

107TH CONGRESS
1ST SESSION

S. 814

To establish the Child Care Provider Retention and Development Grant Program and the Child Care Provider Scholarship Program.

IN THE SENATE OF THE UNITED STATES

MAY 2, 2001

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

A BILL

To establish the Child Care Provider Retention and Development Grant Program and the Child Care Provider Scholarship Program.

1 *Be it enacted by the Senate and House of Representatives 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 “Focus On Committed and Underpaid Staff for Children’s
6 Sake Act” or as the “FOCUS Act”.

7 (b) TABLE OF CONTENTS.—

Sec. 1. Short title; table of contents.

Sec. 2. Findings and purpose.

Sec. 3. Definitions.

Sec. 4. Funds for child care provider retention and development grants and for child care provider scholarships.

Sec. 5. Application and plan.

Sec. 6. Allotments to States.

Sec. 7. Child Care Provider Retention and Development Grant Program.

Sec. 8. Child Care Provider Scholarship Program.

Sec. 9. Annual report.

Sec. 10. Authorization of appropriations.

1 SEC. 2. FINDINGS AND PURPOSE.

2 (a) FINDINGS.—Congress makes the following find-
3 ings:

4 (1) Research on early brain development and
5 early childhood demonstrates that the experiences
6 children have and the attachments they form early
7 in life have a decisive, long-lasting impact on their
8 later development and learning.

9 (2) High-quality, developmentally appropriate
10 child care beginning in early childhood and con-
11 tinuing through the years that children are in school
12 improves the scholastic success and educational at-
13tainments of children that persist into adulthood.

14 (3) According to a growing body of research,
15 the single most important determinant of child care
16 quality is the presence of consistent, sensitive, well-
17 trained, and well-compensated child care providers;
18 however, child care programs nationwide experience
19 high turnover in teaching staff, fueled by poor com-
20 pensation and few opportunities for advancement.

15 (6) Employer-sponsored benefits are minimal
16 for most child care staff. Even among child care cen-
17 ters, the availability of health care coverage for staff
18 remains woefully inadequate.

1 level of compensation that staff receive. Current re-
2 imbursement rates for center-based child care serv-
3 ices and family child care services are insufficient to
4 recruit and retain qualified child care providers and
5 to ensure high-quality services for children.

6 (8) Teachers leaving the profession are replaced
7 by staff with less education and formal training in
8 early child development.

9 (9) As a result of low wages and limited bene-
10 fits, many child care providers do not stay long in
11 the child care field. Approximately thirty percent of
12 all teaching staff leave their child care centers each
13 year.

14 (10) Child care providers, as well as the chil-
15 dren, families, and businesses that depend upon
16 them, suffer the consequences of inadequate com-
17 pensation. This is true, with few exceptions, for pro-
18 viders in all types of programs: subsidized, non-
19 subsidized, for-profit, nonprofit, large, and small
20 child care settings.

21 (11) Because of the severe shortage of qualified
22 staff available for employment by child care pro-
23 grams nationwide, several States have recently initi-
24 ated programs to improve the quality of child care
25 by increasing the training and compensation of child

1 care providers. Such programs encourage the training,
2 education and increased retention of qualified
3 child care providers by offering financial incentives,
4 including scholarships and compensation increases,
5 that range from \$350 to \$6,500 annually.

6 (b) PURPOSE.—It is the purpose of this Act to establish
7 the Child Care Provider Retention and Development
8 Grant Program and the Child Care Provider Scholarship
9 Program, to help children receive the high quality child
10 care and early education they need for positive cognitive
11 and social development, by rewarding and promoting re-
12 tention of committed, qualified child care providers and
13 by providing financial assistance to improve the edu-
14 cational qualifications of child care providers.

15 **SEC. 3. DEFINITIONS.**

16 In this Act:

17 (1) CHILD CARE PROVIDER.—The term “child
18 care provider” means an individual who provides a
19 service directly to a child on a person to person basis
20 for compensation at—

21 (A) a center-based child care provider that
22 is licensed or regulated under State law and
23 that satisfies the State and local requirements
24 applicable to the child care services provided,

5 (C) an out-of-school time program that is
6 licensed or regulated under State law and that
7 satisfies the State and local requirements appli-
8 cable to the child care services provided,

12 SEC. 4. FUNDS FOR CHILD CARE PROVIDER RETENTION
13 AND DEVELOPMENT GRANTS AND FOR CHILD
14 CARE PROVIDER SCHOLARSHIPS.

