

106TH CONGRESS  
1ST SESSION

# S. 1539

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

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IN THE SENATE OF THE UNITED STATES

AUGUST 5, 1999

Mr. DODD (for himself and Mr. DEWINE) introduced the following bill; which was read twice and referred to the Committee on Health, Education, Labor, and Pensions

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## A BILL

To provide for the acquisition, construction, and improvement of child care facilities or equipment, 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”.

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

7 (a) DEFINITIONS.—In this section:

1           (1) CHILD CARE FACILITY.—The term “child  
2           care facility” means a center-based or home-based  
3           child care facility.

4           (2) ELIGIBLE INTERMEDIARY.—The term “eli-  
5           gible intermediary” means a private, nonprofit inter-  
6           mediary organization that has demonstrated experi-  
7           ence in—

8                   (A) providing technical or financial assist-  
9                   ance for the construction and renovation of  
10                  physical facilities;

11                  (B) providing technical or financial assist-  
12                  ance to child care providers; and

13                  (C) securing private sources for capital fi-  
14                  nancing of child care or other low-income com-  
15                  munity development.

16           (3) ELIGIBLE RECIPIENT.—The term “eligible  
17           recipient” means—

18                   (A) any existing or new center-based or  
19                   home-based child care provider that provides  
20                   services to eligible children under a program  
21                   carried out under the Child Care and Develop-  
22                   ment Block Grant Act of 1990 (42 U.S.C. 9858  
23                   et seq.), or another program serving low-income  
24                   children as determined by the Secretary; and

1 (B) any organization in the process of es-  
2 tablishing a center-based or home-based child  
3 care program or otherwise seeking to provide  
4 child care services to children described in sub-  
5 paragraph (A).

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

8 (b) GRANT AUTHORITY.—The Secretary may award  
9 grants on a competitive basis in accordance with this sec-  
10 tion to eligible intermediaries to assist the intermediaries  
11 in carrying out the activities described in subsection (e).

12 (c) APPLICATIONS.—To be eligible to receive a grant  
13 under this section an eligible intermediary shall submit to  
14 the Secretary an application, in such form and containing  
15 such information as the Secretary may require.

16 (d) PRIORITY.—In awarding grants under this sec-  
17 tion the Secretary shall give a priority to applicants under  
18 subsection (c) that serve low-income areas or individuals.

19 (e) USE OF FUNDS.—

20 (1) REVOLVING FUND.—Each eligible inter-  
21 mediary that receives a grant under this section  
22 shall deposit the grant amount into a child care re-  
23 volving fund established by the eligible intermediary.

24 (2) PAYMENTS FROM FUND.—Subject to sub-  
25 section (f), from amounts deposited into the revolv-

1       ing fund under paragraph (1), each eligible inter-  
2       mediary shall provide technical and financial assist-  
3       ance (in the form of loans, grants, investments,  
4       guarantees, interest subsidies, and other appropriate  
5       forms of assistance) to eligible recipients to pay for  
6       the Federal share of the cost of the acquisition, con-  
7       struction, or improvement of child care facilities or  
8       equipment, or for the improvement of related man-  
9       agement and business practices, for each such recipi-  
10      ent. Funds may be used solely for the purpose of  
11      providing technical or financial assistance.

12           (3) LOAN REPAYMENTS AND INVESTMENT PRO-  
13      CEEDS.—Any amount received by an eligible inter-  
14      mediary from an eligible recipient in the form of a  
15      loan repayment or investment proceeds shall be de-  
16      posited into the child care revolving fund of the eligi-  
17      ble intermediary for redistribution to other eligible  
18      recipients in accordance with this section.

19      (f) FEDERAL SHARE.—

20           (1) IN GENERAL.—The Federal share of the  
21      cost described in subsection (e)(2) shall be not more  
22      than 50 percent.

23           (2) NON-FEDERAL SHARE.—The non-Federal  
24      share of the cost may be provided in cash or in kind,

1       fairly evaluated, including plant, equipment, or serv-  
2       ices.

3       (g) AUTHORIZATION OF APPROPRIATIONS.—There is  
4       authorized to be appropriated to carry out this section  
5       \$50,000,000 for each of fiscal years 2000 through 2004.

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