

105TH CONGRESS
2D SESSION

S. 2518

To enhance family life.

IN THE SENATE OF THE UNITED STATES

SEPTEMBER 24, 1998

Mr. MOYNIHAN introduced the following bill; which was read twice and referred to the Committee on Finance

A BILL

To enhance family life.

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; TABLE OF CONTENTS.**

4 (a) SHORT TITLE.—This Act may be cited as the
5 “Enhancing Family Life Act of 1998”.

6 (b) TABLE OF CONTENTS.—The table of Contents for
7 this Act is as follows:

Sec. 1. Short title; table of contents.

Sec. 2. Findings.

TITLE I—ASSISTANCE FOR CHILDREN

Sec. 101. Second chance homes.

Sec. 102. Adoption promotion.

Sec. 103. Early childhood development.

TITLE II—PARENT GRANTS

Sec. 201. Parent grants.

1 **SEC. 2. FINDINGS.**

2 Congress makes the following findings:

3 (1) The family is the foundation of public life.

4 (2) The proportion of illegitimate births to
5 teenagers has increased astronomically from 13 per-
6 cent of such births in 1950 to 76 percent of such
7 births in 1996.

8 (3) Children in one-parent families are more at
9 risk for many types of anti-social behavior.

10 (4) The future of children is crucially deter-
11 mined during the first few years of life.

12 **TITLE I—ASSISTANCE FOR**
13 **CHILDREN**

14 **SEC. 101. SECOND CHANCE HOMES.**

15 (a) IN GENERAL.—Title XX of the Social Security
16 Act (42 U.S.C. 1397–1397f) is amended by adding at the
17 end the following:

18 **“SEC. 2008. SECOND CHANCE HOMES.**

19 **“(a) ENTITLEMENT.—**

20 **“(1) IN GENERAL.—**In addition to any payment
21 under sections 2002 and 2007, beginning with fiscal
22 year 1999, each State shall be entitled to funds
23 under this section for each fiscal year for the estab-
24 lishment, operation, and support of second chance

1 homes for custodial parents under the age of 19 and
2 their children.

3 “(2) PAYMENT TO STATES.—

4 “(A) IN GENERAL.—Each State shall be
5 entitled to payment under this section for each
6 fiscal year in an amount equal to its allotment
7 (determined in accordance with subsection (b))
8 for such fiscal year, to be used by such State
9 for the purposes set forth in paragraph (1).

10 “(B) TRANSFERS OF FUNDS.—The Sec-
11 retary shall make payments in accordance with
12 section 6503 of title 31, United States Code, to
13 each State from its allotment for use under this
14 section.

15 “(C) USE.—Payments to a State from its
16 allotment for any fiscal year must be expended
17 by the State in such fiscal year or in the suc-
18 ceeding fiscal year.

19 “(D) TECHNICAL ASSISTANCE.—A State
20 may use a portion of the amounts described in
21 subparagraph (A) for the purpose of purchasing
22 technical assistance from public or private enti-
23 ties if the State determines that such assistance
24 is required in developing, implementing, or ad-

1 ministering the program funded under this sec-
2 tion.

3 “(3) SECOND CHANCE HOMES.—For purposes
4 of this section, the term ‘second chance homes’
5 means an entity that provides custodial parents
6 under the age of 19 and their children with a sup-
7 portive and supervised living arrangement in which
8 such parents would be required to learn parenting
9 skills, including child development, family budgeting,
10 health and nutrition, and other skills to promote
11 their long-term economic independence and the well-
12 being of their children. A second chance home may
13 also serve as a network center for other supportive
14 services that might be available in the community.

15 “(b) ALLOTMENT.—

16 “(1) CERTAIN JURISDICTIONS.—The allotment
17 for any fiscal year to Puerto Rico, Guam, the United
18 States Virgin Islands, American Samoa, and the
19 Northern Mariana Islands shall be an amount that
20 bears the same ratio to the amount specified under
21 paragraph (3) as the allotment that the jurisdiction
22 receives under section 2003(a) for the fiscal year
23 bears to the total amount specified for such fiscal
24 year under section 2003(c).

1 “(2) OTHER STATES.—The allotment for any
 2 fiscal year for each State other than Puerto Rico,
 3 Guam, the United States Virgin Islands, American
 4 Samoa, and the Northern Mariana Islands shall be
 5 an amount which bears the same ratio to—

6 “(A) the amount specified under para-
 7 graph (3); reduced by

8 “(B) the total amount allotted for that fis-
 9 cal year under paragraph (1),
 10 as the allotment that the State receives under sec-
 11 tion 2003(b) for the fiscal year bears to the total
 12 amount specified for such fiscal year under section
 13 2003(c).

