QUIREMENT.**

23 (a) Program Duration.—The stay-at-home parent
24 support program is authorized for a period of 10 years
25 from the date of enactment.

1 (b) REAUTHORIZATION PROCESS.—Not later than 18
2 months prior to the program’s expiration, the Secretary
3 of the Treasury and the Secretary shall jointly submit a
4 report to Congress on the program’s effectiveness and rec-
5 ommendations for continuation, modification or termi-
6 nation.

7 (c) CONGRESSIONAL REVIEW.—Congress shall review
8 the program and vote on its reauthorization not later than
9 6 months prior to its expiration date.

10 (d) TRANSITION PLAN.—If Congress decides not to
11 reauthorize the program, the Secretary in collaboration
12 with relevant agencies shall develop and implement a tran-
13 sition plan to phase out benefits over a 12-month period.

14 **SEC. 212. INTERACTION WITH OTHER BENEFITS.**

15 (a) CHILD TAX CREDIT.—The stay-at-home parent
16 support program benefit will be in addition to any child
17 tax credit for which a family is eligible and not a sub-
18 stitute. Receipt of the stay-at-home parent child care sti-
19 pend shall not affect child tax credit eligibility or amount.

20 (b) EARNED INCOME TAX CREDIT.—For the pur-
21 poses of calculating the earned income tax credit, the stay-
22 at-home parent support program stipend will not be con-
23 sidered earned income or counted as income for deter-
24 mining earned income tax credit eligibility.

1 (c) CHILD AND DEPENDENT CARE CREDIT.—Indi-
2 viduals receiving the stay-at-home parent support program
3 stipend with respect to any child are not be eligible for
4 the child and dependent care credit with respect to such
5 child for any taxable year during which such stipend is
6 received.

7 (d) HEAD START AND EARLY HEAD START.—Head
8 Start and Early Head Start.—Receipt of the benefit will
9 not affect eligibility for Head Start or Early Head Start
10 programs”, although the decision to enroll in Head Start
11 or Early Head Start for more than 10 hours a week will
12 render a family ineligible for the benefit under this title.

13 (e) TEMPORARY ASSISTANCE FOR NEEDY FAMI-
14 LIES.—States shall not take into account the stay-at-home
15 parent support program stipend for purposes of deter-
16 mining TANF eligibility or benefit amounts.

17 (f) SUPPLEMENTAL ASSISTANCE FOR NEEDY FAMI-
18 LIES.—The stay-at-home parent support program stipend
19 shall not be counted as income for SNAP eligibility or ben-
20 efit calculation purposes.

21 (g) MEDICAID AND CHIP.—The stay-at-home parent
22 support program stipend shall not be counted as income
23 for determining eligibility for Medicaid or the Children’s
24 Health Insurance Program CHIP.

1 (h) HOUSING ASSISTANCE.—The stay-at-home par-
2 ent support program stipend shall not be counted as in-
3 come for determining eligibility for Federal housing assist-
4 ance programs.

5 (i) ANNUAL REVIEW.—The Secretary of the Treas-
6 ury, the Secretary, and other relevant agency heads shall
7 conduct an annual review of the program’s interaction
8 with other Federal benefits and tax credits, and report to
9 Congress any unintended consequences or recommended
10 adjustments.

11 **SEC. 213. BENEFIT STRUCTURE AND PAYMENT MECHA-**
12 **NISM.**

13 (a) BENEFIT AMOUNT.—

14 (1) IN GENERAL.—Eligible stay-at-home par-
15 ents will receive \$300 per month per eligible child.

16 (2) COST-OF-LIVING ADJUSTMENT.—The Sec-
17 retary of the Treasury shall have the authority to
18 adjust the benefit amount annually based on cost-of-
19 living increases, subject to Congressional approval.

20 (b) PAYMENT DISTRIBUTION.—

21 (1) MONTHLY.—The Internal Revenue Service
22 shall distribute payments monthly through accessible
23 payment methods to families including but not lim-
24 ited to direct deposit to the bank account designated
25 by the parent, prepaid debit cards for parents with-

1 out bank accounts, paper checks as a last report if
2 neither of the above options is feasible. Payments
3 shall be made on a set date each month, to be deter-
4 mined by the Secretary of the Treasury.

5 (2) FIRST PAYMENT.—The first payment shall
6 be made within 30 days of the eligibility determina-
7 tion or recertification.

8 (c) DURATION OF BENEFITS.—

9 (1) IN GENERAL.—Benefits will continue until
10 the eligible child reaches the age of 3 or enters an-
11 other childcare program funded by the Child Care
12 for America Grant Program or the program under
13 title III for more than 10 hours a week, whichever
14 comes first.

15 (2) ANNUAL RECERTIFICATION.—Annual recer-
16 tification shall be completed not later than the due
17 date (determined without regard to any extensions)
18 for the income tax return of the eligible recipient of
19 the benefits.

20 (d) RECERTIFICATION PROCESS.—

21 (1) REMINDERS.—The Internal Revenue Serv-
22 ice shall provide multiple reminders to parents about
23 the recertification requirement, including but not
24 limited to the following:

1 (A) Notices with monthly benefit payments
2 starting three months before the tax filing
3 deadline.

4 (B) Email and text message reminders if
5 parents have opted in for such communications.

6 (2) SUSPENSION OF BENEFITS.—Parents who
7 fail to recertify by the deadline may have their bene-
8 fits suspended 30 days after the due date referred
9 to in subsection (c)(2).

10 (3) RECERTIFICATIONS WITHIN 90 DAYS OF
11 DEADLINE.—If recertification is completed within 90
12 days after the deadline:

13 (A) Benefits shall be reinstated prospec-
14 tively from the date of recertification.

15 (B) Any missed payments due to late re-
16 certification shall be paid retroactively in a
17 lump sum within one year after the original
18 deadline.

