



Side-by-Side Comparison of Child Care and Early Education Provisions in Key Senate, House, and Administration Bills and Proposals

By Jennifer Mezey, Mark Greenberg and Rachel Schumacher
Revised January 7, 2004

This document summarizes and compares selected child care and early education provisions in current law and a set of major Congressional proposals addressing reauthorization and early education *as of January 7, 2004*:

- The Administration's *Good Start, Grow Smart* initiative. Descriptions of provisions are based on *Good Start, Grow Smart*, a White House document released in April 2002. A number of provisions of this initiative are being implemented through administrative actions.
- The Child Care and Development Block Grant (CCDBG) reauthorization bill (S. 880), *Caring for Children Act of 2003*, approved by the Senate Health, Education, Labor, and Pensions (HELP) Committee on April 2, 2003.
- The TANF reauthorization bill approved by the Senate Finance Committee (H.R. 4), *Personal Responsibility and Individual Development for Everyone (PRIDE) Act*, on September 26, 2003.
- The TANF reauthorization bill passed by the House (H.R. 4), *Personal Responsibility, Work, and Family Promotion Act of 2003*, in February 2003.

This piece summarizes *child care and early education aspects of the above proposal and bills*, but does not address every detail of the proposals.

This document is part of a larger joint project of the Center for Law and Social Policy (CLASP) and the Center on Budget and Policy Priorities, which includes side-by-side comparisons of many aspects of proposed TANF reauthorization legislation.

Child Care and Early Education Provisions in Final House Bill, Senate Bills, and Administration Proposals

| | Current Law | Bush Administration's <i>Good Start, Grow Smart</i> Initiative | Senate HELP Committee (S. 880) | Senate Finance Committee (H.R. 4) | Final House Bill (H.R. 4) |
|-----------------------------------|--|--|---|--|--|
| Title(s) | Social Security Act; Child Care and Development Block Grant (CCDBG) Act of 1990 | Presidential proposal outlined in <i>Good Start, Grow Smart</i> early childhood initiative | Caring for Children Act of 2003 | Personal Responsibility and Individual Development for Everyone Act | Personal Responsibility, Work, and Family Promotion Act of 2003 |
| Congressional Committee(s) | House Education and Workforce Committee; House Ways and Means Committee; Senate Finance Committee; Senate Health, Education, Labor, and Pensions Committee | Not legislation | Senate Health, Education, Labor, and Pensions Committee | Senate Finance Committee | House Education and Workforce Committee; House Ways and Means Committee. (Other committees have jurisdiction over programs referenced in waiver provisions.) |
| Focus of Bill/Proposal | Child Care and TANF | Early Education | Child Care and Early Education | TANF and Child Care | TANF and Child Care |
| Funding | <p>The federal government provides states with “mandatory” and “discretionary” CCDBG funds. Mandatory funds are automatically available each year and are not subject to the annual Congressional appropriations process. Discretionary funds must be appropriated each year by the Congressional appropriations committees.</p> <p>In FY 2003, Congress provided \$2.7 billion in mandatory funds and \$2.09 billion in discretionary funds.</p> <p>Part of the mandatory funding is available to states without a state match requirement, and</p> | Maintains CCDBG funding at the current level of \$4.8 billion/year (including mandatory, matching, and discretionary funding). | <p>Does not address mandatory funding. (Not within Committee jurisdiction.)</p> <p>Raises CCDBG discretionary ceiling by an additional \$200 million in FY 2004; \$400 million in FY 2005; \$600 million in FY 2006; \$800 million in FY 2007; and \$1 billion in FY 2008. This funding would only be</p> | <p>Increases mandatory-matching funds by \$1 billion over five years by authorizing an additional \$200 million in federal mandatory-matching funds for FY 2004 through FY 2008. States would need to increase their state child care spending to draw down the additional matching funds.</p> <p>Does not address discretionary funding. (Not within Committee jurisdiction.)</p> | <p>Increases mandatory-matching funds by \$1 billion over five years by authorizing an additional \$200 million in federal mandatory-matching funds for FY 2004 through FY 2008. States would need to increase their state child care spending to draw down the additional matching funds.</p> <p>Raises CCDBG discretionary ceiling by an additional \$200 million in FY 2004; \$400 million in FY 2005; \$600 million in FY 2006; \$800 million in FY 2007; and \$1 billion in FY 2008. This funding</p> |