14 “(3) AMOUNT SPECIFIED.—The amount speci-
 15 fied for purposes of paragraphs (1) and (2) shall be
 16 \$40,000,000 for fiscal year 1999 and each succeed-
 17 ing fiscal year thereafter.

18 “(c) LOCAL INVOLVEMENT.—Each State shall seek
 19 local involvement from the community in any area in
 20 which a second chance home receiving funds pursuant to
 21 this section is to be established. In determining criteria
 22 for targeting funds received under this section, each State
 23 shall evaluate the community’s commitment to the estab-
 24 lishment and planning of the home.

25 “(d) LIMITATIONS ON THE USE OF FUNDS.—

1 “(1) CONSTRUCTION.—Except as provided in
2 paragraph (2), funds made available under this sec-
3 tion may not be used by the State, or any other per-
4 son with which the State makes arrangements to
5 carry out the purposes of this section, for the pur-
6 chase or improvement of land, or the purchase, con-
7 struction, or permanent improvement (other than
8 minor remodeling) of any building or other facility.

9 “(2) WAIVER.—The Secretary may waive the
10 limitation contained in paragraph (1) upon the
11 State’s request for such a waiver if the Secretary
12 finds that the request describes extraordinary cir-
13 cumstances to justify the waiver and that permitting
14 the waiver will contribute to the State’s ability to
15 carry out the purposes of this section.

16 “(e) TREATMENT OF INDIAN TRIBES.—

17 “(1) IN GENERAL.—An Indian tribe may apply
18 to the Secretary to establish, operate, and support
19 adult-supervised group homes for custodial parents
20 under the age of 19 and their children in accordance
21 with an application procedure to be determined by
22 the Secretary. Except as otherwise provided in this
23 subsection, the provisions of this section shall apply
24 to Indian tribes receiving funds under this sub-
25 section in the same manner and to the same extent

1 as the other provisions of this section apply to
2 States.

3 “(2) ALLOTMENT.—If the Secretary approves
4 an Indian tribe’s application, the Secretary shall
5 allot to such tribe for a fiscal year an amount which
6 the Secretary determines is the Indian tribe’s fair
7 and equitable share of the amount specified under
8 paragraph (3) for all Indian tribes with applications
9 approved under this subsection (based on allotment
10 factors to be determined by the Secretary). The Sec-
11 retary shall determine a minimum allotment amount
12 for all Indian tribes with applications approved
13 under this subsection. Each Indian tribe with an ap-
14 plication approved under this subsection shall be en-
15 titled to such minimum allotment.

16 “(3) AMOUNT SPECIFIED.—The amount speci-
17 fied under this paragraph for all Indian tribes with
18 applications approved under this subsection is
19 \$5,000,000 for fiscal year 1999 and each succeeding
20 fiscal year thereafter.

21 “(4) INDIAN TRIBE DEFINED.—In this section,
22 the term ‘Indian tribe’ means any Indian tribe,
23 band, nation, pueblo, or other organized group or
24 community, including any Alaska Native entity
25 which is recognized as eligible for the special pro-

1 grams and services provided by the United States to
 2 Indian tribes because of their status as Indians.

3 “(f) RESEARCH AND EVALUATION.—

4 “(1) IN GENERAL.—The amount appropriated
 5 to carry out this section for each fiscal year shall be
 6 increased by 2 percent and the Secretary shall re-
 7 serve an amount equal to that increase to pay for
 8 the costs of conducting, through grant, contract, or
 9 interagency agreement, research and evaluation
 10 projects regarding the second chance homes funded
 11 under this section. In conducting such projects, the
 12 Secretary shall give priority to projects that are un-
 13 dertaken by independent and impartial organiza-
 14 tions.

15 “(2) REPORT.—Not later than 4 years after the
 16 date of enactment of this section, the Secretary shall
 17 submit a report to Congress on the research and
 18 evaluation projects conducted in accordance with
 19 this subsection.”.

20 (b) RECOMMENDATIONS ON USE OF GOVERNMENT
 21 SURPLUS PROPERTY.—Not later than 6 months after the
 22 date of the enactment of this Act, the Secretary of Health
 23 and Human Services, after consultation with the Secretary
 24 of Defense, the Secretary of Housing and Urban Develop-
 25 ment, and the Administrator of the General Services Ad-

1 ministration, shall submit recommendations to Congress
 2 on the extent to which surplus properties of the United
 3 States Government may be used for the establishment of
 4 second chance homes receiving funds under section 2008
 5 of the Social Security Act, as added by subsection (a).

