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(Original Signature of Member)

116TH CONGRESS
2D SESSION

H. R.

Making additional supplemental appropriations for disaster relief requirements for the fiscal year ending September 30, 2020, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

Mrs. LOWEY (for herself, Mr. NEAL, Ms. DELAURO, Ms. CLARK of Massachusetts, Mr. DANNY K. DAVIS of Illinois, and Ms. SÁNCHEZ) introduced the following bill; which was referred to the Committee on

A BILL

Making additional supplemental appropriations for disaster relief requirements for the fiscal year ending September 30, 2020, 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 for Eco-
5 nomic Recovery Act”.

1 **SEC. 2. REFERENCES.**

2 Except as expressly provided otherwise, any reference
3 to “this Act” contained in any division of this Act shall
4 be treated as referring only to the provisions of that divi-
5 sion.

6 **DIVISION A—EMERGENCY CHILD CARE**
7 **SUPPORT APPROPRIATIONS**

8 The following sums in this Act are appropriated, out
9 of any money in the Treasury not otherwise appropriated,
10 for the fiscal year ending September 30, 2020, and for
11 other purposes, namely:

12 **TITLE I—DEPARTMENT OF THE TREASURY**

13 **INTERNAL REVENUE SERVICES**

14 **TAXPAYER SERVICES**

15 For an additional amount for “Taxpayer Services”,
16 \$5,000,000, to remain available until expended, for mak-
17 ing grants under the Community Volunteer Income Tax
18 Assistance Matching Grants Program established under
19 section 7526A of the Internal Revenue Code of 1986: *Pro-*
20 *vided*, That the matching funds requirement in section
21 7526A(b)(2) shall not apply to funds made available under
22 this heading in this Act: *Provided further*, That such
23 amount is designated by the Congress as being for an
24 emergency requirement pursuant to section
25 251(b)(2)(A)(i) of the Balanced Budget and Emergency
26 Deficit Control Act of 1985.

1 TITLE II—DEPARTMENT OF HEALTH AND
2 HUMAN SERVICES
3 ADMINISTRATION FOR CHILDREN AND FAMILIES
4 SOCIAL SERVICES BLOCK GRANT

5 For an additional amount for “Social Services Block
6 Grant”, \$850,000,000, to remain available until Sep-
7 tember 30, 2021, for making grants to States pursuant
8 to section 2002 of the Social Security Act: *Provided*, That
9 the amount made available under this heading in this Act
10 shall be used for necessary expenses for family care for
11 essential workers, pursuant to section 409 of division B
12 this Act: *Provided further*, That such amount is designated
13 by the Congress as being for an emergency requirement
14 pursuant to section 251(b)(2)(A)(i) of the Balanced Budg-
15 et and Emergency Deficit Control Act of 1985.

16 CHILD CARE AND DEVELOPMENT FUND

17 For an additional amount for “Child Care and Devel-
18 opment Fund”, \$10,000,000,000, to remain available
19 until September 30, 2024, for necessary expenses for in-
20 frastructure grants to improve child care safety, including
21 needs assessments, pursuant to section 418A of Part A
22 of title IV of the Social Security Act, as added by division
23 B of this Act: *Provided*, That funds made available under
24 this heading in this Act may be used for grants for the
25 construction, alteration, or renovation of non-Federally

1 owned facilities to improve child care safety: *Provided fur-*
2 *ther*, That all construction, alteration, or renovation work,
3 carried out in whole or in part with funds appropriated
4 under this heading in this Act, shall be subject to the re-
5 quirements of subchapter IV of chapter 31 of title 40,
6 United States Code (commonly referred to as the “Davis-
7 Bacon Act”): *Provided further*, That such amount is des-
8 ignated by the Congress as being for an emergency re-
9 quirement pursuant to section 251(b)(2)(A)(i) of the Bal-
10 anced Budget and Emergency Deficit Control Act of 1985.

11 TITLE III—GENERAL PROVISIONS—THIS

12 DIVISION

13 SEC. 301. Each amount appropriated or made avail-
14 able by this Act is in addition to any amounts otherwise
15 appropriated for the fiscal year involved.

16 SEC. 302. No part of any appropriation contained in
17 this Act shall remain available for obligation beyond the
18 current fiscal year unless expressly so provided herein.

19 SEC. 303. Unless otherwise provided for by this Act,
20 the additional amounts appropriated by this Act to appro-
21 priations accounts shall be available under the authorities
22 and conditions applicable to such appropriations accounts
23 for fiscal year 2020.

24 SEC. 304. Each amount designated in this Act by the
25 Congress as being for an emergency requirement pursuant

1 to section 251(b)(2)(A)(i) of the Balanced Budget and
2 Emergency Deficit Control Act of 1985 shall be available
3 (or rescinded or transferred, if applicable) only if the
4 President subsequently so designates all such amounts
5 and transmits such designations to the Congress.

6 SEC. 305. Any amount appropriated by this Act, des-
7 igned by the Congress as an emergency requirement
8 pursuant to section 251(b)(2)(A)(i) of the Balanced Budg-
9 et and Emergency Deficit Control Act of 1985 and subse-
10 quently so designated by the President, and transferred
11 pursuant to transfer authorities provided by this Act shall
12 retain such designation.

