

Moving Early Learning and Care Forward: Federal Legislative Proposals from Lawmakers on Both Sides of the Aisle

Recognizing the needs of American children, families, employers, and child care providers, members from both sides of the aisle have taken an unprecedented interest in addressing the challenges parents face in accessing quality child care. Access to high-quality early learning and care remains the backbone of our nation's economy. Parents rely on quality child care so that they can go to work and provide for their family while knowing their children are safe and well cared for. At the same time, employers depend on a stable workforce, which requires parents having access to reliable child care options. Crucial federal investments that support early learning and care programs have made meaningful differences in the lives of children and families for generations. Yet, too many families still struggle to find quality, affordable care, and states miss out on hundreds of millions, if not billions, of dollars each year in economic activity due to breakdowns in child care.

While Congress has put forward numerous early learning and care proposals over many years, FFYF has curated a sampling of bills authored by Democrats and Republicans that work to support educators, elevate quality, improve access and affordability, and strengthen existing programs. These proposals range from comprehensive to targeted and highlight the complex needs facing families, children, and educators, specific to early education and care.

Making Child Care More Affordable for Working Families

● Child Care for Working Families Act

H.R. 1364 - Rep. Scott, S. 1360 - Sen. Patty Murray (D-WA), Sen. Bob Casey (D-PA), Sen. Mazie Hirono (D-HI) [117th Congress]

Improves affordability and expands access to high quality early learning and care while also increasing compensation for early childhood educators. Specifically, the bill would cap child care costs for families earning under 150% of state median income at 7% of their income, and child care would be of no cost to families making less than 75% of the state median income. This legislation would also provide support for universal access to high-quality preschool programs for 3- and 4-year-old children. Finally, the bill would strengthen investments in compensation and training for providers in order to help them remain in the field and ensure high-quality care is available to all children.



◆ **Child Care and Development Block Grant Reauthorization Act of 2022**

S. 3899 - Sen. Tim Scott (R-SC), Sen. Richard Burr (R-NC), Sen. Susan Collins (R-ME), Sen. Dan Sullivan (R-AK), Sen. Ben Sasse (R-NE), Sen. Chuck Grassley (R-IA), Sen. Todd Young (R-IN), Sen. Shelley Moore Capito (R-WV) [117th Congress]

Reauthorizes the Child Care and Development Block Grant (CCDBG) program to ensure families have access to the affordable, quality child care of their choice. Among other changes, allows families earning up to 150% SMI to receive CCDBG services if a state ensures families earning 85% SMI have had “an appropriate opportunity” to receive services; establishes a sliding scale for copayments such that families would pay no more than 7% of their income for child care copayments and families earning less than 75% of SMI would pay no copayment; and appropriates such sums as may be necessary for grants to expand the supply and capacity of child care providers and ensure child care facilities are designed and equipped to keep children healthy and safe and to enhance children’s physical, cognitive and behavioral development. Subgrants would be awarded to “qualified child care providers” for startup and supply expansion and facilities with priority given to those serving or who would serve priority populations of children. States would also move to using statistically valid cost estimation model in order to set provider rates that better reflect the true cost of quality care.

■ **Improving Child Care for Working Families Act of 2021**

H.R. 2121 - Rep. Cindy Axne (D-IA), Rep. Brian Fitzpatrick (R-PA), S. 897 - Sen. Joni Ernst (R-IA), Sen. Maggie Hassan (D-NH) [117th Congress]

Increases the maximum annual Dependent Care Flexible Spending Accounts (DCAP) limit from \$5,000 to \$10,500 (from \$2,500 to \$5,250 for a separate return by a married individual). Families are able to set aside money pre-tax to pay for preschool, summer day camp, before or after school programs, and child or adult care.

♣ **PACE Act**

H.R. 1696 - Rep. Stephanie Murphy (D-FL), Rep. Jason Smith (R-MO), S. 749 - Sen. Angus King (I-ME), Sen. Richard Burr (R-NC), Sen. Susan Collins (R-ME), Sen. Jacky Rosen (D-NV), Sen. Kyrsten Sinema (D-AZ) [116th Congress]

Increases the Child Care and Dependent Care Tax Credit and make it refundable, helping to make quality child care more affordable for working families. The bill would also increase the amount of employer-provided dependent care assistance that may be excluded from an employee’s gross income, updating the tax code to better reflect the high price of quality care.