| | Current Law | Bush Administration's <i>Good Start, Grow Smart Initiative</i> | Senate HELP Committee (S. 880) | Senate Finance Committee (H.R. 4) | Final House Bill (H.R. 4) |
|--|--|--|---|--|--|
| | <p>part is subject to match. In FY 2003, \$1.24 billion of the \$2.7 billion in available mandatory funding was available without a match, and \$1.48 billion was subject to a state match totaling \$1.15 billion.</p> <p>The CCDBG law authorizes \$1 billion in discretionary funds each year. In recent years, the actual amount of discretionary funds appropriated has exceeded the discretionary authorization each year.</p> <p>To receive federal matching funds, states must maintain their historic level of expenditures on low-income child care programs. If states wish to draw down matching funds, they must: (1) obligate all of their mandatory funds that do not require a state match; (2) meet this maintenance of effort requirement; and (3) put up matching funds. The maintenance of effort requirement for all states totaled \$887 million in FY 2003.</p> <p>State expenditures for pre-kindergarten programs can be used for up to 20% of the state's maintenance of effort or matching funds under certain conditions. If a state plans to use pre-kindergarten funds for</p> | <p>Increases the percentage of state CCDBG matching funds that may be applied from state expenditures on pre-kindergarten from 20%</p> | <p>provided if it was subsequently appropriated by Congress.</p> <p>After reserving funds for the quality set-aside and administration, 70% of remaining CCDBG funds must be used for direct services, as defined by the state.</p> | | <p>would only be provided if it was subsequently appropriated by Congress.</p> |

| | Current Law | Bush Administration's <i>Good Start, Grow Smart</i> Initiative | Senate HELP Committee (S. 880) | Senate Finance Committee (H.R. 4) | Final House Bill (H.R. 4) |
|--------------------------|---|---|---|--|---|
| | <p>the maintenance of effort requirement, the state cannot reduce its expenditures for full-day, full-year child care services. If a state plans to use pre-kindergarten expenditures as state matching funds, the state must include in its state plan a description of how it will ensure that pre-kindergarten programs meet the needs of working parents.</p> <p>If a state intends to use state pre-kindergarten funds for 10-20% of its maintenance of effort or matching funds, the state must indicate so in its state plan and describe how the state will coordinate pre-kindergarten and child care services to expand the availability of child care.</p> | to 30%. | | | |
| Non-Supplantation | No statutory supplantation prohibition; Congressional appropriations language for FYs 2001-2003 prohibits supplantation of state general revenue funds for child care assistance to low-income families with CCDBG discretionary funds. | Current law | Current law | Current law | Current law |
| CCDBG Goals | The goals of the CCDBG law are: (1) to allow each State maximum flexibility in developing child care programs and policies that best suit the needs of children and parents within each state; (2) to | | Strikes language in CCDBG goal (3) that "encourages" states to provide consumer education and changes it to "assist" states in providing consumer education to parents. | | Strikes language in CCDBG goal (3) that "encourages" states to provide consumer education and changes it to "assist" states in providing consumer education to parents. |

| | Current Law | Bush Administration's <i>Good Start, Grow Smart Initiative</i> | Senate HELP Committee (S. 880) | Senate Finance Committee (H.R. 4) | Final House Bill (H.R. 4) |
|--|---|---|---|--|---|
| | <p>promote parental choice to empower working parents to make their own decisions on the child care that best suits their family's needs; (3) to encourage states to provide consumer education information to help parents make informed choices about child care; (4) to assist states to provide child care to parents trying to achieve independence from public assistance; and (5) to assist states implementing the health, safety, licensing and registration standards established in state regulations.</p> | | <p>Deletes CCDBG goal (4), "to assist States to provide child care to parents trying to achieve independence from public assistance," and replaces with, "to assist States to provide child care to low-income and working parents."</p> <p>Adds purposes of:</p> <ul style="list-style-type: none"> • "assist[ing] states to improve the quality of child care available to families;" • "promot[ing] school preparedness by encouraging children, families, and caregivers to engage in developmentally appropriate and age-appropriate activities in child care settings that will: (A) improve the children's social, emotional and behavioral skills; and (B) foster their early cognitive, pre-reading and language development," and • "promot[ing] parental and family involvement in the education of young children in child care settings." | | <p>Deletes CCDBG goal (4), "to assist States to provide child care to parents trying to achieve independence from public assistance," and replaces with, "to assist states to provide child care to low-income parents."</p> <p>Adds purposes of:</p> <ul style="list-style-type: none"> • "encourag[ing] states to improve the quality of child care available to families" and • "promot[ing] school readiness by encouraging exposure of young children in child care settings to nurturing environments and developmentally appropriate activities, including activities to foster early cognitive and literacy development." |