13 BUDGETARY EFFECTS

14 SEC. 306. (a) STATUTORY PAYGO SCORECARDS.—
15 The budgetary effects of division B shall not be entered
16 on either PAYGO scorecard maintained pursuant to sec-
17 tion 4(d) of the Statutory Pay-As-You-Go Act of 2010.

18 (b) SENATE PAYGO SCORECARDS.—The budgetary
19 effects of division B shall not be entered on any PAYGO
20 scorecard maintained for purposes of section 4106 of H.
21 Con. Res. 71 (115th Congress).

22 (c) CLASSIFICATION OF BUDGETARY EFFECTS.—
23 Notwithstanding Rule 3 of the Budget Scorekeeping
24 Guidelines set forth in the joint explanatory statement of
25 the committee of conference accompanying Conference Re-
26 port 105–217 and section 250(c)(8) of the Balanced

1 Budget and Emergency Deficit Control Act of 1985, the
2 budgetary effects of division B shall not be estimated—

3 (1) for purposes of section 251 of such Act; and

4 (2) for purposes of paragraph (4)(C) of section
5 3 of the Statutory Pay-As-You-Go Act of 2010 as
6 being included in an appropriation Act.

7 This division may be cited as the “Emergency Child
8 Care Support Appropriations Act, 2020”.

9 **DIVISION B—WORKER ACCESS**
10 **TO CHILD AND FAMILY CARE**

11 **SEC. 401. SHORT TITLE.**

12 This division may be cited as the “Worker Access to
13 Child and Family Care Act”.

14 **SEC. 402. REFUNDABILITY AND ENHANCEMENT OF CHILD**
15 **AND DEPENDENT CARE TAX CREDIT.**

16 (a) TREATMENT OF CREDIT AS REFUNDABLE.—Sec-
17 tion 21 of the Internal Revenue Code of 1986 is amended
18 by adding at the end the following new subsection:

19 “(g) TREATMENT OF CREDIT AS REFUNDABLE.—In
20 the case of an individual other than a nonresident alien,
21 the credit allowed under subsection (a) shall be treated
22 as a credit allowed under subpart C (and not allowed
23 under this subpart).”.

24 (b) INCREASE IN APPLICABLE PERCENTAGE.—Sec-
25 tion 21(a)(2) of such Code is amended—

1 (1) by striking “35 percent” and inserting “50
2 percent”, and

3 (2) by striking “\$15,000” and inserting
4 “\$120,000”.

5 (c) INCREASE IN DOLLAR LIMIT ON AMOUNT CRED-
6 ITABLE.—Section 21(c) of such Code is amended—

7 (1) by striking “\$3,000” in paragraph (1) and
8 inserting “\$6,000”, and

9 (2) by striking “\$6,000” in paragraph (2) and
10 inserting “twice the amount in effect under para-
11 graph (1)”.

12 (d) INFLATION ADJUSTMENT.—Section 21(e) of such
13 Code is amended by adding at the end the following new
14 paragraph:

15 “(11) INFLATION ADJUSTMENT.—In the case of
16 any taxable year beginning after December 31,
17 2020, the \$120,000 amount in subsection (a)(2) and
18 the \$6,000 amount in subsection (c)(1) shall each be
19 increased by an amount equal to—

20 “(A) such dollar amount, multiplied by

21 “(B) the cost-of-living adjustment deter-
22 mined under section 1(f)(3) for the calendar
23 year in which the taxable year begins, deter-
24 mined by substituting ‘2019’ for ‘2016’ in sub-
25 paragraph (A)(ii) thereof.

1 If any increase determined under this paragraph is
2 not a multiple of \$100, such increase shall be round-
3 ed to the next highest multiple of \$100.”.

4 (e) CONFORMING AMENDMENT.—Section 1324(b)(2)
5 of title 31, United States Code, is amended by inserting
6 “21 (by reason of subsection (g) thereof),” before “25A”.

7 (f) COORDINATION WITH POSSESSION TAX SYS-
8 TEMS.—Section 21(g)(1) of the Internal Revenue Code of
9 1986 (as added by this section) shall not apply to any per-
10 son—

11 (1) to whom a credit is allowed against taxes
12 imposed by a possession with a mirror code tax sys-
13 tem by reason of the application of section 21 of
14 such Code in such possession for such taxable year,
15 or

16 (2) to whom a credit would be allowed against
17 taxes imposed by a possession which does not have
18 a mirror code tax system if the provisions of section
19 21 of such Code had been in effect in such posses-
20 sion for such taxable year.

21 (g) EFFECTIVE DATE.—The amendments made by
22 this section shall apply to taxable years beginning after
23 December 31, 2019.

1 **SEC. 403. INCREASE IN EXCLUSION FOR EMPLOYER-PRO-**
2 **VIDED DEPENDENT CARE ASSISTANCE.**

3 (a) IN GENERAL.—Section 129(a)(2)(A) of the Inter-
4 nal Revenue Code of 1986 is amended by striking “\$5,000
5 (\$2,500” and inserting “\$10,500 (half such dollar
6 amount”.