6 **SEC. 102. ADOPTION PROMOTION.**

7 (a) ADOPTION OF CHILDREN WITH SPECIAL
 8 NEEDS.—

9 (1) IN GENERAL.—Section 473(a) of the Social
 10 Security Act (42 U.S.C. 673(a)) is amended by
 11 striking paragraph (2) and inserting the following:

12 “(2)(A) For purposes of paragraph (1)(B)(ii), a child
 13 meets the requirements of this paragraph if such child—

14 “(i) prior to termination of parental rights and
 15 the initiation of adoption proceedings was in the
 16 care of a public or licensed private child care agency
 17 or Indian tribal organization either pursuant to a
 18 voluntary placement agreement (provided the child
 19 was in care for not more than 180 days) or as a re-
 20 sult of a judicial determination to the effect that
 21 continuation in the home would be contrary to the
 22 safety and welfare of such child, or was residing in
 23 a foster family home or child care institution with
 24 the child’s minor parent (either pursuant to such a

1 voluntary placement agreement or as a result of
2 such a judicial determination); and

3 “(ii) has been determined by the State pursuant
4 to subsection (c) to be a child with special needs,
5 which needs shall be considered by the State, to-
6 gether with the circumstances of the adopting par-
7 ents, in determining the amount of any payments to
8 be made to the adopting parents.

9 “(B) Notwithstanding any other provision of law, and
10 except as provided in paragraph (7), a child who is not
11 a citizen or resident of the United States and who meets
12 the requirements of subparagraph (A) shall be treated as
13 meeting the requirements of this paragraph for purposes
14 of paragraph (1)(B)(ii).

15 “(C) A child who meets the requirements of subpara-
16 graph (A), who was determined eligible for adoption as-
17 sistance payments under this part with respect to a prior
18 adoption (or who would have been determined eligible for
19 such payments had the Adoption and Safe Families Act
20 of 1997 been in effect at the time that such determination
21 would have been made), and who is available for adoption
22 because the prior adoption has been dissolved and the pa-
23 rental rights of the adoptive parents have been terminated
24 or because the child’s adoptive parents have died, shall be

1 treated as meeting the requirements of this paragraph for
2 purposes of paragraph (1)(B)(ii).”.

3 (2) EXCEPTION.—Section 473(a) of the Social
4 Security Act (42 U.S.C. 673(a)) is amended by add-
5 ing at the end the following:

6 “(7)(A) Notwithstanding any other provision of this
7 subsection, no payment may be made to parents with re-
8 spect to any child that—

9 “(i) would be considered a child with special
10 needs under subsection (c);

11 “(ii) is not a citizen or resident of the United
12 States; and

13 “(iii) was adopted outside of the United States
14 or was brought into the United States for the pur-
15 pose of being adopted.

16 “(B) Subparagraph (A) shall not be construed as pro-
17 hibiting payments under this part for a child described
18 in subparagraph (A) that is placed in foster care subse-
19 quent to the failure, as determined by the State, of the
20 initial adoption of such child by the parents described in
21 such subparagraph.”.

22 (3) REQUIREMENT FOR USE OF STATE SAV-
23 INGS.—Section 473(a) of the Social Security Act (42
24 U.S.C. 673(a)), as amended by subsection (b), is
25 amended by adding at the end the following:

1 “(8) A State shall spend an amount equal to the
 2 amount of savings (if any) in State expenditures under
 3 this part resulting from the application of paragraph (2)
 4 on and after the effective date of the amendment to such
 5 paragraph made by section 4(a) of the Enhancing Family
 6 Life Act of 1998 to provide to children or families any
 7 service (including post-adoption services) that may be pro-
 8 vided under this part or part B.”.

9 (b) PER CAPITA CHILD WELFARE DEMONSTRATION
 10 PROJECTS.—Section 1130(a)(2) of the Social Security Act
 11 (42 U.S.C. 1320a–9(a)(2)) is amended—

12 (1) by striking “The Secretary” and inserting
 13 the following:

14 “(A) IN GENERAL.—The Secretary”; and

15 (2) by adding at the end the following:

16 “(B) RESERVATION.—Of the 10 dem-
 17 onstration projects authorized under this sub-
 18 section for each of fiscal years 1999 through
 19 2002, the Secretary, upon receipt of an appro-
 20 priate application, shall approve at least 3 dem-
 21 onstration projects in each of such fiscal years
 22 that are designed to test a per capita approach
 23 for the successful resolution of a foster care
 24 placement under which a private entity con-
 25 tracts for a fixed amount to either restore a

1 child in foster care to the child’s parent or par-
 2 ents or locate an adoptive placement for the
 3 child.”.

