

111TH CONGRESS
1ST SESSION

H. R. 1685

To provide for the acquisition, construction, and improvement of child care facilities, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 24, 2009

Mrs. MCCARTHY of New York introduced the following bill; which was referred to the Committee on Education and Labor

A BILL

To provide for the acquisition, construction, and improvement of child care facilities, 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.**

4 This Act may be cited as the “Child Care Facilities
5 Financing Act of 2009”.

6 **SEC. 2. TECHNICAL AND FINANCIAL ASSISTANCE GRANTS.**

7 (a) GRANT AUTHORITY.—The Secretary may make
8 grants on a competitive basis to eligible entities in accord-
9 ance with this section.

10 (b) APPLICATION.—

1 (1) IN GENERAL.—To be eligible to receive a
2 grant under subsection (a), an eligible entity shall
3 submit to the Secretary an application at such time,
4 in such form, and containing such information as
5 the Secretary may require by rule.

6 (2) REQUIREMENTS.—The Secretary shall issue
7 rules that take into account the experience and suc-
8 cess of eligible entities in attracting private financ-
9 ing and carrying out the types of activities for which
10 grants under subsection (a) are made.

11 (c) PRIORITY.—In making grants under subsection
12 (a), the Secretary shall give priority to an applicant—

13 (1) that has demonstrated experience—

14 (A) providing technical or financial assist-
15 ance for the acquisition, construction, or ren-
16 ovation of child care facilities;

17 (B) providing technical, financial, or mana-
18 gerial assistance to eligible child care providers;

19 and

20 (C) securing private sources of capital fi-
21 nancing for child care or other low-income com-
22 munity development; and

23 (2) whose application proposes to assist eligible
24 recipients that serve—

25 (A) low-income areas, including—

- 1 (i) a community that—
2 (I) is in a metropolitan area; and
3 (II) has a median household in-
4 come that is not more than 80 percent
5 of the median household income of the
6 metropolitan area; or
7 (ii) a community that—
8 (I) is not in a metropolitan area;
9 and
10 (II) has a median income that is
11 not more than 80 percent of the me-
12 dian household income of the State in
13 which the community is located; or
14 (B) low-income individuals, including eligi-
15 ble children.

16 (d) USE OF FUNDS.—

17 (1) CAPITAL FUND.—Each eligible entity that
18 receives a grant under subsection (a) shall deposit
19 the grant amount into a child care capital fund es-
20 tablished by the eligible entity.

21 (2) PAYMENTS FROM FUNDS.—Each eligible en-
22 tity shall provide technical or financial assistance (in
23 the form of loans, grants, investments, guarantees,
24 interest subsidies, and other appropriate forms of

1 assistance) to eligible recipients from the child care
2 capital fund it establishes to pay for—

3 (A) the acquisition, construction, or im-
4 provement of child care facilities;

5 (B) equipment for child care facilities; or

6 (C) technical assistance to eligible child
7 care providers to help them undertake facilities
8 improvement and expansion projects.

9 (3) LOAN REPAYMENTS AND INVESTMENT PRO-
10 CEEDS.—An eligible entity that receives a loan re-
11 payment or investment proceeds from an eligible re-
12 cipient shall deposit such repayment or proceeds into
13 the child care capital fund of the eligible entity for
14 use in accordance with this section.

15 (4) APPLICATION.—To obtain assistance from
16 an eligible entity, an eligible recipient shall prepare
17 and submit an application to an eligible entity at
18 such time, in such form, and containing such infor-
19 mation as the eligible entity may require.

20 **SEC. 3. DEFINITIONS.**

21 As used in this Act:

22 (1) CHILD CARE FACILITY.—The term “child
23 care facility” means a structure used for the care
24 and development of eligible children.

1 (2) CHILD CARE SERVICES.—The term “child
2 care services” means child care and early childhood
3 education.

4 (3) COMMUNITY DEVELOPMENT FINANCIAL IN-
5 STITUTION.—The term “community development fi-
6 nancial institution” has the meaning given such
7 term in section 103(5) of the Community Develop-
8 ment Banking and Financial Institutions Act of
9 1994 (12 U.S.C. 4702(5)).

10 (4) ELIGIBLE CHILD CARE PROVIDER.—The
11 term “eligible child care provider” has the meaning
12 given such term in section 658P of the Child Care
13 and Development Block Grant Act of 1990 (42
14 U.S.C. 9858n).

15 (5) ELIGIBLE CHILD.—The term “eligible
16 child” has the meaning given such term in section
17 658P of the Child Care and Development Block
18 Grant Act of 1990 (42 U.S.C. 9858n).

19 (6) ELIGIBLE ENTITY.—The term “eligible enti-
20 ty” means—

21 (A) a community development financial in-
22 stitution certified by the Department of Treas-
23 ury; or

24 (B) an organization that—

1 (i) is described in section 501(c)(3) of
2 the Internal Revenue Code of 1986;

3 (ii) is exempt from taxation under
4 section 501(a) of such Code; and

5 (iii) has demonstrated experience in—

6 (I) providing technical or finan-
7 cial assistance for the acquisition, con-
8 struction, or renovation of child care
9 facilities;

10 (II) providing technical, financial,
11 or managerial assistance to eligible
12 child care providers; and

13 (III) securing private sources of
14 capital financing for child care or
15 other low-income community develop-
16 ment.

17 (7) ELIGIBLE RECIPIENT.—The term “eligible
18 recipient” means—

19 (A) an eligible child care provider that pro-
20 vides child care services to an eligible child;

21 (B) an organization seeking to provide
22 child care services to an eligible child; or

23 (C) an organization providing or seeking to
24 provide child care services to low-income chil-
25 dren as determined by the Secretary.

1 (8) EQUIPMENT.—The term “equipment” in-
2 cludes—

3 (A) machinery, utilities, and built-in equip-
4 ment, and any necessary structure to house
5 them; and

6 (B) any other items necessary for the func-
7 tioning of a child care facility, including fur-
8 niture, books, and program materials.

9 (9) METROPOLITAN AREA.—The term “metro-
10 politan area” has the meaning given such term in
11 section 102 of the Housing and Community Devel-
12 opment Act of 1974 (42 U.S.C. 5302).

13 (10) SECRETARY.—The term “Secretary”
14 means the Secretary of Health and Human Services.

15 **SEC. 4. AUTHORIZATION OF APPROPRIATIONS.**

16 There is authorized to be appropriated to carry out
17 this section \$50,000,000 for each of the fiscal years 2010
18 through 2014.

○