19 (4) METHODS OF RECERTIFICATION.—The In-
20 ternal Revenue Service shall provide multiple chan-
21 nels for recertification including but not limited to:

22 (A) Automatic recertification on income
23 tax returns other relevant tax documents during
24 tax filing season.

1 (B) A process for recertification and dis-
2 closure of change of status that may make a
3 parent ineligible throughout the calendar year
4 in the form of a website or other accessible
5 service delivery channel.

6 (e) MID-YEAR CHANGES.—

7 (1) IN GENERAL.—Benefits will continue until
8 the eligible child reaches the age of 3 or enters an-
9 other childcare program funded by the Child Care
10 for America Grant Program or the program under
11 title III for more than 10 hours a week, whichever
12 comes first:

13 (A) Child enrolling in a childcare program
14 for more than 10 hours a week that makes
15 them ineligible for the benefit.

16 (B) Changes in income affecting eligibility.

17 (2) ON-LINE PORTAL AND DEDICATED PHONE
18 LINE.—The Internal Revenue Service shall provide
19 an online portal and a dedicated phone line for re-
20 porting changes.

21 (3) BENEFITS.—Benefits shall be adjusted or
22 terminated as appropriate based on reported
23 changes, effective from the month following the
24 change.

25 (f) APPEALS PROCESS.—

1 (1) IN GENERAL.—Benefit recipients will have
2 the right to appeal decisions regarding benefit
3 amounts, eligibility determinations or recoupment of
4 overpayments.

5 (2) DEADLINE.—Appeals must be filed within
6 60 days of receiving notice of the decision.

7 (3) EXPEDITED APPEALS.—The Internal Rev-
8 enue Service shall establish an expedited review
9 process for such appeals.

10 (g) PAYMENT SECURITY AND FRAUD PREVEN-
11 TION.—

12 (1) IN GENERAL.—The Internal Revenue Serv-
13 ice shall implement robust security measures to pre-
14 vent unauthorized access to payment information.

15 (2) AUDITS.—The Internal Revenue Service
16 shall conduct regular audits to identify and prevent
17 fraudulent claims.

18 (3) PENALTIES.—Penalties for fraudulent
19 claims shall include repayment of benefits, fines and
20 potential criminal prosecution.

21 (h) REPORT TO CONGRESS.—The Secretary of the
22 Treasury shall submit an annual report to Congress de-
23 scribing the number of families receiving the benefit, total
24 amount distributed and any significant issues or chal-
25 lenges in benefit distribution.

1 (i) PROGRAM EVALUATION.—The Secretary of the
 2 Treasury and the Secretary shall conduct an annual eval-
 3 uation of the payment mechanism and benefit structure.
 4 The evaluation must also assess the efficiency of benefit
 5 distribution, impact on eligible families and any rec-
 6 ommended improvements.

7 **TITLE III—KIN CARE: FAMILY,**
 8 **FRIEND, AND NEIGHBOR**
 9 **(FFN) CARE PROGRAM**

10 **SEC. 301. DEFINITIONS.**

11 For purposes of this title—

12 (1) the term “FFN provider” means an indi-
 13 vidual who provides childcare services to eligible chil-
 14 dren in a home setting and is not required to be li-
 15 censed under State law;

16 (2) the term “eligible FFN provider” means a
 17 FFN provider who meets the requirements set forth
 18 in this section and is registered with the State law;
 19 and

20 (3) the term “FFN care” means child care
 21 services provided by an eligible FFN provider.

22 **SEC. 302. AUTHORIZATION OF APPROPRIATIONS.**

23 There is authorized to be appropriated
 24 \$5,000,000,000 annually for fiscal years 2024 through
 25 2034 to carry out this title, to be allocated as follows:

- 1 (1) 75 percent for direct payments to verified
- 2 FFN provider;
- 3 (2) 15 percent for State-level program adminis-
- 4 tration and support services;
- 5 (3) 8 percent for Federal administration, in-
- 6 cluding the development and maintenance of a na-
- 7 tional FFN database and verification system; and
- 8 (4) 2 percent for research, evaluation, and con-
- 9 tinuous improvement initiatives.

10 **SEC. 303. PARENT ROLES AND RESPONSIBILITIES IN THE**
11 **FFN CARE PROGRAM.**

12 (a) **ELIGIBILITY AND INITIAL ENROLLMENT.**—

13 (1) **ELIGIBILITY CRITERIA.**—To be eligible for
14 the FFN Care Program, a parent shall meet income
15 eligibility requirements (up to 100 percent of State
16 median income).

17 (2) **APPLICATION PROCESS.**—An eligible parent
18 shall—

19 (A) complete the FFN care subsidy appli-
20 cation through the Kin Care Interface within
21 30 days of seeking care; and

22 (B) provide accurate and complete infor-
23 mation, including—

24 (i) proof of income;

1 (ii) number and ages of children need-
2 ing care; and

3 (iii) hours of care needed.

4 (3) PROVIDER SELECTION.—An eligible parent
5 shall—

6 (A) nominate their FFN provider to the
7 Interface for verification, after which time FFN
8 providers may voluntarily join the Interface and
9 seek verification as set out in the provider sec-
10 tion; and

11 (B) confirm the care arrangement with the
12 chosen provider through the Kin Care Interface
13 within 5 days of selection.

14 (b) CARE ARRANGEMENT CONFIRMATION AND DOC-
15 UMENTATION.—

16 (1) WRITTEN AGREEMENT.—The parent
17 shall—

18 (A) enter into a standard consent agree-
19 ment with the FFN provider within 7 days of
20 selection, outlining—

21 (i) care schedule; and

22 (ii) expectations for both parties; and

23 (B) enter into a written agreement with
24 the FFN provider within 7 days of selection,
25 outlining—

- 1 (i) care schedule;
- 2 (ii) compensation details;
- 3 (iii) expectations for both parties; and
- 4 (iv) upload the signed agreement to
- 5 the Kin Care Interface within 3 days of
- 6 signing.