| | Current Law | Bush Administration's <i>Good Start, Grow Smart Initiative</i> | Senate HELP Committee (S. 880) | Senate Finance Committee (H.R. 4) | Final House Bill (H.R. 4) |
|--|--|--|---|--|--|
| CCDBG Eligibility | Requires that a child who is eligible for CCDBG funds be less than 13 years (or less than 19 at state option if the child is disabled and can't care for him or herself); has a family income that does not exceed 85% of the state median income (SMI); resides with a parent(s) who is working or attending a job training or educational program unless the child is receiving, or needs to receive, protective services and is residing with a parent(s) (in which case the parent(s) is not required to be in job training or an educational program). | Current law | Eliminates the federal maximum eligibility level of 85% of SMI and replaces it with a provision requiring states to set income eligibility levels, with priorities based on need, as defined by each state. | Current law | Eliminates the federal maximum eligibility level of 85% of SMI and replaces it with a provision requiring states to set income eligibility levels, prioritizing by need. |
| Improving Outreach, Child Care Consumer Information, and Child Care Access for Families | Requires each state to certify that it will disseminate consumer education information that will promote informed child care choices. Requires each state to demonstrate the way in which it will meet the child care needs of families receiving subsidies who are attempting to transition off of assistance and families who are at risk of going on assistance. Quality set-aside funds may be used by states for resource and referral services. In addition, the FY 2003 discretionary allocation included a \$19 million earmark to be used for | Proposes development of parent information booklets regarding healthy development of newborns. | Requires states to certify in their CCDBG state plans that they are collecting and disseminating to parents of eligible children, child care providers, and the general public, through resource and referral services and other means as determined by the state, information regarding: the promotion of informed child care choices, including information about the quality and availability of child care services; research and best practices on children's development, including early cognitive development; the availability of assistance to obtain child care services; and other benefit programs for | Does not address | Requires states to certify in their CCDBG state plans that they are collecting and disseminating to parents of eligible children, child care providers, and the general public, through resource and referral services and other means as determined by the state, information regarding: the promotion of informed child care choices, including information about the quality and availability of child care services; research and best practices on children's development, including early cognitive development; the availability of assistance to obtain child care services; |

| | Current Law | Bush Administration's <i>Good Start, Grow Smart</i> Initiative | Senate HELP Committee (S. 880) | Senate Finance Committee (H.R. 4) | Final House Bill (H.R. 4) |
|--|--|---|--|--|---|
| | resource and referral and school-age services. | | <p>which families who receive child care services may also be eligible.</p> <p>Requires states to demonstrate how they address the child care needs of families who have children with special needs, work nontraditional hours, or require child care services for infants and toddlers.</p> <p>Defines "special needs" as being eligible for services under Part B or Part C of the Individuals with Disabilities Education Act (IDEA).</p> <p>Requires states to report to the Secretary of the U.S. Department of Health and Human Services (HHS) the manner in which consumer education is provided to parents and the number of parents to whom consumer education was provided during the years of the previous state plan.</p> <p>Specifies in the statute that states may use CCDBG funds to establish or support a system of local child care resource and referral organizations coordinated by a statewide lead child care resource and referral organization.</p> | | <p>and other benefit programs for which families who receive child care services may also be eligible.</p> <p>Requires states to demonstrate how they address the child care needs of CCDBG-eligible families who have children with special needs, work nontraditional hours, or require child care services for infants and toddlers.</p> |

| | Current Law | Bush Administration's <i>Good Start, Grow Smart</i> Initiative | Senate HELP Committee (S. 880) | Senate Finance Committee (H.R. 4) | Final House Bill (H.R. 4) |
|--|-------------|--|--|-----------------------------------|---------------------------|
| | | | <p>Requires states to inform low-income families and TANF recipients about their potential eligibility for CCDBG-funded subsidies.</p> <p>Requires the Secretary to reserve up to \$1 million in discretionary funds (subject to the availability of appropriations) for a toll-free hotline to provide consumer information to and help families access local information on child care options.</p> <p>Requires states to describe the procedures and policies that are in place to ensure that working parents (especially TANF recipients) are not required to unduly disrupt their employment in order to comply with the state's requirements for redetermination of eligibility for CCDBG-funded assistance.</p> <p>Requires states to demonstrate that each child receiving CCDBG-funded assistance will receive such assistance for not less than six months before the state redetermines the child's eligibility for assistance, except when states take the option described below to continue</p> | | |