7 (b) INFLATION ADJUSTMENT.—Section 129(a)(2) is
8 amended by adding at the end the following new subpara-
9 graph:

10 “(D) INFLATION ADJUSTMENT.—In the
11 case of any taxable year beginning after Decem-
12 ber 31, 2020, the \$10,500 amount in subpara-
13 graph (A) shall be increased by an amount
14 equal to—

15 “(i) such dollar amount, multiplied by

16 “(ii) the cost-of-living adjustment de-
17 termined under section 1(f)(3) for the cal-
18 endar year in which the taxable year be-
19 gins, determined by substituting ‘2019’ for
20 ‘2016’ in subparagraph (A)(ii) thereof.

21 Any increase determined under the preceding
22 sentence which is not a multiple of \$50, shall
23 be rounded to the next highest multiple of
24 \$50.”.

1 (c) EFFECTIVE DATE.—The amendment made by
2 this section shall apply to taxable years beginning after
3 December 31, 2019.

4 (d) PLAN AMENDMENTS.—A plan or other arrange-
5 ment that otherwise satisfies all applicable requirements
6 of sections 106, 125, and 129 of the Internal Revenue
7 Code of 1986 (including any rules or regulations there-
8 under) shall not fail to be treated as a cafeteria plan or
9 dependent care flexible spending arrangement merely be-
10 cause such plan or arrangement is amended pursuant to
11 the amendments made by this section and such amend-
12 ment is retroactive, if—

13 (1) such amendment is adopted no later than
14 the last day of the first plan year beginning after
15 December 31, 2019, and

16 (2) the plan or arrangement is operated con-
17 sistent with the terms of such amendment during
18 the period beginning on the effective date of the
19 amendment and ending on the date the amendment
20 is adopted.

21 **SEC. 404. PAYROLL CREDIT FOR CERTAIN FIXED EXPENSES**
22 **OF CHILD CARE FACILITIES SUBJECT TO**
23 **CLOSURE BY REASON OF COVID-19.**

24 (a) IN GENERAL.—In the case of an eligible em-
25 ployer, there shall be allowed as a credit against applicable

1 employment taxes for each calendar quarter an amount
2 equal to 50 percent of the qualified fixed expenses paid
3 or incurred by such employer during such calendar quar-
4 ter.

5 (b) LIMITATIONS AND REFUNDABILITY.—

6 (1) OVERALL QUARTERLY DOLLAR LIMITA-
7 TION.—The qualified fixed expenses which may be
8 taken into account under subsection (a) (determined
9 after the application of paragraph (2)) by any eligi-
10 ble employer for any calendar quarter shall not ex-
11 ceed the least of—

12 (A) the qualified fixed expenses paid by the
13 eligible employer in the same calendar quarter
14 of calendar year 2019,

15 (B) \$25,000,000, or

16 (C) the greater of—

17 (i) 25 percent of the wages paid with
18 respect to the employment of all the em-
19 ployees of the eligible employer for such
20 calendar quarter, or

21 (ii) 6.25 percent of the gross receipts
22 of the eligible employer for calendar year
23 2019.

24 (2) PER FACILITY QUARTERLY DOLLAR LIMITA-
25 TION.—The qualified fixed expenses which may be

1 taken into account under subsection (a) by any eligi-
2 ble employer for any calendar quarter with respect
3 to any facility of such employer shall not exceed
4 \$50,000.

5 (3) CREDIT LIMITED TO CERTAIN EMPLOYMENT
6 TAXES.—The credit allowed by subsection (a) with
7 respect to any calendar quarter shall not exceed the
8 applicable employment taxes for such calendar quar-
9 ter (reduced by any credits allowed under sub-
10 sections (e) and (f) of section 3111 of such Code,
11 sections 7001 and 7003 of the Families First
12 Coronavirus Response Act, and section 2301 of the
13 CARES Act, for such quarter) on the wages paid
14 with respect to the employment of all the employees
15 of the eligible employer for such calendar quarter.

16 (4) REFUNDABILITY OF EXCESS CREDIT.—

17 (A) IN GENERAL.—If the amount of the
18 credit under subsection (a) exceeds the limita-
19 tion of paragraph (3) for any calendar quarter,
20 such excess shall be treated as an overpayment
21 that shall be refunded under sections 6402(a)
22 and 6413(b) of the Internal Revenue Code of
23 1986.

24 (B) TREATMENT OF PAYMENTS.—For pur-
25 poses of section 1324 of title 31, United States

1 Code, any amounts due to an employer under
2 this paragraph shall be treated in the same
3 manner as a refund due from a credit provision
4 referred to in subsection (b)(2) of such section.

5 (c) DEFINITIONS.—For purposes of this section—

6 (1) APPLICABLE EMPLOYMENT TAXES.—The
7 term “applicable employment taxes” means the fol-
8 lowing:

9 (A) The taxes imposed under section
10 3111(a) of the Internal Revenue Code of 1986.

11 (B) So much of the taxes imposed under
12 section 3221(a) of such Code as are attrib-
13 utable to the rate in effect under section
14 3111(a) of such Code.