7 (2) CARE SETTING VERIFICATION.—For care in
8 the child’s home, the parent shall—

9 (A) provide written confirmation about the
10 suitability of their home for childcare within 5
11 days of provider selection;

12 (B) complete a home safety checklist pro-
13 vided through the Kin Care Interface within 10
14 days of provider selection; and

15 (C) allow for virtual or in-person safety as-
16 sessments of the home environment as required
17 by the State agency.

18 (3) ONGOING RESPONSIBILITIES.—

19 (A) ATTENDANCE VERIFICATION.—The
20 parent shall verify child attendance through the
21 Kin Care Interface on a weekly basis, within 2
22 days of the end of each care week.

23 (B) PROVIDER EVALUATION AND FEED-
24 BACK.—The parent shall—

1 (i) complete semi-annual care quality
2 surveys through the Kin Care Interface;

3 (ii) provide additional feedback or
4 concerns as they arise, within 24 hours for
5 urgent matters; and

6 (iii) any major safety incidents while
7 the child is in FFN care, with major safety
8 incidents defined as hospitalization result-
9 ing from provider neglect, or any incident
10 leading to suspicion of child abuse.

11 (C) REPORTING CHANGES.—The parent
12 shall report the following changes within 10
13 days of occurrence—

14 (i) income changes that may affect eli-
15 gibility;

16 (ii) employment or education/training
17 status changes;

18 (iii) family size or composition
19 changes; and

20 (iv) relocation or contact information
21 updates.

22 (D) COOPERATION WITH MONITORING AND
23 INVESTIGATIONS.—The parent shall—

24 (i) participate in annual re-certifi-
25 cation processes;

1 (ii) completing all required docu-
2 mentation within 30 days of request;

3 (iii) cooperate with any investigations
4 or follow-ups regarding reported incidents
5 or concerns within the timeframe specified
6 by the investigating agency; and

7 (iv) allow for and facilitate visits by
8 State agency representatives if care is pro-
9 vided in the child's home.

10 (E) TRAINING AND EDUCATION.—The par-
11 ent shall complete any required parent orienta-
12 tion or training modules within 30 days of en-
13 rollment in the FFN care program.

14 (F) HEALTH AND SAFETY.—The parent
15 shall—

16 (i) provide up-to-date immunization
17 records for the child to the provider within
18 7 days of care commencement or any up-
19 dates; and

20 (ii) inform the provider of any health
21 concerns, allergies, or special needs of the
22 child before care begins and as new infor-
23 mation arises.

24 (G) PROGRAM COMPLIANCE.—The parent
25 shall—

(i) adhere to all rules and regulations of the FFN care program as outlined in the parent handbook; and

(ii) acknowledge that failure to comply with these responsibilities may result in termination from the program or repayment of subsidies.

SEC. 304. FFN PROVIDER RESPONSIBILITIES IN THE KIN CARE PROGRAM.

(a) ELIGIBILITY AND INITIAL REGISTRATION.—

(1) ELIGIBILITY CRITERIA.—To be eligible as an FFN provider, an individual shall—

(A) be at least 18 years old as of the date of application;

(B) be a grandparent, aunt or uncle of the child;

(C) not have any criminal record involving violent offenses, nor prior credible child abuse findings, nor be present on any sex offender registry; and

(D) after the first three years of the Kin Care program, the Secretary may, in consultation with relevant stakeholders, elect to extend eligibility to additional family members, trusted friends, and trusted neighbors.

1 (2) INTERACTION WITH CCDBG.—

2 (A) TRANSITION FROM CCDBG.—A FFN
3 caregiver currently registered as a subsidy-re-
4 ceiving provider via the Child Care and Devel-
5 opment Block Grant Act of 1990 shall dis-
6 continue their participation upon being verified
7 to be part of the Kin Care program and begin-
8 ning to receive payments via the Kin Care pro-
9 gram.

10 (B) CONTINUED CCDBG PARTICIPATION.—
11 FFN caregivers who are not eligible for the Kin
12 Care program but who are eligible for payment
13 under CCDBG may continue to participate in
14 that program.

15 (C) POTENTIAL CCDBG REPEAL.—In the
16 case that the Secretary elects to extend eligi-
17 bility for the Kin Care program to cover all
18 those FFN providers eligible under CCDBG,
19 the relevant sections of CCDBG are to be re-
20 pealed.

21 (3) REGISTRATION PROCESS.—The provider
22 shall—

23 (A) complete the online registration form
24 through the Kin Care Interface within 30 days
25 of deciding to become an FFN provider;

1 (B) provide accurate and complete infor-
2 mation as required by the Kin Care Interface;
3 and

4 (C) submit to comprehensive background
5 checks within 10 days of registration.

6 (4) CARE SETTING VERIFICATION.—The pro-
7 vider shall—

8 (A) for care in provider’s home—

9 (i) submit clear, recent photos or a
10 video tour of all areas used for child care
11 within 7 days of registration;

12 (ii) participate in a virtual safety as-
13 sessment within 14 days of registration;
14 and

15 (iv) allow for an in-person home visit
16 within 30 days of approval.

17 (B) for care in child’s home—

18 (i) sign an agreement to maintain safe
19 practices in the child’s home within 5 days
20 of registration; and

21 (ii) schedule a home familiarization
22 visit with the family within 10 days of reg-
23 istration.

24 (5) TRAINING AND EDUCATION.—

1 (A) INITIAL TRAINING.—The provider
2 shall—

3 (i) complete 20 hours of mandatory
4 online health and safety training within 30
5 days of registration;

6 (ii) achieve a minimum score of 80
7 percent on module quizzes to progress; and

8 (iii) complete a standardized knowl-
9 edge assessment within 7 days of com-
10 pleting all training modules.

