

CHILD CARE IS ECONOMIC DEVELOPMENT ACT OF 2020

NOVEMBER 16, 2020.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed

Mr. DEFAZIO, from the Committee on Transportation and Infrastructure, submitted the following

R E P O R T

[To accompany H.R. 8326]

The Committee on Transportation and Infrastructure, to whom was referred the bill (H.R. 8326) to amend the Public Works and Economic Development Act of 1965 to require eligible recipients of certain grants to develop a comprehensive economic development strategy that directly or indirectly increases the accessibility of affordable, quality child care, and for other purposes, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

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PURPOSE OF LEGISLATION

The purpose of H.R. 8326 is to amend the Public Works and Economic Development Act of 1965 (PWEDA) to require eligible recipients of certain grants to develop a comprehensive economic development strategy that directly or indirectly increases the accessibility of affordable, quality childcare, and for other purposes.

BACKGROUND AND NEED FOR LEGISLATION

Limited access to affordable childcare can be an inhibitor of local communities' ability to recruit new talent and expand their workforce.¹ As many as half of all Americans live in child care deserts, meaning there is an inadequate supply of affordable childcare located nearby.² Communities are required under PWEDA to consider a number of factors in developing their Comprehensive Economic Development Strategies (CEDs), including access to transportation, job training, and the environment. PWEDA does not currently require, however, that CEDs consider the accessibility and affordability of quality childcare.

HEARINGS

For the purposes of section 103(i) of H. Res. 6 of the 116th Congress, the following hearing was used to develop or consider H.R. 8326:

On April 9, 2019, the Subcommittee on Economic Development, Public Buildings, and Emergency Management held a hearing entitled, "Building Prosperity: EDA's Role in Economic Development and Recovery." The purpose of the hearing was to consider issues and areas that could be addressed by reauthorization or changes to the Public Works and Economic Development Act. Witnesses included Hon. John Fleming, Assistant Secretary of Commerce for Economic Development, U.S. Department of Commerce; Mr. Kevin R. Byrd, Executive Director, New River Valley Regional Commission (Commonwealth of Virginia), *testifying on behalf of National Association of Development Organizations*; Hon. John Messner, Vice-Chairperson, District 1 Commissioner, Gunnison County, Colorado Board of Commissioners, *testifying on behalf of National Association of Counties*; Mr. Rodrick T. Miller, Chief Executive Officer, Invest Puerto Rico, *testifying on behalf of International Economic Development Council*; and Mr. Mark Muro, Policy Director and Senior Fellow, Metropolitan Policy Program, Brookings Institution.

LEGISLATIVE HISTORY AND CONSIDERATION

H.R. 8326 was introduced in the House on September 21, 2020, by Ms. Finkenauer and Mr. Hagedorn and referred to the Committee on Transportation and Infrastructure and the Committee on Financial Services. Within the Committee, H.R. 8326 was referred to the Subcommittee on Economic Development, Public Buildings, and Emergency Management.

¹"Child Care in State Economies: 2019 Update," Committee for Economic Development: 2019.

²"America's Child Care Deserts in 2018," Center for American Progress: December 2018.

On September 30, 2020, the Subcommittee on Economic Development, Public Buildings, and Emergency Management was discharged from further consideration of H.R. 8326.

The Committee met in open session to consider H.R. 8326 on September 30, 2020, and ordered the measure to be reported to the House with a favorable recommendation, without amendment, by voice vote.

COMMITTEE VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires each committee report to include the total number of votes cast for and against on each record vote on a motion to report and on any amendment offered to the measure or matter, and the names of those members voting for and against.

There were no recorded votes taken in connection with consideration of H.R. 8326.

COMMITTEE OVERSIGHT FINDINGS

With respect to the requirements of clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee's oversight findings and recommendations are reflected in this report.

