

109TH CONGRESS  
1ST SESSION

# H. R. 1613

To amend the Public Health Service Act to authorize formula grants to States to provide access to affordable health insurance for certain child care providers and staff, and for other purposes.

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## IN THE HOUSE OF REPRESENTATIVES

APRIL 13, 2005

Mr. KENNEDY of Rhode Island (for himself, Mr. FRANK of Massachusetts, Mr. HINCHEY, Ms. MILLENDER-McDONALD, Ms. LEE, Ms. JACKSON-LEE of Texas, Mr. GEORGE MILLER of California, Mr. McDERMOTT, Mr. GRIJALVA, Ms. LINDA T. SÁNCHEZ of California, Mr. OWENS, Ms. WOOLSEY, Mr. KUCINICH, Mr. PLATTS, Mr. ABERCROMBIE, Mr. WEXLER, Mrs. LOWEY, Mr. HIGGINS, Mr. HINOJOSA, and Mr. SERRANO) introduced the following bill; which was referred to the Committee on Energy and Commerce

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## A BILL

To amend the Public Health Service Act to authorize formula grants to States to provide access to affordable health insurance for certain child care providers and staff, 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,*

3       **SECTION 1. SHORT TITLE.**

4       This Act may be cited as the “Healthy Early Edu-  
5       cation Workforce Act”.

1 **SEC. 2. BLOCK GRANTS REGARDING AFFORDABLE HEALTH**  
2 **INSURANCE FOR CHILD CARE PROVIDERS.**

3 Title XIX of the Public Health Service Act is amend-  
4 ed by adding at the end the following:

5 **“PART D—BLOCK GRANTS REGARDING AFFORD-**  
6 **ABLE HEALTH INSURANCE FOR CHILD CARE**  
7 **PROVIDERS**

8 **“SEC. 1981. FORMULA GRANTS TO STATES.**

9 “For the purpose described in section 1982(a), the  
10 Secretary shall make an allotment each fiscal year for each  
11 State that submits an application in accordance with sec-  
12 tion 1983 in an amount determined in accordance with  
13 section 1984.

14 **“SEC. 1982. FUNDING AGREEMENTS.**

15 “(a) PURPOSE.—A funding agreement for a grant  
16 under section 1981 is that the State involved will expend  
17 the grant only for the purpose of providing access to af-  
18 fordable health benefits coverage for—

19 “(1) eligible child care providers and the staff  
20 of such providers; and

21 “(2) at the discretion of the State involved, the  
22 spouses, domestic partners, and dependents (as  
23 those terms are defined by the State) of such pro-  
24 viders and staff.

25 “(b) PERMISSIBLE ACTIVITIES.—A funding agree-  
26 ment for a grant under section 1981 is that the State in-

1 involved, in carrying out the purpose described in subsection  
2 (a), may opt to use the grant for any of the following:

3 “(1) To reimburse an employer or individual  
4 described in subsection (a) for their share (or a por-  
5 tion thereof) of the premiums or other costs for cov-  
6 erage under group or individual health plans.

7 “(2) To offset the cost of enrolling individuals  
8 described in subsection (a) in public health benefits  
9 plans, such as the medicaid program under title XIX  
10 of the Social Security Act, the State Children’s  
11 Health Insurance Program under title XXI of such  
12 Act, or public employee health benefit plans.

13 “(3) To otherwise subsidize the cost of health  
14 benefits coverage for individuals described in sub-  
15 section (a).

16 “(c) LIMITING CRITERIA.—A funding agreement for  
17 a grant under section 1981 is that the State involved may  
18 establish criteria to limit the providers and staff described  
19 in subsection (a)(1) who may receive assistance under the  
20 grant.

21 “(d) PRIORITY.—A funding agreement for a grant  
22 under section 1981 is that the State involved will give—

23 “(1) highest priority to—

24 “(A) eligible child care providers and the  
25 staff of such providers that meet any applicable

1 criteria established in accordance with sub-  
2 section (c) and received assistance under this  
3 part during the previous fiscal year; and

4 “(B) at the State’s discretion, the spouses,  
5 domestic partners, and dependents of such pro-  
6 viders and staff; and

7 “(2) second highest priority to—

8 “(A) eligible child care providers that meet  
9 any applicable criteria established in accordance  
10 with subsection (c) and—

11 “(i) as part of a statewide tiering sys-  
12 tem, are designated by a State licensing  
13 authority (or an entity acting on the  
14 authority’s behalf) as a top-tier child care  
15 facility; or

16 “(ii) have not less than 40 percent en-  
17 rollment of children who receive govern-  
18 mental financial assistance for the child  
19 care involved;

20 “(B) the staff of such providers; and

21 “(C) at the State’s discretion, the spouses,  
22 domestic partners, and dependents of such pro-  
23 viders and staff.