11 (B) ONGOING EDUCATION.—The provider
12 shall—

13 (i) complete 10 hours of approved on-
14 going training annually;

15 (ii) obtain and maintain certification
16 in pediatric first aid and CPR; and

17 (iii) submit certificates of completion
18 for all training through the Kin Care
19 Interface within 7 days of completion.

20 (6) OPERATIONAL REQUIREMENTS.—

21 (A) CHILD CARE PRACTICES.—The pro-
22 vider shall—

23 (i) care for no more than 6 children at
24 a time, including the provider's own chil-
25 dren under age 13;

- 1 (ii) maintain a daily log of all children
- 2 in care;
- 3 (iii) maintain direct sight or sound su-
- 4 pervision of all children at all times; and
- 5 (iv) make reasonable efforts to imple-
- 6 ment daily activities that support child's
- 7 development and early learning, including
- 8 reading and outdoor play.

9 (B) HEALTH AND SAFETY STANDARDS.—

10 The provider shall—

- 11 (i) maintain a smoke-free environment
- 12 at all times during hours of operation;
- 13 (ii) ensure all areas used for child
- 14 care are free from visible safety hazards;
- 15 (iii) implement safe sleep practices for
- 16 infants and toddlers;
- 17 (iv) store all medications and haz-
- 18 ardous materials in locked containers out
- 19 of children's reach;
- 20 (v) maintain a fully stocked first aid
- 21 kit and emergency preparedness plan; and
- 22 (vi) have and maintain working car-
- 23 bon monoxide and smoke detectors and fire
- 24 extinguisher(s).

1 (C) NUTRITION AND MEALS.—If providing
2 meals, the provider shall—

3 (i) develop weekly meal plans that
4 meet USDA Child and Adult Care Food
5 Program (CACFP) guidelines;

6 (ii) maintain current food handler's
7 certification if preparing meals; and

8 (iii) follow proper food safety and hy-
9 giene practices.

10 (D) PROGRAM COMPLIANCE AND REPORT-
11 ING.—

12 (i) KIN CARE INTERFACE UTILIZA-
13 TION.—The provider shall submit weekly
14 care hours through the Kin Care Interface
15 within 2 days of the end of each care week.

16 (ii) FINANCIAL RESPONSIBILITIES.—
17 The provider shall report all income from
18 child care services on annual tax returns.

19 (iii) INCIDENT REPORTING.—The pro-
20 vider shall—

21 (I) report any injuries requiring
22 medical attention within 24 hours of
23 occurrence; and

24 (II) report any suspected child
25 abuse or neglect immediately to the

1 appropriate authorities and the State
2 agency.

3 (iv) COOPERATION WITH MONI-
4 TORING.—The provider shall—

5 (I) participate in annual re-
6 verification process, completing all re-
7 quirements within 30 days of notifica-
8 tion;

9 (II) be available for random vir-
10 tual check-ins during declared hours
11 of operation; and

12 (III) allow for both announced
13 and unannounced in-person visits by
14 State agency representatives.

15 **SEC. 305. CHILD CARE PRACTICES FOR FAMILY, FRIEND,**
16 **AND NEIGHBOR PROVIDERS.**

17 (a) CHILD-TO-PROVIDER RATIO.—

18 (1) An FFN provider shall not care for more
19 than 4children at any given time, including the pro-
20 vider’s own children under the age of 13.

21 (2) The provider shall indicate via the Kin Care
22 Interface the number, age, and initials of children
23 cared for each day.

1 (3) The provider shall ensure that no more than
2 2 children under the age of 2 are in care at any
3 time.

4 (4) For children with special needs, the pro-
5 vider shall adjust ratios as required by the child's in-
6 dividual care plan, in consultation with the child's
7 parents and Kin Care Program administrators.

8 **SEC. 306. FFN PROVIDER VERIFICATION PROCEDURES AND**
9 **ONGOING MONITORING.**

10 (a) DEVELOPMENT AND MAINTENANCE OF THE KIN
11 CARE INTERFACE.—

12 (1) SYSTEM DEVELOPMENT.—The Secretary
13 shall—

14 (A) contract with a reputable software de-
15 velopment firm to create the Kin Care Interface
16 within 100 days after the date of the enactment
17 of this Act;

18 (B) ensure the interface is web-based and
19 includes a mobile application version;

20 (C) incorporate robust security measures,
21 including end-to-end encryption and multi-fac-
22 tor authentication;

23 (D) develop user-friendly interfaces for
24 providers, parents, and State administrators;

1 (E) be prepared to launch the Interface
2 within one year of passage of this Act;

3 (F) collect only minimum required data to
4 meet the intent and requirements of this Act;
5 and

6 (G) ensure that at launch, the interface is
7 available in at least English and Spanish, and
8 that it is made available in all languages spoken
9 by at least 1 percent of the U.S. population
10 within one year of launch, and all languages
11 spoken by at least 0.1 percent of the U.S. popu-
12 lation within two years of launch.

13 (2) FUNCTIONALITY REQUIREMENTS.—The Kin
14 Care Interface shall include—

15 (A) provider registration and profile man-
16 agement capabilities;

17 (B) document upload capabilities for ID's,
18 background check results, and training certifi-
19 cates;

20 (C) a secure messaging system between
21 providers, parents, and State administrators;

22 (D) an automated alert system for expired
23 documents or pending re-verifications;

24 (E) integration with State and Federal
25 databases for background check verification;

1 (F) a secure payment system, including a
2 method for providing compensation to individ-
3 uals who, at registration, lack a bank account;

4 (G) capabilities for States or the Depart-
5 ment to design or upload training modules, and
6 for providers to complete said modules; and

7 (H) all other functionalities as needed to
8 carry out the provisions of this Act.