NEW BUDGET AUTHORITY AND TAX EXPENDITURES

With respect to the requirements of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974 and with respect to requirements of clause (3)(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has requested but not received a cost estimate for this bill from the Director of Congressional Budget Office. The Committee has requested but not received from the Director of the Congressional Budget Office a statement as to whether this bill contains any new budget authority, spending authority, credit authority, or an increase or decrease in revenues or tax expenditures. The Chairman of the Committee shall cause such estimate and statement to be printed in the *Congressional Record* upon its receipt by the Committee.

CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

With respect to the requirement of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives, a cost estimate provided by the Congressional Budget Office pursuant to section 402 of the Congressional Budget Act of 1974 was not made available to the Committee in time for the filing of this report. The Chairman of the Committee shall cause such estimate to be printed in the *Congressional Record* upon its receipt by the Committee.

PERFORMANCE GOALS AND OBJECTIVES

With respect to the requirement of clause 3(c)(4) of rule XIII of the Rules of the House of Representatives, the performance goal and objective of this legislation is to encourage better consideration of strategies to increase access and affordability of childcare in economic development plans.

DUPLICATION OF FEDERAL PROGRAMS

Pursuant to clause 3(c)(5) of rule XIII of the Rules of the House of Representatives, the Committee finds that no provision of H.R. 8326 establishes or reauthorizes a program of the federal government known to be duplicative of another federal program, a program that was included in any report from the Government Accountability Office to Congress pursuant to section 21 of Public Law 111–139, or a program related to a program identified in the most recent Catalog of Federal Domestic Assistance.

CONGRESSIONAL EARMARKS, LIMITED TAX BENEFITS, AND LIMITED TARIFF BENEFITS

In compliance with clause 9 of rule XXI of the Rules of the House of Representatives, this bill, as reported, contains no congressional earmarks, limited tax benefits, or limited tariff benefits as defined in clause 9(e), 9(f), or 9(g) of the rule XXI.

FEDERAL MANDATES STATEMENT

An estimate of federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act was not made available to the Committee in time for the filing of this report. The Chairman of the Committee shall cause such estimate to be printed in the *Congressional Record* upon its receipt by the Committee.

PREEMPTION CLARIFICATION

Section 423 of the Congressional Budget Act of 1974 requires the report of any Committee on a bill or joint resolution to include a statement on the extent to which the bill or joint resolution is intended to preempt state, local, or tribal law. The Committee finds that H.R. 8326 does not preempt any state, local, or tribal law.

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

APPLICABILITY TO LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (Public Law 104–1).

SECTION-BY-SECTION ANALYSIS OF THE LEGISLATION

Section 1. Short title

This section provides that this bill may be cited as the “Child Care is Economic Development Act of 2020” or the “CED Act”.

Sec. 2. Comprehensive Economic Development Strategies

This section adds to the list of strategies that should be considered in a CEDS a strategy to increase the affordability and availability of childcare. The section also directs the Secretary of Com-

merce in implementing the legislation to consult with the Secretary of Health and Human services in issuing guidance.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, and existing law in which no change is proposed is shown in roman):

**PUBLIC WORKS AND ECONOMIC DEVELOPMENT ACT OF
1965**

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**TITLE III—ELIGIBILITY; COMPREHENSIVE
ECONOMIC DEVELOPMENT
STRATEGIES**

* * * * *

SEC. 302. COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGIES.

(a) **IN GENERAL.**—The Secretary may provide assistance under section 201 or 209 (except for planning assistance under section 209) to an eligible recipient for a project only if the eligible recipient submits to the Secretary, as part of an application for the assistance—

(1) an identification of the economic development problems to be addressed using the assistance;

(2) an identification of the past, present, and projected future economic development investments in the area receiving the assistance and public and private participants and sources of funding for the investments; and

(3)(A) a comprehensive economic development strategy for addressing the economic problems identified under paragraph (1) in a manner that promotes economic development and opportunity, fosters effective transportation access, maximizes effective development and use of the workforce consistent with any applicable State or local workforce investment strategy, promotes the use of technology in economic development (including access to high-speed telecommunications), enhances and protects the environment, **[and]** balances resources through sound management of development, *and directly or indirectly increases the accessibility of affordable, quality child care*; and

(B) a description of how the strategy will solve the problems.