15 (2) ELIGIBLE EMPLOYER.—

16 (A) IN GENERAL.—The term “eligible em-
17 ployer” means any employer—

18 (i) which was carrying on a trade or
19 business engaged in the provision of child
20 care assistance at a qualified child care fa-
21 cility (within the meaning of section
22 45F(c)(2)(A) of such Code without regard
23 to the last sentence thereof) at any time
24 during calendar year 2020, and

1 (ii) with respect to any calendar quar-
2 ter, for which—

3 (I) the operation of the trade or
4 business described in clause (i) is fully
5 or partially suspended during the cal-
6 endar quarter due to orders from an
7 appropriate governmental authority
8 limiting commerce, travel, or group
9 meetings (for commercial, social, reli-
10 gious, or other purposes) due to the
11 coronavirus disease 2019 (COVID-
12 19), or

13 (II) such calendar quarter is
14 within the period described in sub-
15 paragraph (B).

16 (B) SIGNIFICANT DECLINE IN GROSS RE-
17 CEIPTS.—The period described in this subpara-
18 graph is the period—

19 (i) beginning with the first calendar
20 quarter beginning after December 31,
21 2019, for which gross receipts (within the
22 meaning of section 448(c) of the Internal
23 Revenue Code of 1986) for the calendar
24 quarter are less than 90 percent of gross

1 receipts for the same calendar quarter in
2 the prior year, and

3 (ii) ending with the calendar quarter
4 following the first calendar quarter begin-
5 ning after a calendar quarter described in
6 clause (i) for which gross receipts of such
7 employer are greater than 90 percent of
8 gross receipts for the same calendar quar-
9 ter in the prior year.

10 (C) TAX-EXEMPT ORGANIZATIONS.—In the
11 case of an organization which is described in
12 section 501(c) of the Internal Revenue Code of
13 1986 and exempt from tax under section 501(a)
14 of such Code—

15 (i) any reference in this section to a
16 trade or business shall be treated as a ref-
17 erence to the operations of such organiza-
18 tion which are related to the provision of
19 child care assistance (within the meaning
20 of subparagraph (A)(i)), and

21 (ii) any reference in this section to
22 gross receipts shall be treated as a ref-
23 erence to gross receipts within the meaning
24 of section 6033 of the Internal Revenue
25 Code of 1986.

1 (D) PHASE-IN OF CREDIT WHERE BUSI-
2 NESS NOT SUSPENDED AND REDUCTION IN
3 GROSS RECEIPTS LESS THAN 50 PERCENT.—

4 (i) IN GENERAL.—In the case of any
5 calendar quarter with respect to which an
6 eligible employer would not be an eligible
7 employer if subparagraph (B)(i) were ap-
8 plied by substituting “50 percent” for “90
9 percent”, the amount of the credit allowed
10 under subsection (a) shall be reduced by
11 the amount which bears the same ratio to
12 the amount of such credit (determined
13 without regard to this subparagraph) as—

14 (I) the excess gross receipts per-
15 centage point amount, bears to

16 (II) 40 percentage points.

17 (ii) EXCESS GROSS RECEIPTS PER-
18 CENTAGE POINT AMOUNT.—For purposes
19 of this subparagraph, the term “excess
20 gross receipts percentage point amount”
21 means, with respect to any calendar quar-
22 ter, the excess of—

23 (I) the lowest of the gross re-
24 ceipts percentage point amounts de-
25 termined with respect to any calendar

1 quarter during the period ending with
2 such calendar quarter and beginning
3 with the first calendar quarter during
4 the period described in subparagraph
5 (B), over

6 (II) 50 percentage points.

7 (iii) GROSS RECEIPTS PERCENTAGE
8 POINT AMOUNTS.—For purposes of this
9 subparagraph, the term “gross receipts
10 percentage point amount” means, with re-
11 spect to any calendar quarter, the percent-
12 age (expressed as a number of percentage
13 points) obtained by dividing—

14 (I) the gross receipts (within the
15 meaning of subparagraph (B)) for
16 such calendar quarter, by

17 (II) the gross receipts for the
18 same calendar quarter in calendar
19 year 2019.

20 (3) QUALIFIED FIXED EXPENSES.—

21 (A) IN GENERAL.—The term “qualified
22 fixed expenses” means the payment or accrual,
23 in the ordinary course of the eligible employer’s
24 trade or business, of any covered mortgage obli-
25 gation, covered rent obligation, or covered util-

1 ity payment. Such term shall not include the
2 prepayment of any obligation for a period in ex-
3 cess of a month unless the payment for such
4 period is customarily due in advance. Such term
5 shall not include any payment or accrual of any
6 obligation or payment which is with respect to
7 property which is not located in the United
8 States or any possession of the United States.

9 (B) APPLICATION OF DEFINITIONS.—The
10 terms “covered mortgage obligation”, “covered
11 rent obligation”, and “covered utility payment”
12 shall each have the same meaning as when used
13 in section 1106 of the CARES Act.

14 (4) SECRETARY.—The term “Secretary” means
15 the Secretary of the Treasury or the Secretary’s del-
16 egate.