9 (3) ONGOING MAINTENANCE.—The Secretary
10 shall—

11 (A) conduct quarterly system updates to
12 address bugs and improve functionality;

13 (B) perform annual security audits and
14 penetration testing; and

15 (C) maintain a 24/7 technical support
16 helpline for users and State administrators.

17 (4) ESTABLISHMENT OF FEDERAL GUIDE-
18 LINES.—

19 (A) IDENTITY VERIFICATION STAND-
20 ARDS.—The Secretary shall—

21 (i) specify acceptable forms of govern-
22 ment-issued photo ID;

23 (ii) set requirements for third-party
24 identity verification services; and

1 (iii) define acceptable documents for
2 address confirmation, such as utility bills
3 no older than 60 days.

4 (B) BACKGROUND CHECK STANDARDS.—

5 The Secretary shall—

6 (i) establish a comprehensive list of
7 disqualifying offenses; and

8 (ii) set standards for an appeals proc-
9 ess for providers with concerning but non-
10 disqualifying results.

11 (C) CARE SETTING ASSESSMENT STAND-
12 ARDS.—The Secretary shall—

13 (i) develop a standardized checklist
14 for virtual safety assessments which in-
15 cludes items necessary to ensure safety but
16 do not present an undue burden to pro-
17 viders;

18 (ii) establish means for providers to
19 remedy any concerns and receive a timely
20 re-assessment; and

21 (iii) establish minimum photo/video
22 documentation requirements for provider's
23 home assessments.

24 (D) TRAINING AND EDUCATION STAND-
25 ARDS.—The Secretary shall—

1 (i) develop a mandatory online health
2 and safety training curriculum; and

3 (ii) require training to be available in
4 at least 5 languages.

5 (E) ONGOING MONITORING AND RE-
6 VERIFICATION STANDARDS.—The Secretary
7 shall—

8 (i) set a 30-day window for annual re-
9 verification completion; and

10 (ii) establish required components of
11 re-verification.

12 (F) CONTINUOUS BACKGROUND CHECK
13 MONITORING.—The Secretary shall—

14 (i) establish partnerships with State
15 law enforcement agencies for real-time ar-
16 rest notifications for violent offenses, child
17 abuse offenses, or offenses resulting in ad-
18 dition to sex offender registries. No such
19 partnerships shall be construed by the Sec-
20 retary or States as means to provide law
21 enforcement agencies with information out-
22 side the relevant scope of the Kin Care
23 program, notwithstanding information
24 sharing required under existing State and
25 Federal law;

1 (ii) develop a system for providers to
2 self-report new criminal charges or child
3 protective services involvement within 48
4 hours; and

5 (iii) set a 3-year cycle for full back-
6 ground check renewals.

7 (G) INCIDENT REPORTING AND INVESTIGA-
8 TION.—The Secretary shall—

9 (i) develop a standardized incident re-
10 port form; and

11 (ii) establish a tiered response system
12 based on incident severity.

13 (5) COMPLIANCE AND ENFORCEMENT.—The
14 Secretary shall—

15 (A) establish a graduated system of en-
16 forcement actions; and

17 (B) develop an appeals process for pro-
18 viders facing adverse actions.

19 (b) STATE AGENCY RESPONSIBILITIES.—Each State
20 agency shall—

21 (1) designate a State-level administrator to
22 oversee the Kin Care Interface;

23 (2) review all provider registrations within 10
24 business days of submission;

- 1 (3) conduct identity verification processes with-
- 2 in specified timeframes;
- 3 (4) administer background checks according to
- 4 Federal guidelines;
- 5 (5) conduct care setting verifications for both
- 6 provider's home and child's home care settings;
- 7 (6) verify completion of required training and
- 8 education by providers;
- 9 (7) manage the annual re-verification process
- 10 for providers;
- 11 (8) conduct random virtual check-ins with 5
- 12 percent of approved providers each month;
- 13 (9) maintain a system for continuous back-
- 14 ground check monitoring;
- 15 (10) manage the parent feedback system and
- 16 respond to concerns in a timely manner;
- 17 (11) investigate and respond to reported inci-
- 18 dents according to the tiered response system;
- 19 (12) implement compliance and enforcement ac-
- 20 tions as necessary;
- 21 (13) provide quality improvement support to
- 22 providers as needed;
- 23 (14) submit required reports to the Secretary
- 24 on program operations and outcomes;

1 (15) establish a localized schedule of payment
2 rates, and ensure timely payment to providers (no
3 more than five business days after the end of a pay-
4 ment period);

5 (16) ensure all State Kin Care Interface mate-
6 rials and related materials are available in, at min-
7 imum, all languages spoken by more than 1 percent
8 of the population in their State;

9 (17) establish a process for parents and pro-
10 viders to offer feedback, complaints and concerns re-
11 garding monitoring, enforcement and program oper-
12 ations; and

13 (18) create or utilize an existing FFN advisory
14 or governance structure to give input and oversee
15 implementation; this committee must be provided
16 data and information regarding the program includ-
17 ing numbers of participants and participant com-
18 plaints/concerns with program operations.

19 (c) REPORTING AND EVALUATION.—

20 (1) The Secretary shall establish a system for
21 regular reporting and evaluation of the FFN Pro-
22 vider Verification Procedures and Ongoing Moni-
23 toring processes.

24 (2) State agencies shall submit monthly and
25 quarterly reports as specified by the Secretary.

1 (3) The Secretary shall conduct an annual eval-
2 uation of the effectiveness of these procedures and
3 make recommendations for improvements as nec-
4 essary.

5 (4) The States and Secretary shall gather par-
6 ticipant experience data to understand barriers, ad-
7 ministrative and paperwork burdens, use of tech-
8 nology challenges, etc., that may be limiting partici-
9 pation.

