

## **Building Child Care for a Better Future Act**

**Summary:** The need to rebuild a stronger, more robust and more equitable child care system is more important than ever as working families across America struggle to access affordable, quality child care. Emergency funding helped many providers stay afloat during the COVID-19 pandemic, but clearly long-term funding is urgently needed. This bill addresses the child care gap by providing new, permanent funding so that states, tribes, and territories have the critical resources they need to develop a child care infrastructure that better serves all families.

### **Expands Mandatory Child Care Funding**

- Increases annual funding for the Child Care Entitlement to States (CCES) to \$10 billion per year (a \$6.45 billion increase per year).
- Increases the amount of CCES funds reserved for Indian tribes and tribal organizations to 5% of funds.
- Increases the amount of CCES funds reserved for territories to 4% of funds.
- Reserves funds for technical assistance and evaluation.

### **Provides Grants to Improve Child Care Workforce, Supply, Quality, and Access**

Appropriates \$5 billion to the CCES annually to provide grants to improve child care workforce, supply, quality, and access in areas of particular need.

- Funding will not be subject to matching requirements.
- To access funds, states, District of Columbia, Indian tribes and tribal organizations, and territories will identify in their Child Care and Development Block Grant Act of 1990 (CCDBG) plans areas in particular need for child care, describe how funding will be used to improve the workforce, supply, quality, and access of child care in those identified areas, and describe how community members were consulted to identify community-specific needs.
- Funding can be used for CCDBG purposes including:
  - Increasing child care slots in child care facilities and family child care homes;
  - Establishing or expanding the operation of community or neighborhood-based family child care networks;
  - Providing funding for construction and renovation of child care facilities and family child care homes;
  - Providing start-up funding, technical assistance, support for improving business practices, and support navigating real estate financing and development processes;
  - Providing guidance to child care providers on negotiating with landlords or applying for land or home ownership;
  - Recruiting child care providers and staff;
  - Supporting professional development and training for the child care workforce, including through apprenticeships, partnerships with labor unions or labor-management partnerships, and partnerships with public and nonprofit institutions of higher education;
  - Maintaining an effective and diverse early care workforce by increasing total compensation, providing wage supplements or bonuses, or offering wage and retention rewards and ensuring adequate wages for staff of child care providers, including sole proprietors and independent contractors, that, at a minimum -
    - Provide a living wage for all staff of such child care providers; and
    - Are adjusted on an annual basis or cost of living increases; and
  - Contracting with an intermediary with experience securing private sources of capital financing for child care facilities or other low-income community development projects to provide technical support.