106TH CONGRESS, 1st Session | HOUSE OF REPRESENTATIVES | REPORT 106–169

CHILD CARE SERVICES FOR FEDERAL EMPLOYEES

JUNE 7, 1999.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. BURTON of Indiana, from the Committee on Government Reform, submitted the following

REPORT

[To accompany H.R. 206]

[Including cost estimate of the Congressional Budget Office]

The Committee on Government Reform, to whom was referred the bill (H.R. 206) to provide for greater access to child care services for Federal employees, having considered the same, report favorably thereon without amendment and recommend that the bill do pass.

CONTENTS

		Page
I.	Summary of Legislation	1
II.	Background and Need for the Legislation	2
III.	Legislative Hearings and Committee Actions	2
IV.	Committee Hearings and Written Testimony	3
V.	Explanation of the Bill	3
VI.	Compliance With Rule XIII	3
VII.	Budget Analysis and Projections	3
VIII.	Cost Estimate of the Congressional Budget Office	3
IX.	Specific Constitutional Authority for this Legislation	4
X.	Committee Recommendation	4
XI.	Congressional Accountability Act; Public Law 104–1	5
XII.	Unfunded Mandates Reform Act; Public Law 104–4, Sect. 423	5
XIII.	Federal Advisory Committee Act (5 U.S.C. App.) Section 5(b)	5

I. SHORT SUMMARY OF LEGISLATION

This legislation would authorize Federal agencies to use funds appropriated for Federal employees' salaries and expenses to help

69–006

make child care at Federal facilities more affordable for lower-income Federal employees.

II. BACKGROUND AND NEED FOR THE LEGISLATION

Many agencies offer child care centers which are located at or near the worksite and provide group care. The Federal Government leads the nation in the number of employer-sponsored child care centers. There are about 850 such centers for Department of Defense (DoD) military and civilian employees and more than 230 centers for non-DoD employees. This compares to about 1,400 total centers sponsored by all private employees. Even with all these centers, many employees—in both the private and Federal sectors—continue to find child care inaccessible both because of the long waiting lists at many centers and because the costs exceed their means.

The Military Child Care Act of 1989 authorized DoD to use set amounts of appropriated funds to fund all aspects of child care centers for DoD military and civilian families. DoD agencies can subsidize child care centers and child care homes. The use of appropriated funds by other agencies to subsidize child care is severely restricted by law.

These other agencies also need the same flexibility that private enterprises and DoD have to address the particular needs of their workforces. H.R. 206 therefore permits Federal agencies to use appropriated funds available for the payment of salaries to provide child care services for the civilian employees of the agency in a Federal or leased facility or through contract. These payments may be applied to any expenses incurred by the providers. Appropriated funds provided to facilities or contractors must be used to make child care more affordable for lower income employees. This legislation would remove all limitations on the use of appropriated funds related to the allowable costs of child care centers.

III. LEGISLATIVE HEARINGS AND COMMITTEE ACTIONS

The Committee held no legislative hearings on H.R. 206. Rep. Constance A. Morella introduced H.R. 206 on January 6, 1999. The bill was referred to the Committee on Government Reform. On January 20, 1999, the bill was referred to the Subcommittee on Civil Service. On May 13, 1999, the Subcommittee on Civil Service considered the bill, and forwarded it to the Committee on Government Reform by voice vote. On May 19, 1999, the Committee on Government Reform considered the bill. Mr. Sanford offered an amendment to define the term "lower income," which is not defined in the bill. Under the Sanford amendment, "lower income" would mean the "Lower Living Standard Income Level," as determined by the Secretary of Labor in accordance with section 101(24) of P.L. 105–220, The Workforce Investment Act of 1998. The amendment also provided that only permanent full-time employees could receive the subsidy authorized by this bill. The amendment failed by a roll call vote. The Committee on Government Reform approved H.R. 206 by voice vote and ordered the bill to be reported to the House.

IV. COMMITTEE HEARINGS AND WRITTEN TESTIMONY

The Committee did not hold any hearings related to this legislation.

V. EXPLANATION OF THE BILL AS REPORTED: SECTION-BY-SECTION

SECTION 1. CHILD CARE SERVICES FOR FEDERAL EMPLOYEES

Section 1(a) provides that any executive agency may use appropriated funds that would otherwise be available for salaries to provide child care for its civilian employees, either in a Federal or leased facility or through contract.

Section 1(b) provides that such funds must be used to improve the affordability of child care for lower income employees.

Section 1(c) requires the Office of Personnel Management to issue implementing regulations for this section within 180 days of enactment.

Section 1(d) provides that, for purposes of this section, "executive agency" has the meaning provided in section 105 of title 5 of the U.S. Code, but does not include the General Accounting Office.

VI. COMPLIANCE WITH RULE XIII

Pursuant to rule XIII, clause 3(c)(1) of the Rules of the House of Representatives, under the authority of rule X, clause 2(b)(1) and clause 3(e), the results and findings from Committee oversight activities are incorporated in this report.

VII. BUDGET ANALYSIS AND PROJECTIONS

H.R. 206 provides for no new authorization, budget authority, or tax expenditures. Consequently, the provisions of section 308(a) of the Congressional Budget Act are not applicable.

