116th CONGRESS 2D Session



To provide for grants to support the provision of child care by reopening and maintaining the operation of child care programs.

## IN THE SENATE OF THE UNITED STATES

Ms. ERNST (for herself, Mr. ALEXANDER, Mr. CORNYN, Ms. MCSALLY, Mr. YOUNG, and Mr. TILLIS) introduced the following bill; which was read twice and referred to the Committee on \_\_\_\_\_\_

# A BILL

- To provide for grants to support the provision of child care by reopening and maintaining the operation of child care programs.
  - 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 "Back to Work Child

5 Care Grants Act of 2020".

#### 6 SEC. 2. BACK TO WORK CHILD CARE GRANTS.

7 (a) PURPOSE.—The purpose of this section is to sup8 port the recovery of the United States economy by pro9 viding assistance to aid in reopening child care programs,

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and maintaining the availability of child care in the United
 States, so that parents can access safe care and return
 to work.

### 4 (b) DEFINITIONS.—In this section:

5 (1) COVID–19 PUBLIC HEALTH EMERGENCY.— The term "COVID-19 public health emergency" 6 7 means the public health emergency declared by the 8 Secretary of Health and Human Services under sec-9 tion 319 of the Public Health Service Act (42) 10 U.S.C. 247d) on January 31, 2020, with respect to 11 COVID-19, including any renewal of such declara-12 tion.

13 (2) ELIGIBLE CHILD CARE PROVIDER.—The
14 term "eligible child care provider" means—

(A) an eligible child care provider as defined in section 658P(6)(A) of the Child Care
and Development Block Grant Act of 1990 (42
U.S.C. 9858n(6)(A)); and

19	(B) a child care provider that—
20	(i) is license-exempt and operating le-
21	gally in the State;
22	(ii) is not providing child care services
23	to relatives; and

24 (iii) satisfies State and local require25 ments, including those referenced in sec-

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1	tion $658E(c)(2)(I)$ of the Child Care and
2	Development Block Grant Act of 1990
3	((42 U.S.C. 9858c)(c)(2)(I)).
4	(3) INDIAN TRIBE; TRIBAL ORGANIZATION.—
5	The terms "Indian tribe" and "tribal organization"
6	have the meanings given the terms in section $658P$
7	of the Child Care and Development Block Grant Act
8	of 1990 (42 U.S.C. 9858n).
9	(4) LEAD AGENCY.—The term "lead agency"
10	has the meaning given the term in section $658P$ of
11	the Child Care and Development Block Grant Act of
12	1990 (42 U.S.C. 9858n).
13	(5) QUALIFIED CHILD CARE PROVIDER.—The
14	term "qualified child care provider" means an eligi-
15	ble child care provider with an application approved
16	under subsection (g) for the program involved.
17	(6) Secretary.—The term "Secretary" means
18	the Secretary of Health and Human Services.
19	(7) STATE.—The term "State" has the mean-
20	ing given the term in section 658P of the Child Care
21	and Development Block Grant Act of $1990$ (42)
22	U.S.C. 9858n).
23	(c) GRANTS FOR CHILD CARE PROGRAMS.—From
24	the funds appropriated to carry out this section, the Sec-
25	retary shall make Back to Work Child Care grants to

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States, Indian tribes, and tribal organizations, that submit 1 2 notices of intent to provide assurances under subsection 3 (d)(2). The grants shall provide for subgrants to qualified 4 child care providers, for a transition period of not more 5 than 9 months to assist in paying for fixed costs and in-6 creased operating expenses due to COVID-19, and to re-7 enroll children in an environment that supports the health 8 and safety of children and staff.

9 (d) PROCESS FOR ALLOCATION OF FUNDS.—

(1) ALLOCATION.—Any funds that are appropriated to carry out this section shall be distributed
by the Secretary to the Administration for Children
and Families for distribution under the Child Care
and Development Block Grant Act of 1990 (42
U.S.C. 9857 et seq.) in accordance with subsection
(e)(2) of this Act.

17 (2) NOTICE.—Not later than 7 days after funds 18 are appropriated to carry out this section, the Sec-19 retary shall provide to States, Indian tribes, and 20 tribal organizations a notice of funding availability, 21 for Back to Work Child Care grants under sub-22 section (c) from allotments and payments under sub-23 section (e)(2). The Secretary shall issue a notice of 24 the funding allocations for each State, Indian tribe,

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and tribal organization not later than 14 days after funds are appropriated to carry out this section.