4 (c) EFFECTIVE DATE.—The amendments made by
 5 this section shall take effect on October 1, 1998.

6 **SEC. 103. EARLY CHILDHOOD DEVELOPMENT.**

7 Title IV of the Social Security Act (42 U.S.C. 601
 8 et seq.) is amended by adding at the end the following:

9 **“PART F—ASSISTANCE FOR YOUNG CHILDREN**

10 **“SEC. 480. DEFINITIONS.**

11 “In this part:

12 “(1) LOCAL EDUCATIONAL AGENCY.—The term
 13 ‘local educational agency’ has the meaning given
 14 that term in section 14101 of the Elementary and
 15 Secondary Education Act of 1965 (20 U.S.C. 8801).

16 “(2) POVERTY LINE.—The term ‘poverty line’
 17 means the poverty line (as defined by the Office of
 18 Management and Budget, and revised annually in
 19 accordance with section 673(2) of the Community
 20 Services Block Grant Act (42 U.S.C. 9902(2)) appli-
 21 cable to a family of the size involved.

22 “(3) STATE BOARD.—The term ‘State board’
 23 means a State Early Learning Coordinating Board
 24 established under section 481(c).

1 “(4) YOUNG CHILD.—The term ‘young child’
2 means an individual from birth through age 5.

3 “(5) YOUNG CHILD ASSISTANCE ACTIVITIES.—
4 The term ‘young child assistance activities’ means
5 the activities described in paragraphs (1) and (2)(A)
6 of section 482(b).

7 **“SEC. 481. ALLOTMENTS TO STATES.**

8 “(a) IN GENERAL.—The Secretary shall make allot-
9 ments under subsection (b) to eligible States to pay for
10 the Federal share of the cost of enabling the States to
11 make grants to local collaboratives under section 482 for
12 young child assistance activities.

13 “(b) ALLOTMENT.—

14 “(1) IN GENERAL.—From the funds appro-
15 priated under section 484 for each fiscal year and
16 not reserved under subsection (i), the Secretary shall
17 allot to each eligible State an amount that bears the
18 same relationship to such funds as the total number
19 of young children in poverty in the State bears to
20 the total number of young children in poverty in all
21 eligible States.

22 “(2) YOUNG CHILD IN POVERTY.—In this sub-
23 section, the term ‘young child in poverty’ means an
24 individual who—

25 “(A) is a young child; and

1 “(B) is a member of a family with an in-
2 come below the poverty line.

3 “(c) STATE BOARDS.—

4 “(1) IN GENERAL.—In order for a State to be
5 eligible to obtain an allotment under this part, the
6 chief executive officer of the State shall establish, or
7 designate an entity to serve as, a State Early Learn-
8 ing Coordinating Board, which shall receive the al-
9 lotment and make the grants described in section
10 482.

11 “(2) ESTABLISHED BOARD.—A State board es-
12 tablished under paragraph (1) shall consist of the
13 chief executive officer of the State and members ap-
14 pointed by such chief executive officer, including—

15 “(A) representatives of all State agencies
16 primarily providing services to young children
17 in the State;

18 “(B) representatives of business in the
19 State;

20 “(C) chief executive officers of political
21 subdivisions in the State;

22 “(D) parents of young children in the
23 State;

1 “(E) officers of community organizations
2 serving low-income individuals, as defined by
3 the Secretary, in the State;

4 “(F) representatives of State nonprofit or-
5 ganizations that represent the interests of
6 young children in poverty, as defined in sub-
7 section (b), in the State;

8 “(G) representatives of organizations pro-
9 viding services to young children and the par-
10 ents of young children, such as organizations
11 providing child care, carrying out Head Start
12 programs under the Head Start Act (42 U.S.C.
13 9831 et seq.), providing services through a fam-
14 ily resource center, providing home visits, or
15 providing health care services, in the State; and

16 “(H) representatives of local educational
17 agencies.

18 “(3) DESIGNATED BOARD.—The chief executive
19 officer of the State may designate an entity to serve
20 as the State board under paragraph (1) if the entity
21 includes the chief executive officer of the State and
22 the members described in subparagraphs (A)
23 through (G) of paragraph (2).

24 “(4) DESIGNATED STATE AGENCY.—The chief
25 executive officer of the State shall designate a State

1 agency that has a representative on the State board
2 to provide administrative oversight concerning the
3 use of funds made available under this part and en-
4 sure accountability for the funds.