17 (5) WAGES.—

18 (A) IN GENERAL.—The term “wages”
19 means wages (as defined in section 3121(a) of
20 the Internal Revenue Code of 1986) and com-
21 pensation (as defined in section 3231(e) of such
22 Code). For purposes of the preceding sentence
23 (other than for purposes of subsection (b)(2)),
24 wages as defined in section 3121(a) of such
25 Code shall be determined without regard to

1 paragraphs (1), (8), (10), (13), (18), (19), and
2 (22) of section 3121(b) of such Code.

3 (B) ALLOWANCE FOR CERTAIN HEALTH
4 PLAN EXPENSES.—

5 (i) IN GENERAL.—Such term shall in-
6 clude amounts paid or incurred by the eli-
7 gible employer to provide and maintain a
8 group health plan (as defined in section
9 5000(b)(1) of the Internal Revenue Code
10 of 1986), but only to the extent that such
11 amounts are excluded from the gross in-
12 come of employees by reason of section
13 106(a) of such Code.

14 (ii) ALLOCATION RULES.—For pur-
15 poses of this section, amounts treated as
16 wages under clause (i) shall be treated as
17 paid with respect to any employee (and
18 with respect to any period) to the extent
19 that such amounts are properly allocable to
20 such employee (and to such period) in such
21 manner as the Secretary may prescribe.
22 Except as otherwise provided by the Sec-
23 retary, such allocation shall be treated as
24 properly made if made on the basis of
25 being pro rata among periods of coverage.

1 (6) EMPLOYER.—The term “employer” means
2 any employer (as defined in section 3401(d) of such
3 Code) of at least one employee on any day in cal-
4 endar year 2020.

5 (7) OTHER TERMS.—Except as otherwise pro-
6 vided in this section, any term used in this section
7 which is also used in chapter 21 or 22 of the Inter-
8 nal Revenue Code of 1986 shall have the same
9 meaning as when used in such chapter.

10 (d) AGGREGATION RULE.—All persons treated as a
11 single employer under subsection (a) or (b) of section 52
12 of the Internal Revenue Code of 1986, or subsection (m)
13 or (o) of section 414 of such Code, shall be treated as
14 one employer for purposes of this section.

15 (e) DENIAL OF DOUBLE BENEFIT.—For purposes of
16 chapter 1 of such Code, the gross income of any eligible
17 employer, for the taxable year which includes the last day
18 of any calendar quarter with respect to which a credit is
19 allowed under this section, shall be increased by the
20 amount of such credit.

21 (f) CERTAIN GOVERNMENTAL EMPLOYERS.—

22 (1) IN GENERAL.—The credit under this section
23 shall not be allowed to the Federal Government, the
24 government of any State, of the District of Colum-
25 bia, or of any possession of the United States, any

1 tribal government, or any political subdivision, agen-
2 cy, or instrumentality of any of the foregoing.

3 (2) EXCEPTION.—Paragraph (1) shall not
4 apply to any organization described in section
5 501(c)(1) of the Internal Revenue Code of 1986 and
6 exempt from tax under section 501(a) of such Code.

7 (g) ELECTION NOT TO HAVE SECTION APPLY.—This
8 section shall not apply with respect to any eligible em-
9 ployer for any calendar quarter if such employer elects (at
10 such time and in such manner as the Secretary may pre-
11 scribe) not to have this section apply.

12 (h) TRANSFERS TO CERTAIN TRUST FUNDS.—There
13 are hereby appropriated to the Federal Old-Age and Sur-
14 vivors Insurance Trust Fund and the Federal Disability
15 Insurance Trust Fund established under section 201 of
16 the Social Security Act (42 U.S.C. 401) and the Social
17 Security Equivalent Benefit Account established under
18 section 15A(a) of the Railroad Retirement Act of 1974
19 (45 U.S.C. 231n–1(a)) amounts equal to the reduction in
20 revenues to the Treasury by reason of this section (without
21 regard to this subsection). Amounts appropriated by the
22 preceding sentence shall be transferred from the general
23 fund at such times and in such manner as to replicate
24 to the extent possible the transfers which would have oc-

1 curred to such Trust Fund or Account had this section
2 not been enacted.

3 (i) TREATMENT OF DEPOSITS.—The Secretary shall
4 waive any penalty under section 6656 of such Code for
5 any failure to make a deposit of applicable employment
6 taxes if the Secretary determines that such failure was due
7 to the anticipation of the credit allowed under this section.

8 (j) THIRD PARTY PAYORS.—Any credit allowed
9 under this section shall be treated as a credit described
10 in section 3511(d)(2) of such Code.

11 (k) REGULATIONS AND GUIDANCE.—The Secretary
12 shall issue such forms, instructions, regulations, and guid-
13 ance as are necessary—

14 (1) to allow the advance payment of the credit
15 under subsection (a), subject to the limitations pro-
16 vided in this section, based on such information as
17 the Secretary shall require,

18 (2) regulations or other guidance to provide for
19 the reconciliation of such advance payment with the
20 amount of the credit at the time of filing the return
21 of tax for the applicable quarter or taxable year,

22 (3) with respect to the application of the credit
23 under subsection (a) to third party payors (including
24 professional employer organizations, certified profes-
25 sional employer organizations, or agents under sec-

1 tion 3504 of the Internal Revenue Code of 1986),
2 including regulations or guidance allowing such
3 payors to submit documentation necessary to sub-
4 stantiate the eligible employer status of employers
5 that use such payors,

6 (4) for application of subsection (b)(1)(A) and
7 subparagraphs (A)(ii)(II) and (B) of subsection
8 (c)(2) in the case of any employer which was not
9 carrying on a trade or business for all or part of the
10 same calendar quarter in the prior year, and

11 (5) for recapturing the benefit of credits deter-
12 mined under this section in cases where there is a
13 subsequent adjustment to the credit determined
14 under subsection (a).