3 (3) NOTICE OF INTENT.—Not later than 14 days after issuance of a notice of funding allocations 4 5 under paragraph (1), a State, Indian tribe, or tribal 6 organization that seeks such a grant shall submit to 7 the Secretary a notice of intent to provide assur-8 ances for such grant. The notice of intent shall in-9 clude a certification that the State, Indian tribe, or 10 tribal organization will repay the grant funds if such 11 State, Indian tribe, or tribal organization fails to 12 provide assurances that meet the requirements of 13 subsection (f) or to comply with such an assurance.

(4) GRANTS TO LEAD AGENCIES.—The Secretary may make grants under subsection (c) to the
lead agency of each State, Indian tribe, or tribal organization, upon receipt of the notice of intent to
provide assurances for such grant.

19 (5) PROVISION OF ASSURANCES.—Not later
20 than 15 days after receiving the grant, the State, In21 dian tribe, or tribal organization shall provide assur22 ances that meet the requirements of subsection (f).
23 (e) FEDERAL RESERVATION; ALLOTMENTS AND PAY24 MENTS.—

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1 (1) RESERVATION.—The Secretary shall reserve 2 not more than 1 percent of the amount appropriated 3 to carry out this section to pay for the costs of the 4 Federal administration of this section. The amount 5 appropriated to carry out this section and reserved 6 under this paragraph shall remain available through 7 fiscal year 2021.

8 (2) Allotments and payments.—The Sec-9 retary shall use the remaining portion of such 10 amount to make allotments and payments, to States, 11 Indian tribes, and tribal organizations that submit 12 such a notice of intent to provide assurances, in ac-13 cordance with paragraphs (1) and (2) of subsection 14 (a), and subsection (b), of section 6580 of the Child 15 Care and Development Block Grant Act of 1990 (42) 16 U.S.C. 9858m), for the grants described in sub-17 section (c).

(f) ASSURANCES.—A State, Indian tribe, or tribal organization that receives a grant under subsection (c) shall
provide to the Secretary assurances that the lead agency
will—

(1) require as a condition of subgrant funding
under subsection (g) that each eligible child care
provider applying for a subgrant from the lead agency—

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1	(A) has been an eligible child care provider
2	in continuous operation and serving children
3	through a child care program immediately prior
4	to March 1, 2020;
5	(B) agree to follow all applicable State,
6	local, and tribal health and safety requirements
7	and, if applicable, enhanced protocols for child
8	care services and related to COVID-19 or an-
9	other health or safety condition;
10	(C) agree to comply with the documenta-
11	tion and reporting requirements under sub-
12	section (h); and
13	(D) certify in good faith that the child care
14	program of the provider will remain open for
15	not less than 1 year after receiving such a
16	subgrant, unless such program is closed due to
17	extraordinary circumstances, including a state
18	of emergency declared by the Governor or a
19	major disaster or emergency declared by the
20	President under section 401 or 501, respec-
21	tively, of the Robert T. Stafford Disaster Relief
22	and Emergency Assistance Act (42 U.S.C.
23	5170, 5191);
24	(2) ensure eligible child care providers in urban,

suburban, and rural areas can readily apply for and

access funding under this section, which shall in clude the provision of technical assistance either di rectly or through resource and referral agencies or
 staffed family child care provider networks;

5 (3) ensure that subgrant funds are made avail-6 able to eligible child care providers regardless of 7 whether the eligible child care provider is providing 8 services for which assistance is made available under 9 the Child Care and Development Block Grant Act of 10 1990 (42 U.S.C. 9857 et seq.) at the time of appli-11 cation for a subgrant;

(4) through at least December 31, 2020, continue to expend funds provided under the Child Care
and Development Block Grant Act of 1990 (42)
U.S.C. 9857 et seq.) for the purpose of continuing
payments and assistance to qualified child care providers on the basis of applicable reimbursements
prior to March 2020;

(5) undertake a review of burdensome State,
local, and tribal regulations and requirements that
hinder the opening of new licensed child care programs to meet the needs of the working families in
the State or tribal community, as applicable;

1	(6) make available to the public, which shall in-
2	clude, at a minimum, posting to an internet website
3	of the lead agency—
4	(A) notice of funding availability through
5	subgrants for qualified child care providers
6	under this section; and
7	(B) the criteria for awarding subgrants for
8	qualified child care providers, including the
9	methodology the lead agency used to determine
10	and disburse funds in accordance with subpara-
11	graphs (D) and (E) of subsection $(g)(4)$ ; and
12	(7) ensure the maintenance of a delivery system
13	of child care services throughout the State that pro-
14	vides for child care in a variety of settings, including
15	the settings of family child care providers.
16	(g) LEAD AGENCY USE OF FUNDS.—
17	(1) IN GENERAL.—A lead agency that receives
18	a Back to Work Child Care grant under this sec-
19	tion—
20	(A) shall use a portion that is not less
21	than 94 percent of the grant funds to award
22	subgrants to qualified child care providers as
23	described in the lead agency's assurances pur-
24	suant to subsection (f);

