

105TH CONGRESS
2D SESSION

H. R. 4102

To establish an early childhood education services referral hotline; to amend the Child Care and Development Block Grant Act of 1990 to authorize additional appropriations and to authorize activities to improve the quality of child care services; to amend the Internal Revenue Code of 1986 to provide credit for employer expenses in providing certain dependent care services, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 22, 1998

Mr. SCHUMER introduced the following bill; which was referred to the Committee on Education and the Workforce, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To establish an early childhood education services referral hotline; to amend the Child Care and Development Block Grant Act of 1990 to authorize additional appropriations and to authorize activities to improve the quality of child care services; to amend the Internal Revenue Code of 1986 to provide credit for employer expenses in providing certain dependent care services, 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,*

1 **SECTION 1. SHORT TITLE.**

2 This Act may be cited as the “Child Care for Work-
3 ing Parents Act of 1998”.

4 **SEC. 2. EARLY CHILDHOOD EDUCATION SERVICES REFER-**
5 **RAL HOTLINE.**

6 (a) IN GENERAL.—The Secretary of Health and
7 Human Services may make a grant to a private, nonprofit
8 entity to provide for the operation of a national, toll-free
9 telephone hotline to provide information and assistance to
10 families seeking quality early childhood education services.

11 (b) DURATION.—A grant under this section may ex-
12 tend over a period of not more than 5 years.

13 (c) ANNUAL APPROVAL.—The provision of payments
14 under a grant made under this section shall be subject
15 to annual approval by the Secretary and subject to the
16 availability of appropriations for each fiscal year to make
17 the payments.

18 (d) ACTIVITIES.—Funds received by an entity under
19 this section shall be used to establish and operate a na-
20 tional, toll-free telephone hotline to provide information
21 and assistance to families seeking quality early childhood
22 education services. In establishing and operating the hot-
23 line, a private, nonprofit entity shall—

24 (1) contract with a carrier for the use of a toll-
25 free telephone line;

1 (2) employ, train, and supervise personnel to
2 answer incoming calls and provide to callers infor-
3 mation about and referral to quality early childhood
4 education facilities and local referral agencies;

5 (3) assemble and maintain a current database
6 of information relating to the availability of local
7 quality early childhood education services; and

8 (4) publicize the hotline to potential users
9 throughout the United States.

10 (e) APPLICATION.—A grant may not be made under
11 this section unless an application for such grant has been
12 approved by the Secretary. To be approved by the Sec-
13 retary under this subsection an application shall—

14 (1) contain such agreements, assurances, and
15 information, be in such form and be submitted in
16 such manner as the Secretary shall require by rule;

17 (2) include a complete description of the appli-
18 cant’s plan for the operation of a national early
19 childhood education services referral hotline, includ-
20 ing descriptions of—

21 (A) training program for hotline personnel;

22 (B) the methodology for ensuring the accu-
23 racy of information provided to callers; and

24 (C) a plan for publicizing the availability of
25 the hotline;

1 (3) demonstrate that the applicant has nation-
 2 ally recognized expertise in the area of early child-
 3 hood education, including a demonstration of sup-
 4 port from children’s advocacy groups; and

5 (4) contain such other information as the Sec-
 6 retary may require.

7 (f) AUTHORIZATION OF APPROPRIATIONS.—

8 (1) IN GENERAL.—There are authorized to be
 9 appropriated to carry out this section—

10 (A) \$1,000,000 for fiscal year 1999;

11 (B) \$400,000 for fiscal year 2000;

12 (C) \$400,000 for fiscal year 2001;

13 (D) \$400,000 for fiscal year 2002;

14 (E) \$400,000 for fiscal year 2003; and

15 (F) \$400,000 for fiscal year 2004.

16 (2) AVAILABILITY.—Funds authorized to be ap-
 17 propriated under paragraph (1) shall remain avail-
 18 able until expended.

19 **SEC. 3. AMENDMENTS TO THE CHILD CARE AND DEVELOP-**
 20 **MENT BLOCK GRANT ACT OF 1990.**

21 (a) AUTHORIZATION OF APPROPRIATIONS FOR FIS-
 22 CAL YEARS 1999 THROUGH 2002.—Section 658B of the
 23 Child Care and Development Block Grant Act of 1990 (42
 24 U.S.C. 9858) is amended by inserting “1998 and

1 \$8,500,000,000 for each of the fiscal years 1999 through”
 2 after “through”.

3 (b) **TIMELY PAYMENT OF FUNDS FOR CHILD CARE**
 4 **SERVICES.**—Section 658E(c) of the Child Care and Devel-
 5 opment Block Grant Act of 1990 (42 U.S.C. 9858c(e))
 6 is amended by adding at the end the following:

7 “(6) **TIMELY PAYMENT OF ASSISTANCE FOR**
 8 **CHILD CARE SERVICES.**—The State plan shall pro-
 9 vide an assurance, and a detailed description of the
 10 methods that the State will use to ensure, that
 11 amounts provided under this subchapter for child
 12 care services will be paid to participating child care
 13 providers timely, as determined by the Secretary.”.