| | Current Law | Bush Administration's <i>Good Start, Grow Smart Initiative</i> | Senate HELP Committee (S. 880) | Senate Finance Committee (H.R. 4) | Final House Bill (H.R. 4) |
|---|---|--|---|--|---|
| | | | <p>assistance for a reasonable period of time when a parent loses a job or ceases attending an education or training program.</p> <p>Gives states the option of demonstrating that they will not terminate CCDBG-funded assistance to parents who lose their job or cease attending a job training or educational program without providing continued eligibility for a reasonable period of time of not less than one month while the parent looks for another job or education or training opportunity.</p> | | |
| CCDBG Quality Set-Aside and Other Explicit Strategies to Improve the Quality of Child Care and Early Education | Requires that states spend at least 4% of CCDBG mandatory, discretionary, and federal and state matching funds on activities designed to provide comprehensive consumer education to parents and the public, activities that increase parental choice, and activities designed to improve the quality and availability of child care in the state (such as resource and referral services). Generally referred to as the "quality set-aside." | <p>Maintains current law for quality set-aside.</p> <p>In exchange for CCDBG funds, states would be required to identify a set of quality criteria; goals would include establishing voluntary guidelines on pre-reading, language, and literacy skills for children 3-5 and in alignment with K-12 standards.</p> | <p>Increases the minimum 4% quality set-aside to 6%.</p> <p>Limits the allowable uses of the quality set-aside funds to improving quality.</p> <p>Does not limit the use of quality funds to improve only those services available to low-income parents from CCDBG-eligible providers.</p> <p>Allows states to conduct quality activities directly, or through grants or contracts with resource and referral organizations or other appropriate entities.</p> | Does not address | <p>Increases the minimum 4% quality set-aside to 6%.</p> <p>Limits the allowable uses of the quality set-aside funds to improving quality.</p> <p>Limits the use of quality funds to improve only those services available to low-income parents from CCDBG-eligible providers.</p> <p>Allows states to conduct quality activities through resource and referral services or other means.</p> |

| | Current Law | Bush Administration's <i>Good Start, Grow Smart</i> Initiative | Senate HELP Committee (S. 880) | Senate Finance Committee (H.R. 4) | Final House Bill (H.R. 4) |
|--|--------------------|---|---|--|--|
| | | | <p>Amends current law to specify that activities must be designed to improve quality and that funds may only be used to: (1) develop and implement voluntary guidelines on pre-reading and language skills for child care programs that are aligned with state standards for kindergarten through grade 12 or the state's general goals for school preparedness; (2) support activities and provide technical assistance in federal, state, and local child care settings to enhance early learning for young children, to promote literacy, and to foster school preparedness; (3) offer training, professional development, and educational opportunities for child care providers that relate to the use of developmentally appropriate and age-appropriate curricula, and early childhood teaching strategies that are scientifically based and aligned with the social, emotional, physical, and cognitive development of children; (4) engage in programs designed to increase the retention and improve the competencies of child care providers, including wage incentive programs and initiatives that establish tiered payment rates for providers that meet or exceed child care</p> | | <p>Amends current law to specify that activities must be designed to improve quality and include: (1) programs that provide training, education, and other professional development activities to enhance the skills of the child care workforce, including training opportunities for caregivers in informal care settings; (2) activities within child care settings to enhance early learning for young children, to promote early literacy, and to foster school readiness; (3) initiatives to increase the retention and compensation of child care providers, including tiered reimbursement rates for providers that meet quality standards as defined by the state; and (4) other activities deemed by the state to improve the quality of child care services provided in such state.</p> |

| | Current Law | Bush Administration's <i>Good Start, Grow Smart Initiative</i> | Senate HELP Committee (S. 880) | Senate Finance Committee (H.R. 4) | Final House Bill (H.R. 4) |
|--|-------------|--|--|-----------------------------------|--|
| | | | <p>services guidelines, as defined by the state; (5) evaluate and assess the quality and effectiveness of child care programs and services offered in the state to young children on improving overall school preparedness; and (6) carry out other activities determined by the state to improve the quality of child care services provided in the state and for which measurement of outcomes related to improved child safety, child well-being, or school preparedness is possible.</p> <p>Beginning in FY 2004, each state required to submit annually to the Secretary, a certification that the state was in compliance with subsection (a) of the quality set-aside section of the CCDBG Act (detailing the quality spending and activity requirements) during the preceding fiscal year and describes how the state used CCDBG funds to comply with subsection (a)'s requirements during the preceding fiscal year.</p> <p>Beginning in FY 2004, each state required to submit annually to the Secretary an outline of the strategy the state will implement during that</p> | | <p>Requires each state to submit as part of its CCDBG state plan, for each year after FY 2004, certification that during the then preceding fiscal year, the state was in compliance with the CCDBG section containing the quality set-aside requirements and describe how funds were used to comply with that section during the then preceding fiscal year.</p> <p>Requires each state to submit as part of its CCDBG state plan, for each fiscal year after FY 2004, an outline of the strategy the</p> |