1	(B) shall reserve not more than 6 percent
2	of the funds to—
3	(i) use not less than 1 percent of the
4	funds to provide technical assistance and
5	support in applying for and accessing
6	funding through such subgrants to eligible
7	child care providers, including to rural pro-
8	viders, family child care providers, and
9	providers with limited administrative ca-
10	pacity; and
11	(ii) use the remainder of the reserved
12	funds to—
13	(I) administer subgrants to quali-
14	fied child care providers under para-
15	graph (4), which shall include moni-
16	toring the compliance of qualified
17	child care providers with applicable
18	State, local, and tribal health and
19	safety requirements; and
20	(II) comply with the reporting
21	and documentation requirements de-
22	scribed in subsection (h); and
23	(C)(i) shall not make more than 1
24	subgrant under paragraph (4) to a child care

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1	(ii) may make multiple subgrants to a
2	qualified child care provider, if the lead agency
3	makes each subgrant individually for 1 child
4	care program operated by the provider and the
5	funds from the multiple subgrants are not
6	pooled for use for more than 1 of the programs.
7	(2) ROLE OF THIRD PARTY.—The lead agency
8	may designate a third party, such as a child care re-
9	source and referral agency, to carry out the respon-
10	sibilities of the lead agency, and oversee the activi-
11	ties conducted by qualified child care providers
12	under this subsection.
13	(3) Obligation and return of funds.—
14	(A) Obligation.—
15	(i) IN GENERAL.—The lead agency
16	shall obligate at least 50 percent of the
17	grant funds in the portion described in
18	paragraph $(1)(A)$ for subgrants to quali-
19	fied child care providers by the day that is
20	6 months after the date of enactment of
21	this Act.
22	(ii) WAIVERS.—At the request of a
23	State, Indian tribe, or tribal organization,
24	and for good cause shown, the Secretary
25	may waive the requirement under clause (i)

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1	for the State, Indian tribe, or tribal orga-
2	nization.
3	(B) RETURN OF FUNDS.—Not later than
4	the date that is 12 months after a grant is
5	awarded to a lead agency in accordance with

awarded to a lead agency in accordance with this section, the lead agency shall return to the Secretary any of the grant funds that are not obligated by the lead agency by such date. The Secretary shall return any funds received under this subparagraph to the Treasury of the United States.

12 (4) SUBGRANTS.—

13 (A) IN GENERAL.—A lead agency that re-14 ceives a grant under subsection (c) shall make 15 subgrants to qualified child care providers to 16 assist in paying for fixed costs and increased 17 operating expenses, for a transition period of 18 not more than 9 months, so that parents have 19 a safe place for their children to receive child 20 care as the parents return to the workplace.

21 (B) USE OF FUNDS.—A qualified child
22 care provider may use subgrant funds for—

23 (i) sanitation and other costs associ24 ated with cleaning the facility, including
25 deep cleaning in the case of an outbreak of

COVID-19, of a child care program used
to provide child care services;
(ii) recruiting, retaining, and compen-
sating child care staff, including providing
professional development to the staff re-
lated to child care services and applicable
State, local, and tribal health and safety
requirements and, if applicable, enhanced
protocols for child care services and related
to COVID–19 or another health or safety
condition;
(iii) paying for fixed operating costs
associated with providing child care serv-
ices, including the costs of payroll, the con-
tinuation of existing (as of March 1, 2020)
employee benefits, mortgage or rent, utili-
ties, and insurance;
(iv) acquiring equipment and supplies
(including personal protective equipment)
necessary to provide child care services in
a manner that is safe for children and
staff in accordance with applicable State,
local, and tribal health and safety require-
ments;

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1	(v) replacing materials that are no
2	longer safe to use as a result of the
3	COVID–19 public health emergency;
4	(vi) making facility changes and re-
5	pairs to address enhanced protocols for
6	child care services related to COVID–19 or
7	another health or safety condition, to en-
8	sure children can safely occupy a child care
9	facility;
10	(vii) purchasing or updating equip-
11	ment and supplies to serve children during
12	nontraditional hours;
13	(viii) adapting the child care program
14	or curricula to accommodate children who
15	have not had recent access to a child care
16	setting;
17	(ix) carrying out any other activity re-
18	lated to the child care program of a quali-
19	fied child care provider; and
20	(x) reimbursement of expenses in-
21	curred before the provider received a
22	subgrant under this paragraph, if the use
23	for which the expenses are incurred is de-
24	scribed in any of clauses (i) though (ix)