24 “(e) MATCHING FUNDS.—

1           “(1) IN GENERAL.—With respect to the costs of  
2           carrying out the purpose described in subsection (a),  
3           a funding agreement for a grant under section 1981  
4           is that the State involved will make available (di-  
5           rectly or through donations from public or private  
6           entities) non-Federal contributions toward such  
7           costs in an amount that is not less than 50 percent  
8           of such costs.

9           “(2) DETERMINATION OF AMOUNT CONTRIB-  
10          UTED.—Non-Federal contributions under paragraph  
11          (1) may be in cash or in kind, fairly evaluated, in-  
12          cluding plant, equipment, or services. Amounts pro-  
13          vided by the Federal Government, or services as-  
14          sisted or subsidized to any significant extent by the  
15          Federal Government, may not be included in deter-  
16          mining the amount of such contributions.

17          “(f) SUPPLEMENT NOT SUPPLANT.—Amounts pro-  
18          vided to a State under this part shall be used to supple-  
19          ment and not supplant other Federal, State, and local  
20          public funds provided for activities under this part.

21       **“SEC. 1983. APPLICATION.**

22          “For purposes of section 1981, an application for a  
23          grant for a fiscal year is in accordance with this section  
24          if—

1           “(1) the application is submitted at such time,  
2           in such manner, and containing such information as  
3           the Secretary may require;

4           “(2) the application contains each funding  
5           agreement that is described in section 1982; and

6           “(3) with respect to each such funding agree-  
7           ment, the application provides assurances of compli-  
8           ance satisfactory to the Secretary.

9   **“SEC. 1984. DETERMINATION OF AMOUNT OF ALLOTMENT.**

10       “(a) AMOUNTS RESERVED.—

11           “(1) TERRITORIES AND POSSESSIONS.—The  
12           Secretary shall reserve not to exceed one half of 1  
13           percent of the amount appropriated pursuant to sec-  
14           tion 1986 in each fiscal year for payments to Guam,  
15           American Samoa, the Virgin Islands of the United  
16           States, and the Commonwealth of the Northern  
17           Mariana Islands to be allotted in accordance with  
18           their respective needs.

19           “(2) INDIAN TRIBES.—The Secretary shall re-  
20           serve not less than 1 percent, and not more than 2  
21           percent, of the amount appropriated pursuant to  
22           section 1986 in each fiscal year for payments to In-  
23           dian tribes and tribal organizations, to be allotted in  
24           accordance with their respective needs.

25       “(b) STATE ALLOTMENT.—

1           “(1) GENERAL RULE.—From the remainder of  
2           amounts appropriated pursuant to section 1986 for  
3           each fiscal year after reservations under subsection  
4           (a), the Secretary shall allot to each State an  
5           amount equal to the sum of—

6                   “(A) an amount that bears the same ratio  
7                   to 50 percent of such remainder as the product  
8                   of the young child factor of the State and the  
9                   allotment percentage of the State bears to the  
10                  sum of the corresponding products for all  
11                  States; and

12                   “(B) an amount that bears the same ratio  
13                   to 50 percent of such remainder as the product  
14                   of the school lunch factor of the State and the  
15                   allotment percentage of the State bears to the  
16                   sum of the corresponding products for all  
17                   States.

18           “(2) YOUNG CHILD FACTOR.—For purposes of  
19           this subsection, the term ‘young child factor’ means  
20           the ratio of the number of children in the State  
21           under 5 years of age to the number of such children  
22           in all States as provided by the most recent annual  
23           estimates of population in the States by the Census  
24           Bureau of the Department of Commerce.

1           “(3) SCHOOL LUNCH FACTOR.—For purposes  
2           of this subsection, the term ‘school lunch factor’  
3           means the ratio of the number of children in the  
4           State who are receiving free or reduced price lunches  
5           under the school lunch program established under  
6           the Richard B. Russell National School Lunch Act  
7           to the number of such children in all the States as  
8           determined annually by the Department of Agri-  
9           culture.

10           “(4) ALLOTMENT PERCENTAGE.—

11                   “(A) IN GENERAL.—The allotment per-  
12                   centage for a State is determined by dividing  
13                   the per capita income of all individuals in the  
14                   United States, by the per capita income of all  
15                   individuals in the State.