| | Current Law | Bush Administration's <i>Good Start, Grow Smart</i> Initiative | Senate HELP Committee (S. 880) | Senate Finance Committee (H.R. 4) | Final House Bill (H.R. 4) |
|--|-------------|--|--|-----------------------------------|---|
| | | | <p>fiscal year to address the quality of child care services for which CCDBG-funded financial assistance is made available, including: (1) a statement specifying how the state will address the activities carried out under the quality set-aside requirement; (2) a description of quantifiable, objective measures that the state will use to evaluate the state's progress in improving the quality of child care services (including measures regarding the impact, if any, of state efforts to improve the quality by increasing the rate of state payment or reimbursement to providers for subsidized child care), evaluating separately the impact of the activities listed in each of subsection (a)'s subparagraphs on the quality of child care services; and (3) a list of state-developed child care services quality targets quantified for such fiscal year for such measures.</p> <p>Beginning in 2005, each state required to submit annually to the Secretary of HHS a report on the state's progress in achieving such targets for the preceding fiscal year.</p> | | <p>state will implement during such fiscal year for which the State Plan is submitted to address the quality of child care services available to low-income parents from eligible child care providers. The state will include in such strategy: (1) a statement specifying how the state will address the activities described in paragraphs (1)-(3) of the amended quality set-aside section of the CCDBG Act. (See above for discussion of activities specified in paragraphs (1)-(3)); (2) a description of quantifiable, objective measures for evaluating the quality of child care services separately with the activities listed in paragraphs (1)-(3) of the quality set-aside section that the state will use to evaluate its progress in improving the quality of such child care services; (3) a list of state-developed child care service quality targets for such fiscal year quantified on the basis of such measures; and (4) for each fiscal year after FY 2004, a report on the progress made to achieve such targets during the then preceding fiscal year.</p> |

| | Current Law | Bush Administration's <i>Good Start, Grow Smart</i> Initiative | Senate HELP Committee (S. 880) | Senate Finance Committee (H.R. 4) | Final House Bill (H.R. 4) |
|---|--|--|---|--|---|
| | | | <p>If the Secretary determines that a state failed to make progress in achieving the state-developed child care service quality targets for the preceding fiscal year, the state must submit an improvement plan that describes the measures the state will take to make that progress. The state must comply with the improvement plan by a date specified by the Secretary but not later than one year after the date of the determination.</p> <p>Requires states to demonstrate how they encourage public-private partnerships to increase the supply and quality of child care services.</p> | | <p>No corrective action plan requirement.</p> <p>Requires states to demonstrate how they encourage public-private partnerships to increase the supply and quality of child care services.</p> |
| Provider Training, Compensation, and Retention Initiatives | No specific provisions regarding the training, compensation, or retention of child care providers. However, the quality set-aside funds may be used for these purposes. HHS regulations specify that states may use set-aside funds for training providers and improving salaries and other compensation (such as fringe benefits) for full- and part-time staff who provide child care services for which CCDBG assistance is provided. | <p>Requires states to describe how education and training activities for child care and preschool teachers and administrators are made available.</p> <p>Authorizes the Department of Education (DoE) to host Early Childhood Education Academies to train child care and preschool providers on cognitive development</p> | <p>See quality set-aside provisions above.</p> <p>Requires states to describe any training requirements that are in effect within the state that are designed to enable providers to promote the social, emotional, physical, and cognitive development of children and that are applicable to child care providers that provide CCDBG-funded child care services.</p> | Does not address | See quality set-aside provisions above. |

| | Current Law | Bush Administration's <i>Good Start, Grow Smart Initiative</i> | Senate HELP Committee (S. 880) | Senate Finance Committee (H.R. 4) | Final House Bill (H.R. 4) |
|---|--|---|---|--|--|
| | | research. | | | |
| Increasing Quality and Supply of Infant and Toddler Child Care | No specific provision in CCDBG law; Congress included an earmark of approximately \$100 million from discretionary funds for states to increase the supply of quality care for infants and toddlers in FY 2003. | Current law | Requires states to demonstrate in their CCDBG state plans how they address the child care needs of families who have infants and toddlers. Requires the Secretary of HHS to earmark \$100 million of CCDBG discretionary funds (subject to the availability of appropriations) for grants to states to increase access to and the quality of child care for infants and toddlers. | Does not address | Requires states to demonstrate in their CCDBG state plans how they address the child care needs of families who have infants and toddlers. No statutory earmark. Congressional appropriators could still choose to include an earmark of CCDBG discretionary funds. |
| Provider Payment Rates | The CCDBG law requires state certification that provider payment rates for families receiving subsidies allow equal access to child care comparable to that of families who do not receive subsidies because their income exceeds eligibility limits. States must also provide to the Secretary of HHS a summary of the facts relied upon to determine that the rates were set to provide equal access. Regulations require states to provide information to HHS about how rates are set, including facts that show that payment rates are adequate based on a market rate survey conducted no earlier than two | Current law | Requires states to demonstrate in their state plan that, after consulting with local area child care program administrators, the states have developed and conducted a statistically valid and reliable market rate survey that reflects cost variations by geography, age of children, and provider type within two years preceding the date of the submission of the application containing the state plan. Requires states to detail in their state plans the results of their market rate surveys. Deletes the requirement that states submit in their state plans a summary of the facts | Does not address | Current law |