5 “(d) APPLICATION.—To be eligible to receive an allot-
6 ment under this part, a State board shall annually submit
7 an application to the Secretary at such time, in such man-
8 ner, and containing such information as the Secretary may
9 require. At a minimum, the application shall contain—

10 “(1) sufficient information about the entity es-
11 tablished or designated under subsection (c) to serve
12 as the State board to enable the Secretary to deter-
13 mine whether the entity complies with the require-
14 ments of such subsection;

15 “(2) a comprehensive State plan for carrying
16 out young child assistance activities;

17 “(3) an assurance that the State board will pro-
18 vide such information as the Secretary shall by regu-
19 lation require on the amount of State and local pub-
20 lic funds expended in the State to provide services
21 for young children; and

22 “(4) an assurance that the State board shall
23 annually compile and submit to the Secretary infor-
24 mation from the reports referred to in section

1 482(d)(2)(F)(iii) that describes the results referred
2 to in section 482(d)(2)(F)(i).

3 “(e) FEDERAL SHARE.—

4 “(1) IN GENERAL.—The Federal share of the
5 cost described in subsection (a) shall be—

6 “(A) 85 percent, in the case of a State for
7 which the Federal medical assistance percent-
8 age (as defined in section 1905(b)) is not less
9 than 50 percent but is less than 60 percent;

10 “(B) 87.5 percent, in the case of a State
11 for which such percentage is not less than 60
12 percent but is less than 70 percent; and

13 “(C) 90 percent, in the case of any State
14 not described in subparagraph (A) or (B).

15 “(2) STATE SHARE.—

16 “(A) IN GENERAL.—The State shall con-
17 tribute the remaining share (referred to in this
18 paragraph as the ‘State share’) of the cost de-
19 scribed in subsection (a).

20 “(B) FORM.—The State share of the cost
21 shall be in cash.

22 “(C) SOURCES.—The State may provide
23 for the State share of the cost from State or
24 local sources, or through donations from private
25 entities.

1 “(f) STATE ADMINISTRATIVE COSTS.—

2 “(1) IN GENERAL.—A State may use not more
3 than 5 percent of the funds made available through
4 an allotment made under this part to pay for a por-
5 tion, not to exceed 50 percent, of State administra-
6 tive costs related to carrying out this part.

7 “(2) WAIVER.—A State may apply to the Sec-
8 retary for a waiver of paragraph (1). The Secretary
9 may grant the waiver if the Secretary finds that un-
10 usual circumstances prevent the State from comply-
11 ing with paragraph (1). A State that receives such
12 a waiver may use not more than 7.5 percent of the
13 funds made available through the allotment to pay
14 for the State administrative costs.

15 “(g) MONITORING.—The Secretary shall monitor the
16 activities of States that receive allotments under this part
17 to ensure compliance with the requirements of this part,
18 including compliance with the State plans.

19 “(h) ENFORCEMENT.—If the Secretary determines
20 that a State that has received an allotment under this part
21 is not complying with a requirement of this part, the Sec-
22 retary may—

23 “(1) provide technical assistance to the State to
24 improve the ability of the State to comply with the
25 requirement;

1 “(2) reduce, by not less than 5 percent, an al-
 2 lotment made to the State under this section, for the
 3 second determination of noncompliance;

4 “(3) reduce, by not less than 25 percent, an al-
 5 lotment made to the State under this section, for the
 6 third determination of noncompliance; or

7 “(4) revoke the eligibility of the State to receive
 8 allotments under this section, for the fourth or sub-
 9 sequent determination of noncompliance.

10 “(i) RESERVATION OF FUNDS.—

11 “(1) TECHNICAL ASSISTANCE.—From the funds
 12 appropriated under section 484 for each fiscal year,
 13 the Secretary shall reserve not more than 1 percent
 14 of the funds to pay for the costs of providing tech-
 15 nical assistance. The Secretary shall use the re-
 16 served funds to enter into contracts with eligible en-
 17 tities to provide technical assistance to local
 18 collaboratives that receive grants under section 482
 19 relating to the functions of the local collaboratives
 20 under this part.

21 “(2) RESEARCH AND EVALUATION.—

22 “(A) IN GENERAL.—From the funds ap-
 23 propriated under section 484 for each fiscal
 24 year, the Secretary shall reserve 2 percent of
 25 the funds to pay for the costs of conducting,

1 through grant, contract, or interagency agree-
2 ment, research and evaluation projects regard-
3 ing the young child assistance activities funded
4 with amounts made available in accordance with
5 the requirements of this part. In conducting
6 such projects, the Secretary shall give priority
7 to projects that are undertaken by independent
8 and impartial organizations.