10 **SEC. 307. FFN PROVIDER PAYMENT PROCESS.**

11 (a) PAYMENT RATES.—

12 (1) The Secretary shall establish a national
13 base rate for FFN care that is no less than 75 per-
14 cent of the State’s rate for licensed family child care
15 homes.

16 (2) States may adjust the base rate to account
17 for—

18 (A) geographic cost of living differences;

19 (B) number and ages of children in care;

20 (C) non-traditional hours care (evenings,
21 weekends, overnight);

22 (D) care for children with special needs;

23 (E) provider education and training levels;

24 and

1 (F) the Secretary shall review and update
2 the national base rate annually to reflect
3 changes in the cost of living and child care mar-
4 ket rates.

5 (b) PAYMENT FREQUENCY AND METHOD.—

6 (1) FFN providers shall submit number of
7 weekly hours of service through the Kin Care Inter-
8 face within 2 days of the end of each care week.

9 (2) The Kin Care Interface shall automatically
10 calculate payment amounts based on—

11 (A) reported hours;

12 (B) approved rate for the provider; and

13 (C) any adjustments for non-traditional
14 hours, special needs care, or other adjustments.

15 (3) Parents shall verify reports via the Kin
16 Care Interface within a reasonable timeframe.

17 (c) REPORTING AND PAYMENT CALCULATION.—

18 (1) FFN providers shall submit weekly attend-
19 ance reports through the Kin Care Interface within
20 2 days of the end of each care week.

21 (2) The Kin Care Interface shall automatically
22 calculate payment amounts based on—

23 (A) reported attendance;

24 (B) approved rate for the provider;

1 (C) any adjustments for non-traditional
2 hours or special needs care.

3 (3) Parents shall verify the attendance reports
4 within 1 day of submission by the provider.

5 (d) PAYMENT PROCESSING.—

6 (1) The State agency shall process payments
7 within 3 business days of verified submission.

8 (2) The Kin Care Interface shall generate a de-
9 tailed payment Statement for each pay period, acces-
10 sible to both the provider and the State agency.

11 (e) OVERPAYMENTS AND UNDERPAYMENTS.—

12 (1) In cases of overpayment due to error or
13 misreporting—

14 (A) the State agency shall notify the pro-
15 vider within 5 business days of discovery; and

16 (B) recovery of overpayments shall be
17 through reduced future payments, not to exceed
18 10 percent of each payment until the overpay-
19 ment is recovered.

20 (2) In cases of underpayment, The State agen-
21 cy shall issue an additional payment to correct the
22 underpayment within 5 business days of discovery.

23 (f) PAYMENT FOR TRAINING AND PROFESSIONAL
24 DEVELOPMENT.—

1 (1) FFN providers shall be compensated at
2 their regular rate for time spent in required training
3 and professional development activities, which pro-
4 viders shall record as normal hours of service.

5 (2) The State agency shall pay for any fees as-
6 sociated with required training courses or materials.

7 (g) TAX REPORTING.—

8 (1) The Kin Care Interface shall generate an-
9 nual tax documents (e.g., 1099 forms) for FFN pro-
10 viders by January 31st of each year.

11 (2) FFN providers shall be responsible for re-
12 porting all income and paying applicable taxes.

13 (h) PAYMENT DISPUTES.—

14 (1) FFN providers may file a payment dispute
15 through the Kin Care Interface within 30 days of
16 the payment date.

17 (2) The State agency shall investigate and re-
18 solve payment disputes within 10 business days of
19 filing.

20 (3) If the dispute is not resolved to the pro-
21 vider's satisfaction, they may appeal to a designated
22 State appeal board within 15 days of the State agen-
23 cy's decision.

24 **SEC. 308. DATA PRIVACY AND SECURITY MEASURES.**

25 (a) DATA PROTECTION STANDARDS.—

1 (1) The Secretary shall establish comprehensive
2 data protection standards for the Kin Care Inter-
3 face, including—

4 (A) end-to-end encryption for all data
5 transmissions;

6 (B) multi-factor authentication for user ac-
7 cess; and

8 (C) regular security audits and penetration
9 testing.

10 (2) All data stored in the Kin Care Interface
11 shall be classified according to sensitivity level and
12 protected accordingly.

13 (b) DATA COLLECTION AND USE.—

14 (1) The Kin Care Interface shall collect only in-
15 formation necessary for program administration and
16 evaluation.

17 (2) Personal identifying information shall be
18 used solely for the purposes of:

19 (A) verifying eligibility;

20 (B) facilitating payments;

21 (C) conducting background checks; and

22 (D) communicating with program partici-
23 pants.

24 (c) DATA SHARING.—

1 (1) Data sharing between State agencies and
2 the Federal Government shall be governed by formal
3 data sharing agreements.

4 (2) Any data shared for research purposes shall
5 be de-identified to protect individual privacy.

6 (d) USER RIGHTS.—FFN providers and parents shall
7 have the right to—

8 (1) access their personal data stored in the Kin
9 Care Interface;

10 (2) request corrections to inaccurate data; and

11 (3) receive notification of any data breaches af-
12 fecting their information within 72 hours.

13 (e) DATA RETENTION AND DISPOSAL.—

14 (1) The Secretary shall establish data retention
15 schedules for different types of data collected.

16 (2) Data shall be securely disposed of when no
17 longer necessary, using methods that prevent recon-
18 struction.

19 **SEC. 309. TRANSITION TO LICENSED FAMILY CHILD CARE.**

20 (a) TRANSITION SUPPORT PROGRAM.—

21 (1) The Secretary shall establish a Transition
22 Support Program to assist FFN providers in volun-
23 tarily becoming licensed family child care providers.

24 (2) The program shall include—

1 (A) guidance on State licensing require-
2 ments;

3 (B) financial assistance for meeting licens-
4 ing standards; and

5 (C) mentorship from experienced licensed
6 providers.