● **Child and Dependent Care Tax Credit Enhancement Act**

H.R. 927 - Rep. Danny Davis (D-IL), Rep. Suzan DelBene (D-WA), S. 271 - Sen. Bob Casey (D-PA) [117th Congress]

The CDCTC is the only provision in the tax code specifically designed to help parents offset work-related child care costs. This bill modifies the CDCTC to (1) increase the adjusted gross income threshold level above which the credit is incrementally reduced to \$400,000; (2) increase the dollar limits on the allowable amount of the credit; (3) specify rules for married couples filing separate returns; (4) allow an inflation adjustment to the adjusted gross income threshold and the maximum credit amounts, beginning after 2022; and (5) make the credit refundable.



Supporting Early Childhood Educators

◆ **Early Educators Apprenticeship Act**

H.R. 702 - Rep. Brett Guthrie (R-KY), Rep. David McKinley (R-WV), Rep. Susan Wild (D-PA), S. 186 - Sen. Bob Casey (D-PA), Sen. Todd Young (R-IN) [117th Congress]

Establishes a grant program to assist states in creating their own early childhood education (ECE) registered apprenticeship programs. Registered apprenticeships allow prospective teachers, as well as current providers who want to obtain further credentials, to earn wages while gaining practical experience. Apprenticeships strengthen the ECE workforce through improved quality, effectiveness, and retention of educators.

■ **SEED Act**

H.R. 5254 - Rep. Conor Lamb (D-PA), Rep. Jimmy Panetta (D-CA), Rep. Tom Reed (R-NY), Rep. Jackie Walorski (R-IN), S. 3424 - Sen. Michael Bennet (D-CO), Sen. Susan Collins (R-ME) [117th Congress]

The Supporting Early-Childhood Educators through Deductions (SEED) Act expands the teacher expenses tax deduction to include early childhood educators. This bill would ensure that early childhood educators are able to claim the existing above-the-line \$250 tax deduction for K-12 teachers.

Increasing Access to High-Quality Programs

👉 **Child Care Workforce and Facilities Act of 2021**

H.R. 540 - Rep. Josh Harder (D-CA), Rep. Nikema Williams (D-GA), Rep. Herera Buetler (R-WA), S. 133 - Sen. Amy Klobuchar (D-MN), Sen. Dan Sullivan (R-AK), Sen. Kyrsten Sinema (D-AZ), Sen. Jeanne Shaheen (D-NH), Sen. Martin Heinrich (D-NM), Sen. Angus King (I-ME), Sen. Joni Ernst (R-IA), Sen. Steve Daines (R-MT), Sen. Shelley Moore Capito (R-WV) [117th Congress]

Establishes grants to increase access to quality child care in child care deserts; grants could be used to expand the workforce of eligible child care providers or for the construction, expansion, or renovation of provider facilities.

● **Small Business Child Care Investment Act**

H.R. 3155 - Rep. Susie Lee (D-NV), Rep. Cindy Axne (D-IA), Rep. Susan Wild (D-PA), Rep. John B. Larson (D-CT), Rep. Peter Stauber (R-MN), Rep. John Moolenaar (R-MI), Rep. Van Taylor (R-TX), Rep. Rodney Davis (R-IL), Rep. Jim Hagedorn (R-MN), S. 1587 - Sen. Jacky Rosen (D-NV), Sen. Joni Ernst (R-IA) [117th Congress]

Amends the Small Business Investment Act to specify "nonprofit child care providers" are deemed to be a small business concern, allowing them to receive SBA loans.

◆ **Childcare DESERTS Act**

S. 5022 - Sen. Joni Ernst (R-IA), Sen. Tim Scott (R-SC), Sen. Chuck Grassley (R-IA), Sen. Gary Peters (D-MI) [117th Congress]

Allows recipients of certain SBA loans to use the loan proceeds to provide child care services to employees.