9 “(B) REPORT.—Not later than 4 years
10 after the date of enactment of this part, the
11 Secretary shall submit a report to Congress on
12 the research and evaluation projects conducted
13 in accordance with this paragraph.

14 **“SEC. 482. GRANTS TO LOCAL COLLABORATIVES.**

15 “(a) IN GENERAL.—A State board that receives an
16 allotment under section 481 shall use the funds made
17 available through the allotment, and the State contribu-
18 tion made under section 481(e)(2), to pay for the Federal
19 and State shares of the cost of making grants, on a com-
20 petitive basis, to local collaboratives to carry out young
21 child assistance activities.

22 “(b) USE OF FUNDS.—A local collaborative that re-
23 ceives a grant made under subsection (a)—

1 “(1) shall use funds made available through the
2 grant to provide, in a community, activities that con-
3 sist of education and supportive services, such as—

4 “(A) home visits for parents of young chil-
5 dren;

6 “(B) services provided through community-
7 based family resource centers for such parents;
8 and

9 “(C) collaborative pre-school efforts that
10 link parenting education for such parents to
11 early childhood learning services for young chil-
12 dren; and

13 “(2) may use funds made available through the
14 grant—

15 “(A) to provide, in the community, activi-
16 ties that consist of—

17 “(i) activities designed to strengthen
18 the quality of child care for young children
19 and expand the supply of high quality child
20 care services for young children;

21 “(ii) health care services for young
22 children, including increasing the level of
23 immunization for young children in the
24 community, providing preventive health
25 care screening and education, and expand-

ing health care services in schools, child care facilities, clinics in public housing projects (as defined in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b))), and mobile dental and vision clinics;

“(iii) services for children with disabilities who are young children; and

“(iv) activities designed to assist schools in providing educational and other support services to young children, and parents of young children, in the community, to be carried out during extended hours when appropriate; and

“(B) to pay for the salary and expenses of the administrator described in subsection (e)(4), in accordance with such regulations as the Secretary shall prescribe.

“(c) MULTI-YEAR FUNDING.—In making grants under this section, a State board may make grants for grant periods of more than 1 year to local collaboratives with demonstrated success in carrying out young child assistance activities.

1 “(d) LOCAL COLLABORATIVES.—To be eligible to re-
2 ceive a grant under this section for a community, a local
3 collaborative shall demonstrate that the collaborative—

4 “(1) is able to provide, through a coordinated
5 effort, young child assistance activities to young chil-
6 dren, and parents of young children, in the commu-
7 nity; and

8 “(2) includes—

9 “(A) all public agencies primarily providing
10 services to young children in the community;

11 “(B) businesses in the community;

12 “(C) representatives of the local govern-
13 ment for the county or other political subdivi-
14 sion in which the community is located;

15 “(D) parents of young children in the com-
16 munity;

17 “(E) officers of community organizations
18 serving low-income individuals, as defined by
19 the Secretary, in the community;

20 “(F) community-based organizations pro-
21 viding services to young children and the par-
22 ents of young children, such as organizations
23 providing child care, carrying out Head Start
24 programs, or providing pre-kindergarten edu-

1 cation, mental health, or family support serv-
2 ices; and

3 “(G) nonprofit organizations that serve the
4 community and that are described in section
5 501(c)(3) of the Internal Revenue Code of 1986
6 and exempt from taxation under section 501(a)
7 of such Code.

8 “(e) APPLICATION.—To be eligible to receive a grant
9 under this section, a local collaborative shall submit an
10 application to the State board at such time, in such man-
11 ner, and containing such information as the State board
12 may require. At a minimum, the application shall con-
13 tain—

14 “(1) sufficient information about the entity de-
15 scribed in subsection (d)(2) to enable the State
16 board to determine whether the entity complies with
17 the requirements of such subsection; and

18 “(2) a comprehensive plan for carrying out
19 young child assistance activities in the community,
20 including information indicating—

21 “(A) the young child assistance activities
22 available in the community, as of the date of
23 submission of the plan, including information
24 on efforts to coordinate the activities;

1 “(B) the unmet needs of young children,
2 and parents of young children, in the commu-
3 nity for young child assistance activities;

4 “(C) the manner in which funds made
5 available through the grant will be used—

6 “(i) to meet the needs, including ex-
7 panding and strengthening the activities
8 described in subparagraph (A) and estab-
9 lishing additional young child assistance
10 activities; and

11 “(ii) to improve results for young chil-
12 dren in the community;