7 (b) ELIGIBILITY.—FFN providers who have partici-
8 pated in the Kin Care Program for at least one year shall
9 be eligible for the Transition Support Program.

10 (c) FINANCIAL ASSISTANCE.—Eligible providers may
11 receive grants of up to \$5,000 to cover costs associated
12 with meeting licensing requirements, including—

13 (1) home modifications for safety compliance;

14 (2) purchase of required equipment and mate-
15 rials; and

16 (3) fees for required training and certifications.

17 (d) TRAINING AND EDUCATION.—The State agency
18 shall provide specialized training to support the transition,
19 including—

20 (1) business management for family child care;

21 (2) advanced child development courses; and

22 (3) curriculum planning and implementation.

23 (e) LICENSING PROCESS SUPPORT.—The State agen-
24 cy shall assign a dedicated licensing navigator to each

1 transitioning provider to assist with the licensing applica-
2 tion and inspection process.

3 **SEC. 310. SUPPORTS FOR SERVING CHILDREN WITH SPE-**
4 **CIAL NEEDS.**

5 (a) SPECIALIZED TRAINING.—

6 (1) The Secretary shall develop a specialized
7 training module for FFN providers caring for chil-
8 dren with special needs.

9 (2) The training shall cover—

10 (A) understanding common disabilities and
11 developmental delays;

12 (B) adapting activities and environments;

13 (C) collaborating with early intervention
14 specialists; and

15 (D) supporting families of children with
16 special needs.

17 (b) ENHANCED PAYMENT RATES.—FFN providers
18 caring for children with diagnosed special needs shall re-
19 ceive an enhanced payment rate, to be determined by the
20 State agency based on the child's specific needs.

21 (c) EQUIPMENT AND MATERIALS GRANTS.—FFN
22 providers may apply for grants of up to \$1,000 annually
23 to purchase specialized equipment or materials needed to
24 care for children with special needs.

1 (d) SUPPORT NETWORK.—The State agency shall fa-
2 cilitate a peer support network for FFN providers caring
3 for children with special needs.

4 **SEC. 311. COLLABORATION WITH OTHER EARLY CHILD-**
5 **HOOD PROGRAMS.**

6 (1) COORDINATION REQUIREMENT.—State
7 agencies shall establish formal coordination agree-
8 ments with—

9 (A) Early Head Start and Head Start pro-
10 grams;

11 (B) State pre-kindergarten programs;

12 (C) part C early intervention programs
13 under IDEAl; and

14 (D) State Child Care Resource and Refer-
15 ral Agencies.

16 (2) SHARED SERVICES.—The Secretary shall
17 encourage and facilitate shared services among Kin
18 Care and other early childhood programs, includ-
19 ing—

20 (A) joint professional development opportu-
21 nities;

22 (B) shared curriculum resources; and

23 (C) coordinated developmental screening
24 services.

1 (3) TRANSITION SUPPORT.—State agencies
2 shall develop protocols to support children’s transi-
3 tions between FFN care and other early childhood
4 programs.

5 (4) DATA SHARING.—The Secretary shall estab-
6 lish guidelines for appropriate data sharing between
7 Kin Care and other early childhood programs to
8 support coordinated services and program evalua-
9 tion.

10 **SEC. 312. EVALUATION AND RESEARCH.**

11 (a) ANNUAL PROGRAM EVALUATION.—The Secretary
12 shall conduct an annual evaluation of the Kin Care Pro-
13 gram, assessing—

- 14 (1) program reach and participation rates;
15 (2) care practices;
16 (3) family outcomes, including parental employ-
17 ment and economic stability; and
18 (4) provider outcomes, including job satisfaction
19 and financial stability.

20 (b) LONGITUDINAL STUDY.—The Secretary shall
21 commission a 10-year longitudinal study to assess the
22 long-term impacts of participation in FFN care through
23 the Kin Care Program.

1 (c) INNOVATION RESEARCH.—The Secretary shall es-
2 tablish a research grant program to study innovative ap-
3 proaches to supporting and enhancing FFN care.

4 (d) DATA COLLECTION.—The Kin Care Interface
5 shall include mechanisms for ongoing data collection to
6 support evaluation and research efforts. o State agencies
7 shall be required to participate in all national evaluation
8 efforts as a condition of receiving Kin Care Program
9 funds.

10 (e) DISSEMINATION OF FINDINGS.—The Secretary
11 shall ensure wide dissemination of research findings
12 through—

- 13 (1) annual reports to Congress;
14 (2) peer-reviewed journal publications;
15 (3) presentations at national conferences; and
16 (4) easily accessible summaries on the program
17 website.

18 (f) CONTINUOUS IMPROVEMENT.—

19 (1) The Secretary shall establish a process for
20 using evaluation and research findings to continu-
21 ously improve the Kin Care Program.

22 (2) This process shall include annual review
23 and updating of program policies and practices
24 based on the latest evidence.

1 **SEC. 313. COMMUNITY ENGAGEMENT FOR THE KIN CARE**
2 **PROGRAM.**

3 (a) ESTABLISHMENT OF LOCAL COMMUNITY ADVI-
4 SORY BOARDS.—

5 (1) LCAB’S.—Each State agency shall estab-
6 lish Local Community Advisory Boards (LCABs) to
7 provide input on Kin Care Program implementation
8 and operation. The State may establish a reasonable
9 minimum population size for establishing LCABs, or
10 have one LCAB cover multiple jurisdictions if nec-
11 essary.

12 (2) COMPOSITION.—Each LCAB shall consist
13 of—

14 (A) at least two FFN providers partici-
15 pating in the Kin Care Program;

16 (B) at least two parents utilizing FFN
17 care through the Kin Care Program;

18 (C) one representative from the local child
19 care resource and referral agency;

20 (D) one early childhood education expert
21 from a local college or university;

22 (E) one representative from a local com-
23 munity-based organization serving families;

24 (F) one representative from the local busi-
25 ness community;

1 (G) one representative from the local gov-
2 ernment; and

3 (H) one expert from a local (or, if no local,
4 Statewide) FFN-serving organization”.