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1	and is disclosed in the subgrant application
2	for such subgrant.
3	(C) SUBGRANT APPLICATION.—To be
4	qualified to receive a subgrant under this para-
5	graph, an eligible child care provider shall sub-
6	mit an application to the lead agency in such
7	form and containing such information as the
8	lead agency may reasonably require, includ-
9	ing—
10	(i) a budget plan that includes—
11	(I) information describing how
12	the eligible child care provider will use
13	the subgrant funds to pay for fixed
14	costs and increased operating ex-
15	penses, including, as applicable, pay-
16	roll, employee benefits, mortgage or
17	rent, utilities, and insurance, de-
18	scribed in subparagraph (B)(iii);
19	(II) data on current operating
20	capacity, taking into account previous
21	operating capacity for a period of time
22	prior to the COVID–19 public health
23	emergency, and updated group size
24	limits and staff-to-child ratios;

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1	(III) child care enrollment, at-
2	tendance, and revenue projections
3	based on current operating capacity
4	and previous enrollment and revenue
5	for the period described in subclause
6	(II); and
7	(IV) a demonstration of how the
8	subgrant funds will assist in pro-
9	moting the long-term viability of the
10	eligible child care provider and how
11	the eligible child care provider will
12	sustain its operations after the ces-
13	sation of funding under this section;
14	(ii) assurances that the eligible child
15	care provider will—
16	(I) report to the lead agency, be-
17	fore every month for which the
18	subgrant funds are to be received,
19	data on current financial characteris-
20	tics, including revenue, and data on
21	current average enrollment and at-
22	tendance;
23	(II) not artificially suppress rev-
24	enue, enrollment, or attendance for

1	the purposes of receiving subgrant
2	funding;
3	(III) provide the necessary docu-
4	mentation under subsection (h) to the
5	lead agency, including providing docu-
6	mentation of expenditures of subgrant
7	funds; and
8	(IV) implement all applicable
9	State, local, and tribal health and
10	safety requirements and, if applicable,
11	enhanced protocols for child care serv-
12	ices and related to COVID-19 or an-
13	other health or safety condition; and
14	(iii) a certification in good faith that
15	the child care program will remain open
16	for not less than 1 year after receiving a
17	subgrant under this paragraph, unless
18	such program is closed due to extraor-
19	dinary circumstances described in sub-
20	section $(f)(1)(D)$ .
21	(D) SUBGRANT DISBURSEMENT.—In pro-
22	viding funds through a subgrant under this
23	paragraph—
24	(i) the lead agency shall—

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(I) disburse such subgrant funds

2 to a qualified child care provider in 3 installments made not less than once 4 monthly; 5 (II) disburse a subgrant install-6 ment for a month after the qualified 7 child care provider has provided, be-8 fore that month, the enrollment, at-9 tendance, and revenue data required 10 under subparagraph (C)(ii)(I) and, if 11 applicable, current operating capacity 12 data required under subparagraph 13 (C)(i)(II); and 14 (III) make subgrant installments 15 to any qualified child care provider for 16 a period of not more than 9 months; 17 and 18 (ii) the lead agency may, notwith-19 standing subparagraph (E)(i), disburse an 20 initial subgrant installment to a provider 21 in a greater amount than that subpara-22 graph provides for, and adjust the suc-23 ceeding installments, as applicable.

24 (E) SUBGRANT INSTALLMENT AMOUNT.—
25 The lead agency—

1	(i) shall determine the amount of a
2	subgrant installment under this paragraph
3	by basing the amount on—
4	(I)(aa) at a minimum, the fixed
5	costs associated with the provision of
6	child care services by a qualified child
7	care provider; and
8	(bb) at the election of the lead
9	agency, an additional amount deter-
10	mined by the State, for the purposes
11	of assisting qualified child care pro-
12	viders with, as applicable, increased
13	operating costs and lost revenue, asso-
14	ciated with the COVID-19 public
15	health emergency; and
16	(II) any other methodology that
17	the lead agency determines to be ap-
18	propriate, and which is disclosed in
19	reporting submitted by the lead agen-
20	cy under subsection $(f)(6)(B)$ ;
21	(ii) shall ensure that, for any period
22	for which subgrant funds are disbursed
23	under this paragraph, no qualified child
24	care provider receives a subgrant install-
25	ment that when added to current revenue