| | Current Law | Bush Administration's <i>Good Start, Grow Smart Initiative</i> | Senate HELP Committee (S. 880) | Senate Finance Committee (H.R. 4) | Final House Bill (H.R. 4) |
|--|---|---|---|--|--------------------------------------|
| | <p>years prior to the effective date of the CCDBG state plan.</p> <p>HHS guidance instructs states that payment rates set at the 75th percentile of the child care provider market will be considered to provide equal access.</p> | | <p>relied upon to ensure that their rates were set so as to provide equal access.</p> <p>Requires states to describe in their state plans how they will provide for timely payment for child care services and how they will set their payment rates for CCDBG-funded child care services in accordance with results of their market rate survey without reducing the number of families receiving CCDBG-funded assistance relative to the number of such families served on the date of the introduction of this Act.</p> <p>Requires states to describe in their state plans how they will make their survey results widely available through public means, including posting on the Internet within 30 days of their completion.</p> <p>Allows states to vary payment rates based on the geographic location of the child care provider (such as location in an urban or rural area), the age or particular needs of the child (including children with special needs and children served by child protective services), and whether care is provided during weekend and other nontraditional hours.</p> | | |

| | Current Law | Bush Administration's <i>Good Start, Grow Smart</i> Initiative | Senate HELP Committee (S. 880) | Senate Finance Committee (H.R. 4) | Final House Bill (H.R. 4) |
|---|--|---|---|--|--|
| | | | <p>Provides that in any year in which a state receives more CCDBG funds than it received in FY 2003, the state must consider using a portion of the excess funding to: (1) support payment rate increases in accordance with the states' market rate survey; (2) support the establishment of tiered payment rates for providers that meet or exceed child care services guidelines, as defined by the state; or (3) support payment rate increases for child care in communities served by local education agencies that have been identified for improvement under the Elementary and Secondary Education Act. Nothing in this section shall be construed to require a state to take any action that the state determines would result in a reduction of child care services to families of eligible children.</p> <p>Requires the Secretary of HHS to provide technical assistance to states on developing and conducting market rate surveys.</p> | | |
| Coordination Across Federal, State, and Local Child Care and Early | Requires that the CCDBG lead agency coordinate child care services funded by CCDBG with other federal, state, and local child care and early | Requires states to outline coordination among at least four early childhood programs (may include | Requires states to describe how they are coordinating CCDBG services with Head Start, Early Reading First, Even Start, Title I preschool programs, the | Does not address CCDBG agency coordination. | Requires states to demonstrate how they are coordinating CCDBG services with Head Start, Early Reading First, Even |

| | Current Law | Bush Administration's <i>Good Start, Grow Smart Initiative</i> | Senate HELP Committee (S. 880) | Senate Finance Committee (H.R. 4) | Final House Bill (H.R. 4) |
|------------------------------------|---|--|--|--|---|
| Education Programs | <p>education development programs by the lead agency.</p> <p>Requires that the lead agency consult with representatives of local government when developing the CCDBG plan.</p> | <p>CCDBG, Head Start, TANF, and public preschool).</p> <p>Authorizes Department of Education's and Head Start's "Early Childhood-Head Start Task Force" to provide guidance to states on coordination of services.</p> <p>States that CCDBG funding and program rules could be included in waivers across such programs as TANF to develop "a comprehensive workforce assistance system that includes early childhood care."</p> | <p>IDEA preschool and infants and toddlers programs, state pre-kindergarten, and other early childhood education programs to expand accessibility to and continuity of quality early care and early education.</p> | | <p>Start, Ready-to-Learn Television, state pre-kindergarten, and other early childhood education programs to expand accessibility to and continuity of care and early education, without displacing services provided by the current early care and education delivery system.</p> |
| Waiver Authority | <p>Under Section 1115 of the Social Security Act, states may request waivers of TANF state plan provision requirements.</p> <p>No CCDBG waiver authority.</p> | | | <p>Up to 10 states, with approval from HHS, could obtain waivers of federal law and rules related to CCDBG, TANF, and the Social Services Block Grant.</p> <p>A waiver cannot be granted for the requirement that mandatory and mandatory-matching child care funding only be used to provide child care assistance.</p> | <p>States, with approval by appropriate federal agencies, could obtain extensive waivers of federal law and rules related to CCDBG, TANF, Food Stamps, public housing and most homelessness programs, the Social Services Block Grant, most Workforce Investment Act programs, and adult basic education.</p> |
| Work or Other Participation | <p>Two separately calculated participation rates: an "overall"</p> | <p>Does not address</p> | <p>Does not address</p> | <p>Eliminates separately calculated two-parent rate.</p> | <p>Eliminates separately calculated two-parent rate.</p> |