13 “(D) how the local cooperative will use at
14 least 60 percent of the funds made available
15 through the grant to provide young child assist-
16 ance activities to young children and parents
17 described in subsection (f);

18 “(E) the comprehensive methods that the
19 collaborative will use to ensure that—

20 “(i) each entity carrying out young
21 child assistance activities through the col-
22 laborative will coordinate the activities with
23 such activities carried out by other entities
24 through the collaborative; and

1 “(ii) the local collaborative will coordi-
2 nate the activities of the local collaborative
3 with—

4 “(I) other services provided to
5 young children, and the parents of
6 young children, in the community;
7 and

8 “(II) the activities of other local
9 collaboratives serving young children
10 and families in the community, if any;
11 and

12 “(F) the manner in which the collaborative
13 will, at such intervals as the State board may
14 require, submit information to the State board
15 to enable the State board to carry out monitor-
16 ing under section 481(g), including the manner
17 in which the collaborative will—

18 “(i) evaluate the results achieved by
19 the collaborative for young children and
20 parents of young children through activi-
21 ties carried out through the grant;

22 “(ii) evaluate how services can be
23 more effectively delivered to young children
24 and the parents of young children; and

1 “(iii) prepare and submit to the State
 2 board annual reports describing the re-
 3 sults;

4 “(3) an assurance that the local collaborative
 5 will comply with the requirements of subparagraphs
 6 (D), (E), and (F) of paragraph (2), and subsection
 7 (g); and

8 “(4) an assurance that the local collaborative
 9 will hire an administrator to oversee the provision of
 10 the activities described in paragraphs (1) and (2)(A)
 11 of subsection (b).

12 “(f) DISTRIBUTION.—In making grants under this
 13 section, the State board shall ensure that at least 60 per-
 14 cent of the funds made available through each grant are
 15 used to provide the young child assistance activities to
 16 young children (and parents of young children) who reside
 17 in school districts in which half or more of the students
 18 receive free or reduced price lunches under the National
 19 School Lunch Act (42 U.S.C. 1751 et seq.).

20 “(g) LOCAL SHARE.—

21 “(1) IN GENERAL.—The local collaborative shall
 22 contribute a percentage (referred to in this sub-
 23 section as the ‘local share’) of the cost of carrying
 24 out the young child assistance activities.

1 “(2) PERCENTAGE.—The Secretary shall by
2 regulation specify the percentage referred to in para-
3 graph (1).

4 “(3) FORM.—The local share of the cost shall
5 be in cash.

6 “(4) SOURCE.—The local collaborative shall
7 provide for the local share of the cost through dona-
8 tions from private entities.

9 “(5) WAIVER.—The State board shall waive the
10 requirement of paragraph (1) for poor rural and
11 urban areas, as defined by the Secretary.

12 “(h) MONITORING.—The State board shall monitor
13 the activities of local collaboratives that receive grants
14 under this part to ensure compliance with the require-
15 ments of this part.

16 **“SEC. 483. SUPPLEMENT NOT SUPPLANT.**

17 “Funds appropriated under this part shall be used
18 to supplement and not supplant other Federal, State, and
19 local public funds expended to provide services for young
20 children.

21 **“SEC. 484. AUTHORIZATION OF APPROPRIATIONS.**

22 “There are authorized to be appropriated to carry out
23 this part—

24 “(1) \$250,000,000 for fiscal year 1999;

25 “(2) \$500,000,000 for fiscal year 2000;

1 “(3) \$1,000,000,000 for each of fiscal years
2 2001 through 2003; and

3 “(4) such sums as may be necessary for fiscal
4 year 2004 and each subsequent fiscal year.”.

5 **TITLE II—PARENT GRANTS**

6 **SEC. 201. PARENT GRANTS.**

7 (a) PURPOSE.—It is the purpose of this section to
8 provide parents with grants for career development and
9 retraining after a period of child rearing.

10 (b) PROGRAM AUTHORITY AND METHOD OF DIS-
11 TRIBUTION.—

12 (1) IN GENERAL.—From amounts appropriated
13 under subsection (f), the Secretary of Education (in
14 this section referred to as the “Secretary”) may pay
15 to each eligible institution such sums as may be nec-
16 essary to pay to each qualifying parent for each aca-
17 demic year that the qualifying parent is in attend-
18 ance at an institution of higher education, a parent
19 grant, in an amount determined in accordance with
20 subsection (c), for each child for which the qualify-
21 ing parent remains outside the labor force.