5 (3) APPOINTMENT AND TERMS.—

6 (A) The State agency shall develop a fair
7 and transparent process for appointing LCAB
8 members.

9 (B) Members shall serve staggered three-
10 year terms, with the possibility of reappoint-
11 ment for one additional term.

12 (4) RESPONSIBILITIES.—Each LCAB shall—

13 (A) meet at least quarterly to review local
14 Kin Care Program implementation;

15 (B) provide recommendations to the State
16 agency on program improvements;

17 (C) assist in identifying and addressing
18 barriers to program participation;

19 (D) support community outreach efforts;
20 and

21 (E) submit an annual report to the State
22 agency summarizing their activities and rec-
23 ommendations.

24 (b) COMMUNITY PARTNERSHIPS.—

1 (1) The State agency shall establish formal
2 partnerships with community organizations to sup-
3 port the Kin Care Program, including but not lim-
4 ited to—

5 (A) faith-based organizations;

6 (B) cultural and ethnic community groups;

7 (C) public libraries;

8 (D) community centers;

9 (E) local health departments;

10 (F) school districts; and

11 (G) local businesses.

12 (2) PARTNERSHIP AGREEMENTS.—Each part-
13 nership shall be formalized through a written agree-
14 ment that outlines—

15 (A) the roles and responsibilities of each
16 party;

17 (B) the resources each party will con-
18 tribute;

19 (C) the expected outcomes of the partner-
20 ship; and

21 (D) the duration of the partnership and
22 conditions for renewal.

23 (3) COLLABORATION ACTIVITIES.—Community
24 partnerships shall focus on—

1 (A) outreach to potential FFN providers
2 and families;

3 (B) providing venues for training and sup-
4 port group meetings;

5 (C) offering complementary services to Kin
6 Care Program participants;

7 (D) assisting with culturally and linguis-
8 tically appropriate program implementation;
9 and

10 (E) supporting program evaluation efforts.

11 (c) COMMUNITY OUTREACH AND ENGAGEMENT.—

12 (1) PLAN.—The State agency shall develop and
13 implement a comprehensive community outreach and
14 engagement plan that includes—

15 (A) multilingual marketing materials about
16 the Kin Care Program;

17 (B) social media campaigns targeting po-
18 tential FFN providers and families;

19 (C) information sessions at community
20 events and gatherings;

21 (D) door-to-door outreach in targeted
22 neighborhoods;

23 (E) partnerships with local media outlets,
24 including ethnic media; and

1 (F) a dedicated community liaison position
2 within the State agency.

3 (2) CULTURALLY RESPONSIVE OUTREACH.—
4 The State agency shall ensure that all outreach ef-
5 forts are culturally responsive and appropriate for
6 the diverse communities served by the Kin Care Pro-
7 gram.

8 (3) TECHNOLOGY-BASED ENGAGEMENT.—The
9 State agency shall utilize technology to enhance
10 community engagement, including—

11 (A) a mobile-friendly website with program
12 information and resources;

13 (B) text message reminders and updates
14 for program participants;

15 (C) virtual information sessions and
16 webinars; and

17 (D) an online community forum for FFN
18 providers and families.

19 (d) COMMUNITY FEEDBACK MECHANISMS.—

20 (1) FEEDBACK CHANNELS.—The State agency
21 shall establish multiple channels for ongoing commu-
22 nity feedback, including—

23 (A) an annual community survey on the
24 Kin Care Program;

25 (B) focus groups with diverse stakeholders;

1 (C) a dedicated email address and phone
2 line for community input; and

3 (D) public comment periods for proposed
4 program changes.

5 (2) FEEDBACK UTILIZATION.—The State agen-
6 cy shall—

7 (A) Review all community feedback on a
8 quarterly basis;

9 (B) Incorporate relevant feedback into pro-
10 gram improvement efforts; and

11 (C) provide public responses to major
12 themes in community feedback.

13 (3) COMMUNITY-BASED TRAINING AND SUP-
14 PORT.—The State agency shall collaborate with com-
15 munity partners to offer—

16 (A) localized training sessions for FFN
17 providers;

18 (B) peer support groups in community set-
19 tings;

20 (C) family engagement activities; and

21 (D) community-based child development
22 workshops for parents and FFN providers.

23 (4) REPORTING AND EVALUATION.—

1 (A) The State agency shall include a com-
2 munity engagement section in its annual report
3 to the Secretary, detailing—

4 (i) LCAB activities and recommenda-
5 tions;

6 (ii) outcomes of community partner-
7 ships;

8 (iii) reach and impact of outreach ef-
9 forts;

10 (iv) summary of community feedback
11 received; and

12 (v) changes made to the program
13 based on community input.

14 (B) The Secretary shall evaluate the effec-
15 tiveness of community engagement efforts as
16 part of the annual Kin Care Program evalua-
17 tion.

18 (5) FUNDING FOR COMMUNITY ENGAGE-
19 MENT.—

20 (A) The State agency shall allocate at least
21 5 percent of its Kin Care Program administra-
22 tive budget to community engagement activities.

23 (B) The Secretary shall provide supple-
24 mental grants to State agencies demonstrating

1 innovative and effective community engagement
2 strategies.

3 (C) The Secretary shall establish a fund of
4 \$1,000,000 annually to issue grants to trusted
5 FFN serving organizations in order for those
6 organizations to conduct outreach, support en-
7 rollment in the program, and support FFN pro-
8 viders. The application for such a Fund shall be
9 streamlined and simplified to the maximum ex-
10 tent possible under Federal law.

○