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1	for that period exceeds the revenue for the
2	corresponding period 1 year prior; and
3	(iii) may factor in decreased operating
4	capacity due to updated group size limits
5	and staff-to-child ratios, in determining
6	subgrant installment amounts.
7	(F) Repayment of subgrant funds.—
8	A qualified child care provider that receives a
9	subgrant under this paragraph shall be required
10	to repay the subgrant funds if the lead agency
11	determines that the provider fails to provide the
12	assurances described in subparagraph
13	(C)(ii)(II), or to comply with such an assur-
14	ance.
15	(5) SUPPLEMENT NOT SUPPLANT.—Amounts
16	made available to carry out this section shall be used
17	to supplement and not supplant other Federal,
18	State, tribal, and local public funds expended to pro-
19	vide child care services, including funds provided
20	under the Child Care and Development Block Grant
21	Act of 1990 (42 U.S.C. 9857 et seq.) and State and
22	tribal child care programs.
23	(h) Documentation and Reporting Require-
24	MENTS.—

1	(1) DOCUMENTATION.—A State, Indian tribe,
2	or tribal organization receiving a grant under sub-
3	section (c) shall provide documentation of any State
4	or tribal expenditures from grant funds received
5	under subsection (c) in accordance with section
6	658K(b) of the Child Care Development Block
7	Grant Act of 1990 (42 U.S.C. 9858i(b)), and to the
8	independent entity described in that section.
9	(2) Reports.—
10	(A) LEAD AGENCY REPORT.—A lead agen-
11	cy receiving a grant under subsection (c) shall,
12	not later than 12 months after receiving such
13	grant, submit a report to the Secretary that in-
14	cludes for the State or tribal community in-
15	volved a description of the program of sub-
16	grants carried out to meet the objectives of this
17	section, including—
18	(i) a description of how the lead agen-
19	cy determined—
20	(I) the criteria for awarding sub-
21	grants for qualified child care pro-
22	viders, including the methodology the
23	lead agency used to determine and
24	disburse funds in accordance with

1	subparagraphs (D) and (E) of sub-
2	section $(g)(4)$ ; and
3	(II) the types of providers that
4	received priority for the subgrants, in-
5	cluding considerations related to—
6	(aa) setting;
7	(bb) average monthly reve-
8	nues, enrollment, and attendance,
9	before and during the COVID–19
10	public health emergency and
11	after the expiration of State,
12	local, and tribal stay-at-home or-
13	ders; and
14	(cc) geographically based
15	child care service needs across
16	the State or tribal community;
17	and
18	(ii) the number of eligible child care
19	providers in operation and serving children
20	on March 1, 2020, and the average num-
21	ber of such providers for March 2020 and
22	each of the 11 months following,
23	disaggregated by age of children served,
24	geography, region, center-based child care
25	setting, and family child care setting;

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1 (iii) the number of child care slots, in 2 the capacity of a qualified child care pro-3 vider given applicable group size limits and 4 staff-to-child ratios, that were open for at-5 tendance of children on March 1, 2020, 6 the average number of such slots for 7 March 2020 and each of 11 months following, disaggregated by age of children 8 9 served, geography, region, center-based 10 child care setting, and family child care 11 setting; 12 (iv)(I) the number of qualified child 13 care providers that received a subgrant 14 under subsection (g)(4), disaggregated by 15 age of children served, geography, region, 16 center-based child care setting, and family 17 child care setting, and the average and

19 awarded; and

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20 (II) the percentage of all eligible child
21 care providers that are qualified child care
22 providers that received such a subgrant,
23 disaggregated as described in subclause
24 (I); and

range of the amounts of the subgrants

1	(v) information concerning how quali-
2	fied child care providers receiving sub-
3	grants under subsection $(g)(4)$ used the
4	subgrant funding received, disaggregated
5	by the allowable uses of funds described in
6	subsection $(g)(4)(B)$ .
7	(B) REPORT TO CONGRESS.—Not later
8	than 90 days after receiving the lead agency re-
9	ports required under subparagraph (A), the
10	Secretary shall make publicly available and pro-
11	vide to the Committee on Health, Education,
12	Labor, and Pensions of the Senate and the
13	Committee on Education and Labor of the
14	House of Representatives a report summarizing
15	the findings of the lead agency reports.
16	(i) AUTHORIZATION OF APPROPRIATIONS.—There
17	are authorized to be appropriated such sums as may be
18	necessary to carry out the activities under this Act.