15 (a) IN GENERAL.—The Secretary may allot funds ap-
16 propriated to carry out this Act to eligible States for dis-
17 tribution to pay the Federal share of the cost of making
18 grants under this Act to eligible child care providers.

19 (b) ALLOTMENTS.—Funds allotted under section 6
20 shall be distributed by the Secretary, and expended by the
21 States (directly, or at the option of the States, through
22 units of general purpose local government), and by Indian
23 tribes and tribal organizations, in accordance with this
24 Act.

1 **SEC. 5. APPLICATION AND PLAN.**

2 (a) APPLICATION.—To be eligible to receive a dis-
3 tribution of funds allotted under section 6, a State shall
4 submit to the Secretary an application at such time, in
5 such manner, and containing such information as the Sec-
6 retary may require by rule and shall include in such appli-
7 cation a State plan that satisfies the requirements of sub-
8 section (b).

9 (b) REQUIREMENTS OF PLAN.—

10 (1) LEAD AGENCY.—The State plan shall iden-
11 tify the lead agency to make grants under this Act.

12 (2) RECRUITMENT AND RETENTION OF CHILD
13 CARE PROVIDERS.—The State plan shall describe
14 how the lead agency will encourage both the recruit-
15 ment of child care providers who are new to the
16 child care field and the retention of child care pro-
17 viders who have a demonstrated commitment to the
18 child care field.

19 (3) NOTIFICATION OF GRANT AVAILABILITY.—
20 The State plan shall describe how the lead agency
21 will identify and notify all eligible child care pro-
22 viders in the State of the availability of grants under
23 this Act.

24 (4) DISTRIBUTION OF GRANTS.—The State
25 plan shall describe how the lead agency will make
26 grants under sections 7 and 8 to child care providers

1 in selected geographical areas in the State in compli-
2 ance with the following requirements:

8 (i) includes urban areas, suburban
9 areas, and rural areas, and

10 (ii) contains diversity of income levels,
11 but shall give special consideration to geo-
12 graphical areas selected under this subpara-
13 graph for the preceding fiscal year.

14 (B) SELECTION OF CHILD CARE PRO-
15 VIDERS TO RECEIVE GRANTS.—The State may
16 make grants under section 7 only to eligible
17 child care providers in geographical areas se-
18 lected under subparagraph (A), but—

19 (i) may give special consideration in
20 such areas to eligible grant applicants who
21 have attained a higher relevant educational
22 credential, who provide a specific kind of
23 child care services, who provide child care
24 services to populations who meet specific
25 economic characteristics, or who meet such

1 other criteria as the State may establish,
2 and

3 (ii) shall give special consideration to
4 eligible grant applicants who received a
5 grant under such section in the preceding
6 fiscal year.

7 (C) LIMITATION.—The State shall describe
8 how the State will ensure that grants made
9 under section 7 to child care providers will not
10 be used to offset reductions in the compensation
11 of such providers.

12 (D) REPORTING REQUIREMENT.—With re-
13 spect to each particular geographical area se-
14 lected, the State shall agree for each fiscal year
15 for which such State receives a grant under this
16 section—

17 (i) to include in the report required by
18 section 9, detailed information regarding—

19 (I) the continuity of employment
20 of grant recipients as child care pro-
21 viders with the same employer,

22 (II) with respect to each em-
23 ployer that employed a grant recipi-
24 ent, whether such employer was ac-
25 credited by a recognized State or na-

12 (ii) to provide a follow-up report, not
13 later than 90 days after the end of the suc-
14 ceeding fiscal year that includes informa-
15 tion regarding—

16 (I) the continuity of employment
17 of grant recipients as child care pro-
18 viders with the same employer.

19 (II) with respect to each em-
20 ployer that employed a grant recipi-
21 ent, whether such employer was ac-
22 credited by a recognized State or na-
23 tional accrediting body during the pe-
24 riod of employment, and

1 (III) to the extent practicable
2 and available to the State, detailed in-
3 formation regarding the rate and fre-
4 quency of employment turnover of
5 qualified child care providers through-
6 out such area,

16 (A) The State shall demonstrate that the
17 amounts of individual grants to be made under
18 section 7 will be sufficient—

19 (i) to encourage child care providers
20 to improve their qualifications, and

21 (ii) to retain qualified child care pro-
22 viders in the child care field.

