

106TH CONGRESS
1ST SESSION

H. R. 2943

To amend the Child Care and Development Block Grant Act of 1990 to provide incentive grants to improve the quality of child care.

IN THE HOUSE OF REPRESENTATIVES

SEPTEMBER 24, 1999

Mr. BISHOP (for himself and Mr. KENNEDY of Rhode Island) introduced the following bill; which was referred to the Committee on Education and the Workforce

A BILL

To amend the Child Care and Development Block Grant Act of 1990 to provide incentive grants to improve the quality of child care.

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.**

4 This Act may be cited as the “Child Care Quality
5 Incentive Act of 1999”.

6 **SEC. 2. FINDINGS AND PURPOSES.**

7 (a) FINDINGS.—Congress makes the following find-
8 ings:

1 (1) Recent research on early brain development
2 reveals that much of a child's growth is determined
3 by early learning and nurturing care. Research also
4 shows that quality early care and education leads to
5 increased cognitive abilities, positive classroom learn-
6 ing behavior, increased likelihood of long-term school
7 success, and greater likelihood of long-term economic
8 and social self-sufficiency.

9 (2) Each day an estimated 13,000,000 children,
10 including 6,000,000 infants and toddlers, spend
11 some part of their day in child care. However, a
12 study in 4 States found that only 1 in 7 child care
13 centers provide care that promotes healthy develop-
14 ment, while 1 in 8 child care centers provide care
15 that threatens the safety and health of children.

16 (3) Full-day child care can cost \$4,000 to
17 \$10,000 per year.

18 (4) Although Federal assistance is available for
19 child care, funding is severely limited. Even with
20 Federal subsidies, many families cannot afford child
21 care. For families with young children and a month-
22 ly income under \$1,200, the cost of child care typi-
23 cally consumes 25 percent of their income.

24 (5) Payment (or reimbursement) rates, the
25 maximum the State will reimburse a child care pro-

1 vider for the care of a child who receives a subsidy,
2 are too low to ensure that quality care is accessible
3 to all families.

4 (6) Low payment rates directly affect the kind
5 of care children get and whether families can find
6 quality child care in their communities. In many in-
7 stances, low payment rates force child care providers
8 to cut corners in ways that lower the quality of care
9 for children, including reducing number of staff,
10 eliminating staff training opportunities, and cutting
11 enriching educational activities and services.

12 (7) Children in low quality child care are more
13 likely to have delayed reading and language skills,
14 and display more aggression toward other children
15 and adults.

16 (8) Increased payment rates lead to higher
17 quality child care as child care providers are able to
18 attract and retain qualified staff, provide salary in-
19 creases and professional training, maintain a safe
20 and healthy environment, and purchase basic sup-
21 plies and developmentally appropriate educational
22 materials.

23 (b) PURPOSE.—The purpose of this Act is to improve
24 the quality of, and access to, child care by increasing child
25 care payment rates.

1 **SEC. 3. INCENTIVE GRANTS TO IMPROVE THE QUALITY OF**
2 **CHILD CARE.**

3 (a) FUNDING.—Section 658B of the Child Care and
4 Development Block Grant Act of 1990 (42 U.S.C. 9858)
5 is amended—

6 (1) by striking “There” and inserting the fol-
7 lowing:

8 “(a) AUTHORIZATION OF APPROPRIATIONS.—
9 There”; and

10 (2) by adding at the end the following:

11 “(b) APPROPRIATION OF FUNDS FOR GRANTS TO IM-
12 PROVE THE QUALITY OF CHILD CARE.—Out of any funds
13 in the Treasury that are not otherwise appropriated, there
14 are authorized to be appropriated and there are appro-
15 priated, for each of fiscal years 2000 through 2004,
16 \$300,000,000 for the purpose of making grants under sec-
17 tion 658H.”.

18 (b) GRANTS TO IMPROVE THE QUALITY OF CHILD
19 CARE.—The Child Care and Development Block Grant
20 Act of 1990 (42 U.S.C. 9858 et seq.) is amended by in-
21 serting after section 658G the following:

22 **“SEC. 658H. GRANTS TO IMPROVE THE QUALITY OF CHILD**
23 **CARE.**

24 “(a) AUTHORITY.—

25 “(1) IN GENERAL.—The Secretary shall use the
26 amount appropriated under section 658B(b) for a

1 fiscal year to make grants to eligible States in ac-
2 cordance with this section.