(b) **APPROVAL OF COMPREHENSIVE ECONOMIC DEVELOPMENT STRATEGY.**—The Secretary shall approve a comprehensive economic development strategy that meets the requirements of subsection (a) to the satisfaction of the Secretary.

(c) **APPROVAL OF OTHER PLAN.**—

(1) IN GENERAL.—The Secretary may accept as a comprehensive economic development strategy a satisfactory plan developed under another federally supported program.

(2) EXISTING STRATEGY.—To the maximum extent practicable, a plan submitted under this paragraph shall be consistent and coordinated with any existing comprehensive economic development strategy for the area.

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COMMITTEE CORRESPONDENCE

MAXINE WATERS, CA
CHAIRWOMAN**United States House of Representatives**
Committee on Financial Services
2129 Rayburn House Office Building
Washington, D.C. 20515PATRICK MCHENRY, NC
RANKING MEMBER

November 13, 2020

The Honorable Peter A. Defazio
Chairman
House Committee on Transportation and Infrastructure
2165 Rayburn House Office Building
Washington, DC 20515

Dear Mr. Chairman:

I am writing concerning H.R.8326, the "Child Care is Economic Development Act of 2020." In order to permit H.R. 8326 to proceed expeditiously to the House Floor, I agree to forgo formal consideration of the bill.

The Committee on Financial Services takes this action to forego formal consideration of H.R. 8326 with our mutual understanding that, by foregoing formal consideration of H.R. 8326, we do not waive any jurisdiction over the subject matter contained in this or similar legislation, and that our Committee will be appropriately consulted and involved as this or similar legislation moves forward with regard to any matters in the Committee's jurisdiction. I appreciate your commitment to work with the Committee to address any outstanding issues as the bill is considered in the Senate. The Committee also reserves the right to seek appointment of an appropriate number of conferees to any House-Senate conference involving this or similar legislation that involves the Committee's jurisdiction and request your support for any such request.

Finally, I would appreciate your response to this letter confirming this understanding, and I would ask that a copy of our exchange of letters on this matter be included in the *Congressional Record* during Floor consideration of H.R. 8326.

Sincerely,

MAXINE WATERS
Chairwoman

Cc: The Honorable Patrick McHenry, Ranking Member



Committee on Transportation and Infrastructure
U.S. House of Representatives
Washington DC 20515

Peter A. DeFazio
Chairman
Katherine W. Dedrick
Staff Director

Sam Graves
Ranking Member
Paul J. Sass
Republican Staff Director

November 13, 2020

The Honorable Maxine Waters
Chairwoman, Committee on Financial Services
U.S. House of Representatives
2129 Rayburn House Office Building
Washington, DC 20515

Dear Chairwoman Waters,

Thank you for your letter regarding *H.R. 8326, the Childcare is Economic Development Act of 2020*. I appreciate your decision to waive formal consideration of the bill.

I agree that the Committee on Financial Services has valid jurisdictional claims to certain provisions in this important legislation, and I further agree that by forgoing formal consideration of the bill, the Committee on Financial Services is not waiving any jurisdiction over any relevant subject matter. Additionally, I will support the appointment of conferees from the Committee on Financial Services should a House-Senate conference be convened on this legislation. Finally, this exchange of letters will be included in the *Congressional Record* when the bill is considered on the floor.

Thank you again, and I look forward to continuing to work collaboratively with the Committee on Financial Services on this important issue.

Sincerely,

A handwritten signature in black ink, appearing to read "Peter A. DeFazio".

Peter A. DeFazio
Chair

cc: The Honorable Sam Graves
The Honorable Patrick McHenry
Mr. Jason Smith, Parliamentarian