23 (B) Such grants made to child care pro-
24 viders who have a child development associate
25 credential and who are employed full-time to

1 provide child care services shall be in an
2 amount that is not less than \$1,000 per year.

3 (C) The State shall make such grants in
4 larger dollar amounts to child care providers
5 who have higher levels of education than a cre-
6 dential such as a child development associate
7 credential, according to the following require-
8 ments:

9 (i) A child care provider who has a
10 baccalaureate degree in the area of child
11 development or early child education shall
12 receive a grant that is not less than twice
13 the amount of the grant that is made to a
14 child care provider who has an associate of
15 the arts degree in the area of child devel-
16 opment or early child education.

17 (ii) A child care provider who has an
18 associate of the arts degree in the area of
19 child development or early child education
20 shall receive a grant that is not less than
21 150 percent of the amount of the grant
22 that is made to a child care provider who
23 has a child development associate creden-
24 tial.

1 (iii)(I) Except as provided in sub-
2 clause (II), a child care provider who has
3 a baccalaureate degree in a field other
4 than child development or early child edu-
5 cation shall receive a grant equal to the
6 grant made to a child care provider who
7 has an associate of the arts degree in the
8 area of child development or early child
9 education.

10 (II) If a child care provider who has
11 such baccalaureate degree obtains addi-
12 tional educational training in the area of
13 child development or early child education,
14 as specified by the State, such provider
15 shall receive a grant equal to the grant re-
16 quired under clause (i).

23 (E) The State shall provide grants in pro-
24 gressively larger dollar amounts to child care

1 providers to reflect the number of years worked
2 as a child care provider.

3 (6) DISTRIBUTION OF CHILD CARE PROVIDER
4 SCHOLARSHIPS.—The State plan shall describe how
5 the lead agency will make scholarship grants in com-
6 pliance with section 8 and shall specify the types of
7 educational and training programs for which schol-
8 arship grants made under such section may be used,
9 including only programs that—

10 (A) are administered by institutions of
11 higher education that are eligible to participate
12 in student financial assistance programs under
13 title IV of the Higher Education Act of 1965
14 (20 U.S.C. 1070 et seq.), and

15 (B) lead to a State or nationally recog-
16 nized credential in the area of child develop-
17 ment or early child education, an associate of
18 the arts degree in the area of child development
19 or early child education, or a baccalaureate de-
20 gree in the area of child development or early
21 child education.

22 (7) EMPLOYER CONTRIBUTION.—The State
23 plan shall describe how the lead agency will encour-
24 age employers of child care providers to contribute

1 to the attainment of education goals by child care
2 providers who receive grants under section 8.

3 (8) SUPPLEMENTATION.—The State plan shall
4 provide assurances that funds received by the State
5 to carry out sections 7 and 8 will be used only to
6 supplement, not to supplant, Federal, State, and
7 local funds otherwise available to support existing
8 services and activities that encourage child care pro-
9 viders to improve their qualifications and that pro-
10 mote the retention of qualified child care providers
11 in the child care field.

12 **SEC. 6. ALLOTMENTS TO STATES.**

13 (a) AMOUNTS RESERVED.—

14 (1) TERRITORIES AND POSSESSIONS.—The Sec-
15 retary shall reserve not more than $\frac{1}{2}$ of 1 percent
16 of the funds appropriated to carry out this Act for
17 any fiscal year for distribution to Guam, American
18 Samoa, and the Commonwealth of the Northern
19 Mariana Islands, to be allotted in accordance with
20 their respective needs.

21 (2) INDIAN TRIBES AND TRIBAL ORGANIZA-
22 TIONS.—The Secretary shall reserve not more than
23 3 percent of the funds appropriated to carry out this
24 Act for any fiscal year for distribution to Indian

1 tribes and tribal organizations with applications ap-
2 proved under subsection (c).