■ **Building Housing with Care Act**

H.R. 9375 - Rep. Suzanne Bonamici (D-OR), Rep. Sara Jacobs (D-CA) [117th Congress]

Provides \$500 million to help construct child care centers and support home-based child care providers connected with affordable housing buildings. Funding is prioritized for projects located in child care deserts or rural communities, including qualified Head Start providers and providers that serve low-income children.

👉 **Building an Economy for Families Act**

House Ways & Means Democrats Proposal

Increases funding for the Child Care Entitlement to states and indexes it to grow with inflation; establishes a Child Care Information Network (CCIN) for families to access information about available child care slots; creates a new refundable payroll tax credit for child care providers to raise child care worker wages.

● **Child Care is Infrastructure Act**

H.R. 1911 - Rep. Katherine Clark (D-MA), Rep. Jamaal Bowman (D-NY), Rep. Suzanne Bonamici (D-OR) [117th Congress]

Establishes funding for infrastructure grants and needs assessments for child care facilities and higher education loan repayment and scholarship programs for child care educators, among other provisions. Caps cost of needs assessments at \$5 million and designates 3% of funds for Indian tribes, 3% for territories, and 10-15% for grants to intermediary organizations.

Strengthening Existing Federal Programs

◆ **Child Care and Development Block Grant Reauthorization Act of 2022**

H.R. 9394- Rep. Burgess Owens (R-UT), Rep. Ashley Hinson (R-IA) [117th Congress]

Reauthorizes the Child Care and Development Block Grant (CCDBG) program to ensure families have access to the affordable, quality child care of their choice. Among other changes, expands eligibility for families, allowing families earning up to 150% SMI to receive CCDBG services if a state ensures families earning 85% SMI, have had “an appropriate opportunity” to receive services;; and provides assistance and support for home-based and family child care provider networks to address supply shortages. States would also move to using a statistically valid cost estimation model in order to set provider rates that better reflect the true cost of quality care. Enables HHS to provide guidance to states on cost estimation models but prohibits HHS from requiring states to adopt a particular model.

■ **Child Care Flexibility for Working Families Act**

H.R. 4354 - Rep. Brad Wenstrup (R-OH), Rep. Michelle Steel (R-CA) [117th Congress]

The Employer-Provided Child Care Credit (under Internal Revenue Code Section 45F), is a federal tax program meant to encourage businesses to invest in child care for their employees. Under 45F, employers are eligible for a nonrefundable tax credit of up to 25% of qualified child care expenditures and 10% of qualified child care resource and referral expenditures. The credit is capped at \$150,000. This bill modifies the 45F tax credit for employer-provided child care to (1) allow the credit for the reimbursement of costs necessary for an employee's employment, and (2) allow an increased credit for certain small businesses from 25% to 50% (i.e., businesses with gross receipts not exceeding \$25 million and with not more than 50 employees in a taxable year). Also requests a GAO study to examine certain aspects of the tax credit.



👉 **Funding Early Childhood is the Right IDEA Act**

H.R. 6532 - Rep. Mark DeSaulnier (D-CA), Rep. Jared Huffman (D-CA), Rep. Rodney Davis (R-IL) [117th Congress]

Increases funding for the Individuals with Disabilities Education Act (IDEA) Part C and Part B, Sec. 619. These programs are specifically designed to serve younger children with disabilities; IDEA Part C authorizes federal funding for early intervention services to infants and toddlers with disabilities ages birth to three years, and IDEA Part B, Section 619 authorizes supplementary grants to states for preschool programs serving children with disabilities ages three through five.

● **Creating Early Childhood Leaders Act**

S. 3228 - Sen. Bob Casey (D-PA), Sen. Mitt Romney (R-UT) [117th Congress]

Amends Teacher Quality Partnership Grants to require effective school leadership programs carried out under the grant to include training for school leaders on child development, social and emotional development, and effective instructional leadership skills for children from birth through age eight in order to effectively manage and support developmentally appropriate early childhood education programs. As the field works to expand access to more families and build the supply of early learning and care options, it is critical that school leaders are equipped with the tools to provide high quality learning and care.