22 (2) QUALIFYING PARENT.—In this section, the
23 term “qualifying parent” means an individual who—

24 (A) is the custodial parent of a child under
25 the age of 6;

1 (B) has no earned income as defined in
 2 section 32(c)(2) of the Internal Revenue Code
 3 of 1986; and

4 (C) is not receiving assistance under a
 5 State program funded under part A of title IV
 6 of the Social Security Act (42 U.S.C. 601 et
 7 seq.) or supplemental security income benefits
 8 under title XVI of the Social Security Act (42
 9 U.S.C. 1381 et seq.).

10 (3) DISTRIBUTION.—Funds under this section
 11 shall be disbursed and made available to qualifying
 12 parents in the same manner as Federal Pell Grants
 13 are disbursed and made available to institutions of
 14 higher education and students under subpart 1 of
 15 part A of title IV of the Higher Education Act of
 16 1965 (20 U.S.C. 1070a et seq.), except that in the
 17 case of a parent grant awarded to a qualifying par-
 18 ent for expenses incurred in obtaining a secondary
 19 school diploma or its recognized equivalent, the Sec-
 20 retary shall make the grant funds available to the
 21 qualifying parent.

22 (c) AMOUNT.—

23 (1) IN GENERAL.—Subject to paragraph (2),
 24 the amount of a parent grant for which a qualifying

1 parent is eligible under this section for an academic
2 year is equal to—

3 (A) in the case of a qualifying parent with
4 an annual income of \$50,000 or less, the maxi-
5 mum amount of the Federal Pell Grant award-
6 ed under subpart 1 of part A of title IV of the
7 Higher Education Act of 1965 for such year;
8 and

9 (B) in the case of a qualifying parent with
10 an annual income of more than \$50,000 but
11 not more than \$75,000, $\frac{1}{2}$ of the maximum
12 amount of the Federal Pell Grant so awarded
13 for such year.

14 (2) SPECIAL RULES.—

15 (A) CALENDAR YEAR AWARDS.—A qualify-
16 ing parent is eligible for a parent grant under
17 this section for each complete calendar year the
18 parent is outside the labor force, except that
19 the Secretary shall prorate the amount for
20 which the qualifying parent is eligible for the
21 first year in which a child is born if the qualify-
22 ing parent is outside the labor force for at least
23 4 months of the calendar year in which the
24 child is born.

1 (B) SIMULTANEOUS AWARDS.—A qualify-
2 ing parent is eligible for a parent grant simulta-
3 neously for each child for which the parent re-
4 mains outside the labor force.

5 (C) LIMITATION.—The Secretary shall not
6 award a qualifying parent a parent grant for
7 any period the parent remains outside the labor
8 force to pursue education with a parent grant
9 awarded under this section.

10 (d) USES.—

11 (1) IN GENERAL.—A parent grant awarded
12 under this section—

13 (A) shall be used not later than 15 years
14 after the year for which the grant is awarded;
15 and

16 (B) shall be used to pay—

17 (i) the cost of attendance (as deter-
18 mined in accordance with section 472 of
19 the Higher Education Act of 1965 (20
20 U.S.C. 1087l)) at an institution of higher
21 education (as defined in section 481 of
22 such Act (20 U.S.C. 1088)); or

23 (ii) for expenses incurred in obtaining
24 a secondary school diploma or its recog-
25 nized equivalent.

1 (2) AGGREGATION OF AWARDS.—A qualifying
 2 parent may aggregate parent grants awarded for
 3 more than 1 year or more than 1 child for use in
 4 a single academic year.

5 (3) ROLLOVER.—A qualifying parent may use
 6 any grant funds awarded for an academic year that
 7 are not used in the academic year, for use in a sub-
 8 sequent academic year, subject to paragraph (1)(A).

9 (e) RESEARCH AND EVALUATION.—

10 (1) IN GENERAL.—From the amounts appro-
 11 priated to carry out this section for each fiscal year,
 12 the Secretary shall reserve 2 percent of such
 13 amounts to pay for the costs of conducting, through
 14 grant, contract, or interagency agreement, research
 15 and evaluation projects regarding the parent grants
 16 awarded in accordance with the requirements of this
 17 section. In conducting such projects, the Secretary
 18 shall give priority to projects that are undertaken by
 19 independent and impartial organizations.

20 (2) REPORT.—Not later than 4 years after the
 21 date of enactment of this section, the Secretary shall
 22 submit a report to Congress on the research and
 23 evaluation projects conducted in accordance with
 24 this subsection.

1 (f) AUTHORIZATION OF APPROPRIATIONS.—There
2 are authorized to be appropriated to carry out this section
3 such sums as may be necessary for fiscal year 1999 and
4 each succeeding fiscal year.

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