3 “(2) ANNUAL PAYMENTS.—The Secretary shall
4 make annual payments to each eligible State out of
5 the allotment for that State determined under sub-
6 section (c).

7 “(b) ELIGIBLE STATES.—

8 “(1) IN GENERAL.—In this section, the term
9 ‘eligible States’ means a State that—

10 “(A) has conducted a survey of the market
11 rates for child care services in the State within
12 the 2 years preceding the date of the submis-
13 sion of an application under paragraph (2); and

14 “(B) submits an application in accordance
15 with paragraph (2).

16 “(2) APPLICATION.—

17 “(A) IN GENERAL.—To be eligible to re-
18 ceive a grant under this section, a State shall
19 submit an application to the Secretary at such
20 time, in such manner, and accompanied by such
21 information, in addition to the information re-
22 quired under subparagraph (B), as the Sec-
23 retary may require.

1 “(B) INFORMATION REQUIRED.—Each ap-
2 plication submitted for a grant under this sec-
3 tion shall—

4 “(i) detail the methodology and re-
5 sults of the State market rates survey con-
6 ducted pursuant to paragraph (1)(A);

7 “(ii) describe the State’s plan to in-
8 crease payment rates from the initial base-
9 line determined under clause (i); and

10 “(iii) describe how the State will in-
11 crease payment rates in accordance with
12 the market survey findings.

13 “(3) CONTINUING ELIGIBILITY REQUIRE-
14 MENT.—The Secretary may make an annual pay-
15 ment under this section to an eligible State only if—

16 “(A) the Secretary determines that the
17 State has made progress, through the activities
18 assisted under this subchapter, in maintaining
19 increased payment rates; and

20 “(B) at least once every 2 years, the State
21 conducts an update of the survey described in
22 paragraph (1)(A).

23 “(4) REQUIREMENT OF MATCHING FUNDS.—

24 “(A) IN GENERAL.—To be eligible to re-
25 ceive a grant under this section, the State shall

1 agree to make available State contributions
2 from State sources toward the costs of the ac-
3 tivities to be carried out by a State pursuant to
4 subsection (d) in an amount that is not less
5 than 25 percent of such costs.

6 “(B) DETERMINATION OF STATE CON-
7 TRIBUTIONS.—State contributions shall be in
8 cash. Amounts provided by the Federal Govern-
9 ment may not be included in determining the
10 amount of such State contributions.

11 “(c) ALLOTMENTS TO ELIGIBLE STATES.—The
12 amount appropriated under section 658B(b) for a fiscal
13 year shall be allotted among the eligible States in the same
14 manner as amounts are allotted under section 658O(b).

15 “(d) USE OF FUNDS.—

16 “(1) PRIORITY USE.—An eligible State that re-
17 ceives a grant under this section shall use the funds
18 received to significantly increase the payment rate
19 for the provision of child care assistance in accord-
20 ance with this subchapter up to the 100th percentile
21 of the market rate survey described in subsection
22 (b)(1)(A).

23 “(2) ADDITIONAL USES.—An eligible State that
24 demonstrates to the Secretary that the State has
25 achieved a payment rate of the 100th percentile of

1 the market rate survey described in subsection
2 (b)(1)(A) may use funds received under a grant
3 made under this section for any other activity that
4 the State demonstrates to the Secretary will enhance
5 the quality of child care services provided in the
6 State.

7 “(3) PAYMENT RATE.—In this section, the term
8 ‘payment rate’ means the rate of reimbursement to
9 providers for subsidized child care.

10 “(4) SUPPLEMENT NOT SUPPLANT.—Amounts
11 paid to a State under this section shall be used to
12 supplement and not supplant other Federal, State,
13 or local funds provided to the State under this sub-
14 chapter or any other provision of law.

15 “(e) EVALUATIONS AND REPORTS.—

16 “(1) STATE EVALUATIONS.—Each eligible State
17 shall submit to the Secretary, at such time and in
18 such form and manner as the Secretary may require,
19 information regarding the State’s efforts to increase
20 payment rates and the impact increased rates are
21 having on the quality of, and accessibility to, child
22 care in the State.

23 “(2) REPORTS TO CONGRESS.—The Secretary
24 shall submit biennial reports to Congress on the in-
25 formation described in paragraph (1). Such reports

1 shall include data from the applications submitted
2 under subsection (b)(2) as a baseline for deter-
3 mining the progress of each eligible State in main-
4 taining increased payment rates.”.

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