| | Current Law | Bush Administration's <i>Good Start, Grow Smart Initiative</i> | Senate HELP Committee (S. 880) | Senate Finance Committee (H.R. 4) | Final House Bill (H.R. 4) |
|--|---|---|---|---|--|
| Required for Single Parents of Young Children to Meet Required TANF Participation Rates¹ | <p>rate and a “two-parent” family rate.</p> <p>Requires 20 hours of work activities per week for a single parent of a child under age 6 to count toward federal “overall” participation rate.</p> <p>Requires 30 hours of work activities per week for other families to count toward meeting federal “overall” participation rate.</p> <p>Requires two-parent families to participate 35 hours per week or 55 hours per week if the family receives federally subsidized child care to count toward federal “two-parent” participation rate.</p> <p>Allows states to exempt single</p> | | | <p>Requires 24 hours of work activities per week for a single parent or caretaker relative with children under age 6 to fully count toward federal participation rates.</p> <p>Requires 34 hours of work activities per week for a single parent or caretaker relative with child age 6 and over to fully count toward federal participation rate.</p> <p>Requires two-parent families to participate for 39 hours per week or 55 hours per week if the family receives federally subsidized child care to fully count toward federal participation rate.</p> <p>States can get partial credit for single parents who participate for 20 or more hours, and for two-parent families who participate for 26 or more hours (40 hours for two-parent families receiving child care assistance).</p> <p>Allows states to exempt</p> | <p>To fully count as participating, a family must be engaged in 40 hours of activities per week, including 24 hours of “direct work” activities.</p> <p>There is no distinction in work requirements based on the age of the child or whether the family is a single-parent or two-parent family.</p> <p>State can get partial credit toward work participation rates if a family meets at least a 24-hour “direct work” requirement.</p> <p>Allows states to exempt</p> |

¹ For more complete information about TANF proposals, see *Key Provisions* (Washington, DC: CLASP and Center on Budget and Policy Priorities, September 19, 2003); Nisha Patel, Mark Greenberg, and Steve Savner, *Side-by-Side Comparison of Work Provisions in Recent TANF Reauthorization Proposals* (Washington, DC: CLASP, updated April 8, 2003), www.clasp.org.

| | Current Law | Bush Administration's <i>Good Start, Grow Smart</i> Initiative | Senate HELP Committee (S. 880) | Senate Finance Committee (H.R. 4) | Final House Bill (H.R. 4) |
|--|--|---|---|--|--|
| | parents with a child under age 1 from being counted toward participation rate calculations. | | | families with a child under age 1 from being counted toward participation rate calculations. | families with a child under age 1 from being counted toward participation rate calculations. |
| Child Care-Related Sanction Protection for TANF Recipients | Provides protection against sanction for single custodial parents who cannot comply with work requirements due to a lack of appropriate child care for children under age 6. | Does not address | Does not address | Current law | Current law |
| TANF Assessments and Child Care | Requires that states assess the skills, prior work experience, and employability of TANF recipients. | Does not address | Does not address | Broadens assessment requirements to include education obtained; work readiness; barriers to work; work support and other assistance and family support services for which the family is eligible; well-being of children in the family; and, where appropriate, activities or resources to improve the well-being of the children. | Requires an assessment of the skills, prior work experience, and employability of TANF recipients who are "work-eligible individuals" in a manner deemed appropriate by the state. |
| Transfer of TANF Funds to CCDBG | Allows states to transfer up to 30% of current year TANF funds to CCDBG. | Does not address | Does not address | Current law | Increases the amount of TANF funds transferable to CCDBG from 30% to 50% of a state's TANF block grant. |
| Direct Use of TANF Funds for Child Care and Treatment as "Assistance" | Receipt of "assistance" triggers time limits, child support requirements, work requirements, and TANF data collection requirements. HHS regulations treat child care for unemployed families as "assistance" unless the child care may be considered a short-term, non-recurrent benefit. | Does not address | Does not address | Excludes child care from being considered "assistance." Thus, receipt of TANF-funded child care subsidies does not trigger time limits, child support requirements, and work requirements. | Excludes child care from being considered "assistance." Thus, receipt of TANF-funded child care subsidies does not trigger time limits, child support requirements, and work requirements. |