3 (b) ALLOTMENTS TO REMAINING STATES.—

4 (1) GENERAL AUTHORITY.—From the funds
5 appropriated to carry out this Act for any fiscal year
6 remaining after reserving funds under subsection
7 (a), the Secretary shall allot to each State (excluding
8 Guam, American Samoa, and the Commonwealth of
9 the Northern Mariana Islands) an amount equal to
10 the sum of—

11 (A) an amount that bears the same ratio
12 to 50 percent of such remainder as the product
13 of the young child factor of the State and the
14 allotment percentage of the State bears to the
15 sum of the corresponding products for all
16 States, and —

17 (B) an amount that bears the same ratio
18 to 50 percent of such remainder as the product
19 of the school lunch factor of the State and the
20 allotment percentage of the State bears to the
21 sum of the corresponding products for all
22 States. —

23 (2) YOUNG CHILD FACTOR.—The term “young
24 child factor” means the ratio of the number of chil-
25 dren in the State under 5 years of age to the num-

1 ber of such children in all States as provided by the
2 most recent annual estimates of population in the
3 States by the Bureau of the Census.

12 (4) ALLOTMENT PERCENTAGE.—

18 (B) LIMITATIONS.—If an allotment per-

19 percentage determined under subparagraph (A)—

20 (i) is more than 1.2 percent, then the
21 allotment percentage of that State shall be
22 considered to be 1.2 percent, and

1 (C) PER CAPITA INCOME.—For purposes
2 of subparagraph (A), per capita income shall
3 be—

4 (i) determined at 2-year intervals,
5 (ii) applied for the 2-year period be-
6 ginning on October 1 of the first fiscal
7 year beginning on the date such deter-
8 mination is made, and

15 (c) ALLOTMENTS TO INDIAN TRIBES AND TRIBAL
16 ORGANIZATIONS.—

9 (B) will make such reports on, and conduct
10 such audits of, programs and activities under
11 this Act as the Secretary may require.

12 (d) DATA AND INFORMATION.—The Secretary shall
13 obtain from each appropriate Federal agency, the most re-
14 cent data and information necessary to determine the al-
15 lotments provided for in subsection (b).

16 (e) REALLOTMENTS.—

24 (2) LIMITATIONS.—

18 (f) COST SHARING.—

23 (A) not more than 90 percent of the cost
24 of each grant made under such sections, in the

1 1st fiscal year for which the State receives such
2 funds,

3 (B) not more than 85 percent of the cost
4 of each grant made under such sections, in the
5 2d fiscal year for which the State receives such
6 funds,

7 (C) not more than 80 percent of the cost
8 of each grant made under such sections, in the
9 3d fiscal year for which the State receives such
10 funds, and

11 (D) not more than 75 percent of the cost
12 of each grant made under such sections, in any
13 subsequent fiscal year for which the State re-
14 ceives such funds.

15 (2) STATE SHARE.—The non-Federal share of
16 the cost of making such grants shall be paid by the
17 State in cash or in the form of an in-kind contribu-
18 tion, fairly evaluated by the Secretary.

19 (g) AVAILABILITY OF ALLOTTED FUNDS DISTRIB-
20 UTED TO STATES.—Of the allotted funds distributed
21 under this Act to a State for a fiscal year—

22 (1) not less than 67.5 percent shall be available
23 to the State for grants under section 7,

24 (2) not less than 22.5 percent shall be available
25 to the State for grants under section 8, and

4 SEC. 7. CHILD CARE PROVIDER RETENTION AND DEVELOP-
5 MENT GRANT PROGRAM.

6 (a) IN GENERAL.—A State that receives funds allot-
7 ted under section 6 and made available to carry out this
8 section shall expend such funds to make grants to eligible
9 child care providers in accordance with this section, to im-
10 prove the qualifications and promote the retention of
11 qualified child care providers.

12 (b) ELIGIBILITY TO RECEIVE GRANTS.—To be eligi-
13 ble to receive a grant under this section, a child care pro-
14 vider shall—

15 (1) have a child development associate creden-
16 tial or equivalent, an associate of the arts degree in
17 the area of child development or early child edu-
18 cation, a baccalaureate degree in the area of child
19 development or early child education, or a bacca-
20 laureate degree in an unrelated field, and

1 grant, except that not more than 3 months of edu-
2 cation related to child development or to early child
3 education obtained during a calendar year may be
4 treated as employment that satisfies the require-
5 ments of this paragraph.