15 (1) **APPLICATION OF SECTION.**—This section shall
16 apply only to qualified fixed expenses paid or accrued in
17 calendar quarters beginning on or after the date of the
18 enactment of this Act and before January 1, 2021.

19 **SEC. 405. PAYROLL CREDIT FOR CERTAIN EMPLOYEE DE-**
20 **PENDENT CARE EXPENSES PAID BY EMPLOY-**
21 **ERS.**

22 (a) **IN GENERAL.**—In the case of an employer, there
23 shall be allowed as a credit against applicable employment
24 taxes for each calendar quarter an amount equal to 30
25 percent of the qualified employee dependent care expenses

1 paid by such employer with respect to such calendar quar-
2 ter.

3 (b) LIMITATIONS AND REFUNDABILITY.—

4 (1) DOLLAR LIMITATION PER EMPLOYEE.—The
5 qualified employee dependent care expenses which
6 may be taken into account under subsection (a) with
7 respect to any employee for any calendar quarter
8 shall not exceed \$2,500.

9 (2) CREDIT LIMITED TO CERTAIN EMPLOYMENT
10 TAXES.—The credit allowed by subsection (a) with
11 respect to any calendar quarter shall not exceed the
12 applicable employment taxes for such calendar quar-
13 ter (reduced by any credits allowed under sub-
14 sections (e) and (f) of section 3111 of such Code,
15 sections 7001 and 7003 of the Families First
16 Coronavirus Response Act, section 2301 of the
17 CARES Act, and section 4 of this Act, for such
18 quarter) on the wages paid with respect to the em-
19 ployment of all the employees of the employer for
20 such calendar quarter.

21 (3) REFUNDABILITY OF EXCESS CREDIT.—

22 (A) IN GENERAL.—If the amount of the
23 credit under subsection (a) exceeds the limita-
24 tion of paragraph (2) for any calendar quarter,
25 such excess shall be treated as an overpayment

1 that shall be refunded under sections 6402(a)
2 and 6413(b) of the Internal Revenue Code of
3 1986.

4 (B) TREATMENT OF PAYMENTS.—For pur-
5 poses of section 1324 of title 31, United States
6 Code, any amounts due to an employer under
7 this paragraph shall be treated in the same
8 manner as a refund due from a credit provision
9 referred to in subsection (b)(2) of such section.

10 (4) COORDINATION WITH GOVERNMENT
11 GRANTS.—The qualified employee dependent care
12 expenses taken into account under this section by
13 any employer shall be reduced by any amounts pro-
14 vided by any Federal, State, or local government for
15 purposes of making or reimbursing such expenses.

16 (c) QUALIFIED EMPLOYEE DEPENDENT CARE EX-
17 PENSES.—For purposes of this section, the term “quali-
18 fied employee dependent care expenses” means any
19 amount paid to or for the benefit of an employee in the
20 employment of the employer if—

21 (1) such amount is dependent care assistance
22 (as defined in section 129(e)(1) of the Internal Rev-
23 enue Code of 1986), and

24 (2) the employer elects (at such time and in
25 such manner as the Secretary may provide) to treat

1 such amount as a qualified employee dependent care
2 expense.

3 (d) SPECIAL RULES; OTHER DEFINITIONS.—

4 (1) APPLICATION OF CERTAIN NON-DISCRIMINA-
5 TION RULES.—No credit shall be allowed under this
6 section to any employer for any calendar quarter if
7 qualified employee dependent care expenses are pro-
8 vided by such employer to employees for such cal-
9 endar quarter in a manner which discriminates in
10 favor of highly compensated individuals (within the
11 meaning of section 125) as to eligibility for, or the
12 amount of, such benefit expenses.

13 (2) DENIAL OF DOUBLE BENEFIT.—For pur-
14 poses of chapter 1 of such Code, no deduction or
15 credit (other than the credit allowed under this sec-
16 tion) shall be allowed for so much of qualified em-
17 ployee dependent care expenses as is equal to the
18 credit allowed under this section.

19 (3) THIRD PARTY PAYORS.—Any credit allowed
20 under this section shall be treated as a credit de-
21 scribed in section 3511(d)(2) of such Code.

22 (4) APPLICABLE EMPLOYMENT TAXES.—For
23 purposes of this section, the term “applicable em-
24 ployment taxes” means the following:

1 (A) The taxes imposed under section
2 3111(a) of the Internal Revenue Code of 1986.

3 (B) So much of the taxes imposed under
4 section 3221(a) of such Code as are attrib-
5 utable to the rate in effect under section
6 3111(a) of such Code.

