

111TH CONGRESS  
1ST SESSION

# S. 1002

To provide for the acquisition, construction, renovation, and improvement  
of child care facilities, and for other purposes.

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IN THE SENATE OF THE UNITED STATES

MAY 7, 2009

Mr. CASEY (for himself and Mrs. LINCOLN) introduced the following bill;  
which was read twice and referred to the Committee on Health, Edu-  
cation, Labor, and Pensions

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## A BILL

To provide for the acquisition, construction, renovation, and  
improvement of child care facilities, 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 “Child Care Facilities  
5       Financing Act of 2009”.

6       **SEC. 2. DEFINITIONS.**

7       In this Act:

8               (1) CHILD CARE FACILITY.—The term “child  
9       care facility” means a structure used for the care  
10      and development of eligible children.

1           (2) CHILD CARE SERVICES.—The term “child  
2       care services” means child care and early childhood  
3       education.

4           (3) COMMUNITY DEVELOPMENT FINANCIAL IN-  
5       STITUTION.—The term “community development fi-  
6       nancial institution” has the meaning given such  
7       term in section 103(5) of the Community Develop-  
8       ment Banking and Financial Institutions Act of  
9       1994 (12 U.S.C. 4702(5)).

10          (4) ELIGIBLE CHILD.—The term “eligible  
11       child” has the meaning given such term in section  
12       658P of the Child Care and Development Block  
13       Grant Act of 1990 (42 U.S.C. 9858n).

14          (5) ELIGIBLE CHILD CARE PROVIDER.—The  
15       term “eligible child care provider” means—

16               (A) an eligible child care provider as de-  
17               fined in section 658P of the Child Care and De-  
18               velopment Block Grant Act of 1990 (42 U.S.C.  
19               9858n); or

20               (B) a Head Start center under the Head  
21               Start Act (42 U.S.C. 9831 et seq.).

22          (6) ELIGIBLE ENTITY.—The term “eligible enti-  
23       ty” means—

(A) a community development financial institution certified by the Department of the Treasury; or

(B) an organization that—

(i) is described in section 501(c)(3) of the Internal Revenue Code of 1986;

(ii) is exempt from taxation under section 501(a) of such Code; and

(iii) has demonstrated experience in—

(I) providing technical or financial assistance for the acquisition, construction, renovation, or improvement of child care facilities;

(II) providing technical, financial, or managerial assistance to eligible child care providers; and

(III) securing private sources of capital financing for child care or other low-income community development.

(7) ELIGIBLE RECIPIENT.—The term “eligible recipient” means—

(A) an eligible child care provider that provides child care services to an eligible child;

1 (B) an organization seeking to provide  
 2 child care services to an eligible child; or

3 (C) an organization providing or seeking to  
 4 provide child care services to low-income chil-  
 5 dren as determined by the Secretary.

6 (8) EQUIPMENT.—The term “equipment” in-  
 7 cludes—

8 (A) machinery, utilities, and built-in equip-  
 9 ment, and any necessary structure to house the  
 10 machinery, utilities, and equipment; and

11 (B) any other items necessary for the func-  
 12 tioning of a child care facility, including fur-  
 13 niture, books, and program materials.

14 (9) METROPOLITAN AREA.—The term “metro-  
 15 politan area” has the meaning given such term in  
 16 section 102 of the Housing and Community Devel-  
 17 opment Act of 1974 (42 U.S.C. 5302).

18 (10) SECRETARY.—The term “Secretary”  
 19 means the Secretary of Health and Human Services.

20 **SEC. 3. TECHNICAL AND FINANCIAL ASSISTANCE GRANTS.**

21 (a) GRANT AUTHORITY.—The Secretary may make  
 22 grants, on a competitive basis, to eligible entities to enable  
 23 the eligible entities to carry out the authorized activities  
 24 described in subsection (d) in accordance with this section.

1       (b) REQUIREMENT.—In making grants under sub-  
2 section (a), the Secretary shall take into account the expe-  
3 rience and success of eligible entities in attracting private  
4 financing and carrying out the types of activities for which  
5 grants under subsection (a) are made.

6       (c) PRIORITY.—In making grants under subsection  
7 (a), the Secretary shall give priority to an eligible entity—

8           (1) that has demonstrated experience—

9               (A) providing technical or financial assist-  
10              ance for the acquisition, construction, renova-  
11              tion, or improvement of child care facilities;

12              (B) providing technical, financial, or mana-  
13              gerial assistance to eligible child care providers;  
14              and

15              (C) securing private sources of capital fi-  
16              nancing for child care or other low-income com-  
17              munity development; and

18           (2) whose application proposes to assist eligible  
19 recipients that serve—

20              (A) low-income areas, including—

21                  (i) a community that—

22                      (I) is in a metropolitan area; and

23                      (II) has a median household in-  
24                      come that is not more than 80 percent

1 of the median household income of the  
 2 metropolitan area; or

3 (ii) a community that—

4 (I) is not in a metropolitan area;  
 5 and

6 (II) has a median income that is  
 7 not more than 80 percent of the me-  
 8 dian household income of the State in  
 9 which the community is located; or

10 (B) individuals, including eligible children,  
 11 from families with incomes at or below 200 per-  
 12 cent of the poverty line (as defined by the Of-  
 13 fice of Management and Budget and revised an-  
 14 nually in accordance with section 673(2) of the  
 15 Community Services Block Grant Act (42  
 16 U.S.C. 9902(2))) applicable to a family of the  
 17 size involved.

18 (d) AUTHORIZED ACTIVITIES.—

19 (1) CAPITAL FUND.—Each eligible entity that  
 20 receives a grant under subsection (a) shall deposit  
 21 the grant amount into a child care capital fund es-  
 22 tablished by the eligible entity.

23 (2) PAYMENTS FROM FUNDS.—Each eligible en-  
 24 tity shall provide technical or financial assistance (in  
 25 the form of loans, grants, investments, guarantees,

1 interest subsidies, and other appropriate forms of  
 2 assistance) to eligible recipients from the child care  
 3 capital fund the eligible entity establishes to pay  
 4 for—

5 (A) the acquisition, construction, renova-  
 6 tion, or improvement of child care facilities;

7 (B) equipment for child care facilities; or

8 (C) the provision of technical assistance to  
 9 eligible child care providers to help the eligible  
 10 child care providers undertake facilities im-  
 11 provement and expansion projects.

12 (3) LOAN REPAYMENTS AND INVESTMENT PRO-  
 13 CEEDS.—An eligible entity that receives a loan re-  
 14 payment or investment proceeds from an eligible re-  
 15 cipient shall deposit such repayment or proceeds into  
 16 the child care capital fund of the eligible entity for  
 17 use in accordance with this section.

18 (e) APPLICATIONS.—

19 (1) ELIGIBLE ENTITIES.—To be eligible to re-  
 20 ceive a grant under subsection (a), an eligible entity  
 21 shall submit an application to the Secretary at such  
 22 time, in such form, and containing such information  
 23 as the Secretary may require.

24 (2) ELIGIBLE RECIPIENTS.—To obtain assist-  
 25 ance from an eligible entity under this section, an el-

1        eligible recipient shall prepare and submit an applica-  
2        tion to the eligible entity at such time, in such form,  
3        and containing such information as the eligible enti-  
4        ty may require.

5    **SEC. 4. AUTHORIZATION OF APPROPRIATIONS.**

6        There is authorized to be appropriated to carry out  
7        this section \$50,000,000 for each of the fiscal years 2010  
8        through 2014.

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