6 (c) PRESERVATION OF ELIGIBILITY.—The receipt of
7 a grant under section 8 by a child care provider shall not
8 be taken into consideration for purposes of selecting eligi-
9 ble applicants to receive a grant under this section.

10 **SEC. 8. CHILD CARE PROVIDER SCHOLARSHIP PROGRAM.**

11 (a) IN GENERAL.—A State that receives funds allot-
12 ted under section 6 and made available to carry out this
13 section shall expend such funds to make scholarship
14 grants to eligible child care providers in accordance with
15 this section to improve their educational qualifications to
16 provide child care services.

17 (b) ELIGIBILITY REQUIREMENT FOR SCHOLARSHIP
18 GRANTS.—As a condition of eligibility to receive a scholar-
19 ship grant under this section, a child care provider shall
20 be employed as a child care provider for not less than 1
21 calendar year, or the program equivalent of 1 calendar
22 year if then employed in a child care program that oper-
23 ates for less than a full calendar year ending on the date
24 of the application for such grant.

1 (c) SELECTION OF GRANTEES.—For purposes of se-
2 lecting child care providers to receive scholarship grants
3 under this section and determining the dollar amounts of
4 such grants, a State may not—

5 (1) take into consideration whether a grant ap-
6 plicant is receiving, will receive, or has applied to re-
7 ceive any funds under any other provision of this
8 Act, or under any other Federal or State law that
9 provides funds for educational purposes, or

10 (2) consider as resources of such applicant any
11 funds such applicant is receiving, may receive, or
12 may be eligible to receive under any other provision
13 of this Act, under any other Federal or State law
14 that provides funds for educational purposes, or
15 from a private entity.

16 (d) COST SHARING REQUIRED.—The dollar amount
17 of a scholarship grant made under this section to a child
18 care provider shall be less than the cost of the education
19 for which such grant is made.

20 (e) ANNUAL MAXIMUM SCHOLARSHIP GRANT
21 AMOUNT.—The maximum aggregate dollar amount of a
22 scholarship grant made to an eligible child care provider
23 under this section in a fiscal year may not exceed \$1,500.

1 **SEC. 9. ANNUAL REPORT.**

2 A State that receives funds appropriated to carry out
3 this Act for a fiscal year shall submit to the Secretary,
4 not later than 90 days after the end of such fiscal year,
5 a report—

6 (1) specifying the uses for which the State ex-
7 pended such funds, and the aggregate amount of
8 funds (including State funds) expended for each of
9 such uses,

10 (2) containing available data relating to grants
11 made with such funds, including—

12 (A) the number of child care providers who
13 received such grants,

14 (B) the dollar amounts of such grants,

15 (C) any other information that describes or
16 evaluates the effectiveness of this Act,

17 (D) the particular geographical areas se-
18 lected under section 5 for the purpose of mak-
19 ing such grants,

20 (E) with respect to grants made under sec-
21 tion 7—

22 (i) the number of years grant recipi-
23 ents have been employed as a child care
24 provider,

25 (ii) the level of training and education
26 of grant recipients,

(iii) the salaries and other compensation received by grant recipients to provide child care services,

(iv) the number of children who received child care services provided by grant recipients,

(v) information on family demo-
graphics of such children,

(vi) the types of settings described in subparagraphs (A), (B), and (C) of section 3(a)(1) in which grant recipients are employed, and

(vii) the ages of the children who received child care services provided by grant recipients.

(F) with respect to grants made under section 8—

(i) the number of years grant recipients have been employed as child care provider,

(ii) the types of settings described in subparagraphs (A), (B), and (C) of section 3(a)(1) in which grant recipients are employed, and

1 (iii) the level of training and edu-
2 cation of grant recipients,

3 (iv) to the extent practicable and
4 available to the State, detailed information
5 regarding the salaries and other compensa-
6 tion received by grant recipients to provide
7 child care services before, during, and after
8 receiving such grant,

9 (v) the ages of the children who re-
10 ceived child care services provided by grant
11 recipients,

12 (vi) the number of course credits or
13 credentials obtained by grant recipients,
14 and

15 (vii) the amount of time taken for
16 completion of the education for which such
17 grants were made, and

18 (G) such other information as the Sec-
19 retary may require by rule.

20 SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

21 There is authorized to be appropriated
22 \$5,000,000,000 in the aggregate for fiscal years 2002
23 through 2006 to carry out this Act.