7 (5) SECRETARY.—For purposes of this section,
8 the term “Secretary” means the Secretary of the
9 Treasury or the Secretary’s delegate.

10 (6) CERTAIN TERMS.—

11 (A) IN GENERAL.—Any term used in this
12 section which is also used in chapter 21 or 22
13 of such Code shall have the same meaning as
14 when used in such chapter (as the case may
15 be).

16 (B) CERTAIN PROVISIONS NOT TAKEN
17 INTO ACCOUNT EXCEPT FOR PURPOSES OF LIM-
18 ITING CREDIT TO EMPLOYMENT TAXES.—For
19 purposes of subparagraph (A) (other than with
20 respect to subsection (b)(2)), section 3121(b) of
21 such Code shall be applied without regard to
22 paragraphs (1), (5), (6), (7), (8), (10), (13),
23 (18), (19), and (22) thereof (except with re-
24 spect to services performed in a penal institu-
25 tion by an inmate thereof) and section

1 3231(e)(1) shall be applied without regard to
2 the sentence that begins “Such term does not
3 include remuneration”.

4 (e) CERTAIN GOVERNMENTAL EMPLOYERS.—

5 (1) IN GENERAL.—The credit under this section
6 shall not be allowed to the Federal Government or
7 any agency or instrumentality thereof.

8 (2) EXCEPTION.—Paragraph (1) shall not
9 apply to any organization described in section
10 501(c)(1) of the Internal Revenue Code of 1986 and
11 exempt from tax under section 501(a) of such Code.

12 (f) TREATMENT OF DEPOSITS.—The Secretary shall
13 waive any penalty under section 6656 of such Code for
14 any failure to make a deposit of applicable employment
15 taxes if the Secretary determines that such failure was due
16 to the anticipation of the credit allowed under this section.

17 (g) REGULATIONS.—The Secretary shall prescribe
18 such regulations or other guidance as may be necessary
19 to carry out the purposes of this section, including regula-
20 tions or other guidance—

21 (1) to allow the advance payment of the credit
22 determined under subsection (a), subject to the limi-
23 tations provided in this section, based on such infor-
24 mation as the Secretary shall require,

1 (2) to provide for the reconciliation of such ad-
2 vance payment with the amount of the credit at the
3 time of filing the return of tax for the applicable
4 quarter or taxable year,

5 (3) for recapturing the benefit of credits deter-
6 mined under this section in cases where there is a
7 subsequent adjustment to the credit determined
8 under subsection (a), and

9 (4) with respect to the application of the credit
10 to third party payors (including professional em-
11 ployer organizations, certified professional employer
12 organizations, or agents under section 3504 of such
13 Code), including to allow such payors to submit doc-
14 umentation necessary to substantiate eligibility for,
15 and the amount of, the credit allowed under this sec-
16 tion.

17 (h) APPLICATION OF SECTION.—This section shall
18 apply only to qualified employee dependent care expenses
19 paid in calendar quarters beginning on or after the date
20 of the enactment of this Act and before January 1, 2021.

21 (i) TRANSFERS TO CERTAIN TRUST FUNDS.—There
22 are hereby appropriated to the Federal Old-Age and Sur-
23 vivors Insurance Trust Fund and the Federal Disability
24 Insurance Trust Fund established under section 201 of
25 the Social Security Act (42 U.S.C. 401) and the Social

1 Security Equivalent Benefit Account established under
2 section 15A(a) of the Railroad Retirement Act of 1974
3 (45 U.S.C. 231n-1(a)) amounts equal to the reduction in
4 revenues to the Treasury by reason of this section (without
5 regard to this subsection). Amounts appropriated by the
6 preceding sentence shall be transferred from the general
7 fund at such times and in such manner as to replicate
8 to the extent possible the transfers which would have oc-
9 curred to such Trust Fund or Account had this section
10 not been enacted.

11 **SEC. 406. FLEXIBILITY FOR DEPENDENT CARE FLEXIBLE**
12 **SPENDING ARRANGEMENTS.**

13 (a) CARRYOVER OF UNUSED BENEFITS.—A plan or
14 other arrangement that otherwise satisfies all applicable
15 requirements of sections 106, 125, and 129 of the Internal
16 Revenue Code of 1986 (including any rules or regulations
17 thereunder) shall not fail to be treated as a cafeteria plan
18 or dependent care flexible spending arrangement merely
19 because such plan or arrangement permits participants to
20 carry over (under rules similar to the rules applicable to
21 health flexible spending arrangements) an amount, not in
22 excess of the amount in effect under section 129(a)(2)(A)
23 of such Code, of unused benefits or contributions remain-
24 ing in a dependent care flexible spending arrangement

1 from the plan year ending in 2020 to the plan year ending
2 in 2021.

3 (b) EXTENSION OF GRACE PERIODS.—A plan or
4 other arrangement that otherwise satisfies all applicable
5 requirements of sections 106, 125, or 129 of the Internal
6 Revenue Code (including any rules or regulations there-
7 under) shall not fail to be treated as a cafeteria plan or
8 dependent care flexible spending arrangement merely be-
9 cause such plan or arrangement extends the grace period
10 for the plan year ending in 2020 to 12 months after the
11 end of such plan year, with respect to unused benefits or
12 contributions remaining in a dependent care flexible
13 spending arrangement.