16                   “(B) LIMITATIONS.—If an allotment per-  
17                   centage determined under subparagraph (A)—

18                           “(i) exceeds 1.2 percent, then the al-  
19                           lotment percentage of that State shall be  
20                           considered to be 1.2 percent; or

21                           “(ii) is less than 0.8 percent, then the  
22                           allotment percentage of the State shall be  
23                           considered to be 0.8 percent.

24                   “(C) PER CAPITA INCOME.—For purposes  
25                   of subparagraph (A), per capita income—



1 “(i) shall be determined at 2-year in-  
2 tervals;

3 “(ii) shall be applied for the 2-year  
4 period beginning on October 1 of the first  
5 fiscal year beginning on the date such de-  
6 termination is made; and

7 “(iii) shall be equal to the average of  
8 the annual per capita incomes for the most  
9 recent period of 3 consecutive years for  
10 which satisfactory data are available from  
11 the Department of Commerce at the time  
12 such determination is made.

13 “(c) ALLOCATION OF EXCESS FUNDS.—To the ex-  
14 tent that all the funds appropriated under section 1986  
15 for a fiscal year and available for allotment in such fiscal  
16 year are not otherwise allotted to States because 1 or more  
17 States have not submitted an application in accordance  
18 with section 1983 for the fiscal year, or because 1 or more  
19 States have notified the Secretary that they do not intend  
20 to use the full amount of their allotment, such excess shall  
21 be allotted among each of the remaining States in propor-  
22 tion to the amount otherwise allotted to such States for  
23 the fiscal year without regard to this subsection.

24 **“SEC. 1985. DEFINITIONS.**

25 “In this part:

1           “(1) The term ‘eligible child care provider’  
2 means a family child care provider or a center-based  
3 child care provider (whether an entity or individual)  
4 that is licensed or otherwise regulated under State  
5 law and meets all applicable State and local health  
6 and safety requirements.

7           “(2) The term ‘family child care provider’  
8 means an individual who provides child care services  
9 for fewer than 24 hours per day, as the sole care-  
10 giver, and in a private residence.

11           “(3) The terms ‘Indian tribe’ and ‘tribal organi-  
12 zation’ have the same meaning given such terms in  
13 section 4 of the Indian Self-Determination and Edu-  
14 cation Assistance Act.

15           “(4)(A) Except for purposes of determining al-  
16 lotments under subsections (a) and (b) of section  
17 1984, the term ‘State’ means each of the several  
18 States, the District of Columbia, the Commonwealth  
19 of Puerto Rico, Guam, American Samoa, the Virgin  
20 Islands of the United States, the Commonwealth of  
21 the Northern Mariana Islands, and each Indian tribe  
22 or tribal organization.

23           “(B) For purposes of determining allotments  
24 under subsections (a) and (b) of section 1984, the  
25 term ‘State’ means each of the several States, the

1 District of Columbia, and the Commonwealth of  
2 Puerto Rico.

3 **“SEC. 1986. AUTHORIZATION OF APPROPRIATIONS.**

4 “There are authorized to be appropriated to the Sec-  
5 retary to carry out this part \$200,000,000 for fiscal year  
6 2006, \$250,000,000 for fiscal year 2007, \$300,000,000  
7 for fiscal year 2008, \$400,000,000 for fiscal year 2009,  
8 and such sums as may be necessary for fiscal year 2010.”.

9 **SEC. 3. EVALUATION OF BLOCK GRANT PROGRAM BY SEC-**  
10 **RETARY.**

11 (a) EVALUATION.—The Secretary of Health and  
12 Human Services shall conduct an evaluation of several  
13 State programs carried out with grants under part D of  
14 title XIX of the Public Health Service Act, representing  
15 various approaches to raising the rate of child care work-  
16 ers with health benefits coverage.

17 (b) ASSESSMENT OF IMPACTS.—In evaluating State  
18 programs under subsection (a), the Secretary may con-  
19 sider any information appropriate to measure the success  
20 of the programs, and shall assess the impact of the pro-  
21 grams on the following:

22 (1) The rate of child care workers with health  
23 benefits coverage.

24 (2) The rate of child care workers with other  
25 benefits coverage, such as paid leave.

1           (3) The take-up rate by eligible child care pro-  
2       viders.

3           (4) The turnover rate in the field.

4           (5) The average wages paid.

5       (c) REPORT.—Not later than 3 years after the date  
6 of enactment of this Act, the Secretary of Health and  
7 Human Services shall submit a report to the Congress on  
8 the results of the evaluation conducted under subsection  
9 (a), together with recommendations for strengthening pro-  
10 grams carried out with grants under part D of title XIX  
11 of the Public Health Service Act.

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