VIII. COST ESTIMATE OF THE CONGRESSIONAL BUDGET OFFICE

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, May 24, 1999.

Hon. DAN BURTON,
Chairman, Committee on Government Reform,
House of Representatives, Washington, DC.

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 206, a bill to provide for greater access to child care services for federal employees.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contact is John R. Righter.

Sincerely,

DAN L. CRIPPEN.

H.R. 206.—A bill to provide for greater access to child care services for federal employees. As ordered reported by the House Committee on Government Reform on May 19, 1999

Under current law, agencies can provide space, utilities, furnishings, and equipment free of charge to providers of child care, but with the exception of the Department of Defense (DoD), they

cannot pay any of the costs to operate the centers, such as salaries of the centers' employees. Providers recover these costs through fees. H.R. 206 would allow federal agencies to use appropriated funds to pay a portion of the providers' operating costs, provided that such payments reduce the fees charged to lower-income federal employees.

Based on data from the General Services Administration (GSA), CBO estimates that civilian employees currently pay around $60 million a year in fees to providers who operate centers in federal facilities, with such fees growing to around $90 million by fiscal year 2004 as a result of additional centers and higher fees. DoD subsidizes approximately one-half of the cost of the care provided in its facilities. Although considerable uncertainty exists as to how civilian agencies would use this authority, based on information provided by GSA and the Office of Personnel Management (OPM), CBO expects that other agencies would subsidize no more than 25 percent of their employees' fees. Thus, CBO estimates that H.R. 206 would increase annual costs by less than $10 million in fiscal year 2000 and by less than $25 million in each of fiscal years 2001 through 2004, subject to the availability of appropriated funds. The estimated cost for fiscal year 2000 is lower because the bill would allow OPM six months to develop and publish regulations.

Because the bill would not affect direct spending or receipts, pay-as-you-go procedures would not apply. H.R. 206 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would not have any significant effects on the budgets of state, local, or tribal governments.

The CBO staff contact is John R. Righter. This estimate was approved by Paul N. Van de Water, Assistant Director for Budget Analysis.

IX. SPECIFIC CONSTITUTIONAL AUTHORITY FOR THIS LEGISLATION

Clauses 1 and 18 of Article I, Sec. 8 of the Constitution grant Congress the power to enact this law.

X. COMMITTEE RECOMMENDATION

On May 19, 1999, a quorum being present, the Committee on Government Reform ordered the bill favorably reported.

COMMITTEE ON GOVERNMENT REFORM—106TH CONGRESS RECORD VOTE

Date: May 19, 1999

Amendment No. 1.

Summary: An amendment defining "lower income" in accordance with the "Lower Living Standard Income Level" set out annually by the Secretary of Labor, and specifying that only full-time permanent employees are eligible for the child care subsidy.

Offered by: Hon. Marshall "Mark" Sanford.

Failed by Record Vote, 10 Ayes to 21 Nays.

Vote by Members: Mr. Burton—Aye; Mr. Gilman—Not voting; Mrs. Morella—Nay; Mr. Shays—Nay; Ms. Ros-Lehtinen—Not voting; Mr. McHugh—Nay; Mr. Horn—Not voting; Mr. Mica—Nay; Mr. Davis of Virginia—Nay; Mr. McIntosh—Not voting; Mr.

Souder—Aye; Mr. Scarborough—Aye; Mr. LaTourette—Nay; Mr. Sanford—Aye; Mr. Barr—Not voting; Mr. Miller—Aye; Mr. Hutchinson—Aye; Mr. Terry—Aye; Mrs. Biggert—Nay; Mr. Walden—Aye; Mr. Ose—Aye; Mr. Ryan—Not voting; Mr. Doolittle—Aye; Mrs. Chenoweth—Not voting; Mr. Waxman—Nay; Mr. Lantos—Nay; Mr. Wise—Nay; Mr. Owens—Not voting; Mr. Towns—Nay; Mr. Kanjorski—Not voting; Mrs. Mink—Nay; Mr. Sanders—Not voting; Mrs. Maloney—Nay; Ms. Norton—Nay; Mr. Fattah—Nay; Mr. Cummings—Nay; Mr. Kucinich—Not voting; Mr. Blagojevich—Nay; Mr. Davis of Illinois—Nay; Mr. Tierney—Nay; Mr. Turner—Nay; Mr. Allen—Not voting; Mr. Ford—Nay; Ms. Schakowsky—Not voting.

Final Passage of H.R. 206. Offered by: Hon. Constance A. Morella. Adopted by voice vote.

XI. CONGRESSIONAL ACCOUNTABILITY ACT; PUBLIC LAW 104–1; SECTION 102(b)(3)

H.R. 206 does not apply to the legislative branch.

XII. UNFUNDED MANDATES REFORM ACT; PUBLIC LAW 104–4; SECTION 423

H.R. 206 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act (UMRA) and would not have any significant effects on the budgets of state, local, or tribal governments.

XIII. FEDERAL ADVISORY COMMITTEE ACT (5 U.S.C. APP.) SECTION 5(b)

The Committee finds that H.R. 206 does not establish or authorize establishment of an advisory committee within the definition of 5 U.S.C. App., Section 5(b).

○