14 (c) **CHILD CARE QUALITY IMPROVEMENT.**—Section
 15 658G of the Child Care and Development Block Grant Act
 16 of 1990 (42 U.S.C. 9858e) is amended to read as follows:
 17 **“SEC. 658G. ACTIVITIES TO IMPROVE THE QUALITY OF**
 18 **CHILD CARE.**

19 “A State that receives financial assistance under this
 20 subchapter shall use not less than 4 percent of such assist-
 21 ance for one or more of the following:

22 “(1) **RESOURCE AND REFERRAL PROGRAMS.**—
 23 Operating directly or providing financial assistance
 24 to private nonprofit organizations or public organiza-
 25 tions (including units of general purpose local gov-

1 ernment) for the development, establishment, expansion,
2 sion, operation, and coordination of resource and referral
3 programs specifically related to child care.

4 “(2) GRANTS OR LOANS TO ASSIST IN MEETING
5 STATE AND LOCAL STANDARDS.—Making grants or
6 providing loans to child care providers to assist such
7 providers in meeting applicable State and local child
8 care standards.

9 “(3) MONITORING OF COMPLIANCE WITH LICENSING
10 AND REGULATORY REQUIREMENTS.—Improving the monitoring of
11 compliance with, and enforcement of, State and local licensing
12 and regulatory requirements (including registration requirements).
13 ments).

14 “(4) TRAINING.—Providing training and technical
15 assistance in areas appropriate to the provision
16 of child care services, such as training in health and
17 safety, nutrition, first aid, the recognition of communicable
18 diseases, child abuse detection and prevention, and the care of
19 children with special needs.

20 “(5) COMPENSATION.—Improving salaries and
21 other compensation paid to full- and part-time staff
22 who provide child care services for which assistance
23 is provided under this subchapter. ”.

1 (d) APPLICATION OF AMENDMENTS.—The amend-
2 ments made by this section shall not apply with respect
3 to any fiscal year beginning before the date of the enact-
4 ment of this Act.

5 **SEC. 4. CREDIT FOR EMPLOYER EXPENSES IN PROVIDING**
6 **CERTAIN DEPENDENT CARE SERVICES.**

7 (a) GENERAL RULE.—Subpart D of part IV of sub-
8 chapter A of chapter 1 of the Internal Revenue Code of
9 1986 is amended by adding at the end the following new
10 section:

11 **“SEC. 45D. EMPLOYER EXPENSES IN PROVIDING DEPEND-**
12 **ENT CARE SERVICES.**

13 “(a) GENERAL RULE.—For purposes of section 38,
14 the employer day care center credit determined under this
15 section for the taxable year is the amount determined
16 under subsection (b) with respect to each qualified day
17 care center of the taxpayer.

18 “(b) CREDIT PER FACILITY.—For purposes of this
19 section—

20 “(1) IN GENERAL.—The amount determined
21 under this subsection for any taxable year with re-
22 spect to any qualified day care facility of the tax-
23 payer is 50 percent of the excess (if any) of—

24 “(A) the expenses paid or incurred by the
25 taxpayer during the taxable year in providing

1 dependent care services at such facility for em-
 2 ployees, over

3 “(B) the aggregate amount received or ac-
 4 crued during the taxable year by the employer
 5 for such services.

6 “(2) DEPRECIATION ALLOWANCES.—For pur-
 7 poses of paragraph (1), depreciation allowances
 8 under section 167 shall be treated as expenses.

9 “(c) QUALIFIED DAY CARE CENTER.—For purposes
 10 of this section, the term ‘qualified day care center’ means
 11 any day care center—

12 “(1) which is operated by the taxpayer exclu-
 13 sively for purposes of providing dependent care serv-
 14 ices to employees,

15 “(2) which is located on the business premises
 16 of the taxpayer or on a site within a reasonable dis-
 17 tance of such premises,

18 “(3) which complies with all applicable laws and
 19 regulations of a State or unit of local government,
 20 and

21 “(4) the operation of which is part of a depend-
 22 ent care assistance program (as defined in section
 23 129(d)).”

24 (b) CREDIT MADE PART OF GENERAL BUSINESS
 25 CREDIT.—Subsection (b) of section 38 of such Code is

1 amended by striking “plus” at the end of paragraph (11),
2 by striking the period at the end of paragraph (12) and
3 inserting “, plus”, and by adding at the end thereof the
4 following new paragraph:

5 “(13) the employer day care center credit deter-
6 mined under section 45D(a).”

7 (c) DENIAL OF DOUBLE BENEFIT.—Section 280C of
8 such Code is amended by adding at the end thereof the
9 following new subsection:

10 “(d) CREDIT FOR EMPLOYER DAY CARE CENTER
11 EXPENSES.—No deduction shall be allowed for that por-
12 tion of the expenses referred to in section 45D(b)(1)(A)
13 otherwise allowable as a deduction for the taxable year
14 which is equal to the amount of the credit determined for
15 such taxable year under section 45D(a).”

16 (d) CLERICAL AMENDMENT.—The table of sections
17 for subpart D of part IV of subchapter A of chapter 1
18 of such Code is amended by adding at the end the follow-
19 ing new item:

“Sec. 45D. Employer expenses in providing dependent care serv-
ices.”

20 (e) EFFECTIVE DATE.—The amendments made by
21 this section shall apply to taxable years beginning after
22 the date of the enactment of this Act.

1 **SEC. 5. EXTENDED TIME FOR LEARNING AND LONGER**
2 **SCHOOL YEAR.**

3 Section 10993(h)(1) of the Elementary and Second-
4 ary Education Act of 1965 is amended by striking “appro-
5 priated” and all that follows through the period and in-
6 serting “\$150,000,000” for fiscal year 1999 and such
7 sums as may be necessary for each of the fiscal years
8 2000, 2001, and 2002.”.

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