| | Current Law | Bush Administration's <i>Good Start, Grow Smart</i> Initiative | Senate HELP Committee (S. 880) | Senate Finance Committee (H.R. 4) | Final House Bill (H.R. 4) |
|--|--|---|---|--|--|
| Treatment of Prior Year TANF Funds Spent Directly on Child Care | Unobligated prior year TANF funds may only be used for child care if the child care meets the definition of TANF "assistance." | Does not address | Does not address | Allows TANF funds carried over from prior years to be used for any TANF benefits or services, not limited to the definition of "assistance." | Allows TANF funds carried over from prior years to be used for any TANF benefits or services, not limited to the definition of "assistance." |
| Application of CCDBG Health and Safety Requirements to TANF-Funded Child Care | States do not have to apply CCDBG basic health and safety requirements to child care assistance funded with directly spent TANF dollars. | Does not address | Does not address | Current law | Current law |
| TANF-Funded Child Care and Data Collection | <p>If TANF funds are transferred to CCDBG, the child care services provided with the transferred funds are subject to CCDBG data collection requirements.</p> <p>If TANF funds are directly spent for child care, then:</p> <ul style="list-style-type: none"> • If the child care is considered "assistance" states must collect data according to the TANF case-level data requirements; and • If the child care is not considered assistance, there is no requirement for case-level data collection. | Does not address | Does not address | Current law | Current law |
| CCDBG Data Collection and Reports | States must collect on a monthly basis demographic, income, employment, and child care cost and usage information | Current law | Consolidates quarterly and annual reporting requirements into a single reporting structure. Deletes and clarifies | Does not address | Requires that, not later than October 1, 2005, the Secretary of HHS will submit biennial reports to |

| | Current Law | Bush Administration's <i>Good Start, Grow Smart Initiative</i> | Senate HELP Committee (S. 880) | Senate Finance Committee (H.R. 4) | Final House Bill (H.R. 4) |
|--|---|---|---|--|--|
| | <p>from parents receiving CCDBG-funded child care assistance. This information must be submitted to the Secretary of HHS on a quarterly basis.</p> <p>States must also submit to the Secretary on a quarterly basis data concerning their CCDBG federal discretionary, mandatory, and matching funds, as well as state matching and maintenance of effort funds. States must report the categories of expenditures (i.e., quality, direct services, administration) for all of the funding categories.</p> <p>Once a year, states must submit to the Secretary of HHS a report including aggregate data on the number of child care providers receiving CCDBG-funded subsidies, the monthly cost of child care services, and the portion of this cost paid for by the subsidies; the number of payments made by the states to child care providers; the manner in which consumer education is provided to parents and the number of parents to whom information is provided; and an unduplicated count of the number of children and families receiving CCDBG-funded child care assistance.</p> | | <p>some data elements. Some new data elements are added: household size, whether the parent reports that the child has an Individualized Education Program or an Individualized Family Services Plan under IDEA, and case closure codes for families ceasing to receive child care assistance. For any new requirements, states would need to begin submitting data two years from the date of enactment of the Act. The bill provides the Secretary of HHS with the authority to grant waivers from the two-year requirement if a state can show that it has plans to procure a data system.</p> <p>Requires states to collect monthly data on the number of children and families who receive child care assistance, submit this information in their quarterly reports, and post this information on their websites.</p> <p>Updates current requirements for the Secretary to summarize and analyze state-collected data on children and families, requiring that starting in April 2004, and then on an annual basis, the Secretary submit reports summarizing and analyzing state data provided on children and families, with</p> | | <p>Congress that contain a summary and analysis of state aggregate and case-level data; aggregated statistics on the supply, demand, and quality of child care, early education, and non-school-hours programs; and an assessment (and recommendations where appropriate) concerning efforts to be undertaken to improve public access to quality and affordable child care.</p> <p>The Secretary may utilize the national child care system available through resource and referral agencies to collect statistics on the supply, demand, and quality of child care services.</p> |

| | Current Law | Bush Administration's <i>Good Start, Grow Smart Initiative</i> | Senate HELP Committee (S. 880) | Senate Finance Committee (H.R. 4) | Final House Bill (H.R. 4) |
|--|---|---|--|--|--------------------------------------|
| | Every two years after July 31, 1997, the Secretary of HHS is required to submit to the House Education and Workforce Committee and the Senate Health, Education, Labor, and Pensions Committee a report containing a summary and analysis of the family-level and aggregate data described above. The report must include an assessment and, where appropriate, recommendations for Congress concerning potential efforts it should make to improve access to quality and affordable child care services. | | <p>regard to activities to improve the quality of child care, and provided in state plans. Adds a requirement that the Secretary include information on the supply, demand, and quality of child care, early education, and non-school-hour programs, and a progress report that describes state progress in meeting the new data requirements, plans for technical assistance to help states meet these requirements, and explanation of any barriers states are facing in meeting the timeline for reporting on these new requirements.</p> <p>Requires the Secretary to post these reports on the HHS website no later than 30 days after submitting them to the relevant Congressional committees.</p> | | |