14 (c) DEFINITIONS.—Any term used in this section
15 which is also used in section 106, 125, or 129 of the Inter-
16 nal Revenue Code of 1986 or the rules or regulations
17 thereunder shall have the same meaning as when used in
18 such section or rules or regulations.

19 (d) PLAN AMENDMENTS.—A plan or other arrange-
20 ment that otherwise satisfies all applicable requirements
21 of sections 106, 125, and 129 of the Internal Revenue
22 Code of 1986 (including any rules or regulations there-
23 under) shall not fail to be treated as a cafeteria plan or
24 dependent care flexible spending arrangement merely be-
25 cause such plan or arrangement is amended pursuant to

1 a provision under this section and such amendment is ret-
2 roactive, if—

3 (1) such amendment is adopted no later than
4 the last day of the plan year in which the amend-
5 ment is effective, and

6 (2) the plan or arrangement is operated con-
7 sistent with the terms of such amendment during
8 the period beginning on the effective date of the
9 amendment and ending on the date the amendment
10 is adopted.

11 **SEC. 407. EMPLOYEE RETENTION CREDIT ALLOWED WITH**
12 **RESPECT TO EMPLOYMENT OF DOMESTIC**
13 **WORKERS.**

14 (a) IN GENERAL.—Section 2301(c)(2) of the CARES
15 Act is amended by adding at the end the following new
16 subparagraph:

17 “(D) EMPLOYERS OF DOMESTIC WORK-
18 ERS.—In the case of an employer with one or
19 more employees who perform domestic service
20 (within the meaning of section 3121(a)(7) of
21 such Code) in the private home of such em-
22 ployer, with respect to such employees—

23 “(i) subparagraph (A) shall be ap-
24 plied—

1 “(I) by substituting ‘employing
2 an employee who performs domestic
3 service in the private home of such
4 employer’ for ‘carrying on a trade or
5 business’ in clause (i) thereof, and

6 “(II) by substituting ‘such em-
7 ployment’ for ‘the operation of the
8 trade or business’ in clause (ii)(I)
9 thereof.

10 “(ii) subclause (II) of subparagraph
11 (A)(ii) shall not apply, and

12 “(iii) such employer shall be treated
13 as a large employer.”.

14 (b) DENIAL OF DOUBLE BENEFIT.—Section
15 2301(h)(2) of the CARES Act is amended—

16 (1) by striking “shall not be taken into account
17 for purposes of” and inserting “shall not be taken
18 into account—

19 “(A) for purposes of”,

20 (2) by striking the period at the end and insert-
21 ing “, and” , and

22 (3) by adding at the end the following:

23 “(B) if such wages are paid for domestic
24 service described in subsection (c)(2)(E), as em-

1 ployment-related expenses for purposes of sec-
2 tion 21 of such Code.

3 In the case of any individual who pays wages for do-
4 mestic service described in subsection (c)(2)(E) and
5 receives a reimbursement for such wages which is
6 excludible from gross income under section 129 of
7 such Code, such wages shall not be treated as quali-
8 fied wages for purposes of this section.”.

9 (c) EFFECTIVE DATE.—The amendments made by
10 this section shall take effect as if included in section 2301
11 of the CARES Act.

12 **SEC. 408. CHILD CARE STABILIZATION FUNDS.**

13 (a) IN GENERAL.—Section 418(a)(3) of the Social
14 Security Act (42 U.S.C. 618(a)(3)) is amended by striking
15 “\$2,917,000,000 for each of fiscal years 2017 and 2018”
16 and inserting “\$10,000,000,000 for each of fiscal years
17 2020 through 2024”.

18 (b) ADDITIONAL FUNDS NOT SUBJECT TO STATE
19 MATCH REQUIREMENT.—With respect to the amounts ap-
20 propriated in section 418(a)(3) of the Social Security Act
21 in excess of \$2,917,000,000 for each of fiscal years 2020
22 and 2021, section 418(a)(2)(C) of such Act shall be ap-
23 plied and administered with respect to any State that is
24 entitled to receive the entire amount that would be allotted
25 to the State under section 418(a)(2)(B) of such Act for

1 the fiscal year in the absence of this section, as if the Fed-
2 eral medical assistance percentage for the State for the
3 fiscal year were 100 percent.

4 **SEC. 409. FAMILY CARE FOR ESSENTIAL WORKERS.**

5 (a) INCREASE IN FUNDING.—The amount specified
6 in subsection (c) of section 2003 of the Social Security
7 Act for purposes of subsections (a) and (b) of such section
8 is deemed to be \$2,550,000,000 for fiscal year 2020, of
9 which \$850,000,000 shall be obligated by States during
10 calendar year 2020 in accordance with subsection (b) of
11 this section.

12 (b) RULES GOVERNING USE OF ADDITIONAL
13 FUNDS.—

14 (1) IN GENERAL.—Funds are used in accord-
15 ance with this subsection if—

16 (A) the funds are used for—

17 (i) child care services for a child of an
18 essential worker; or

19 (ii) daytime care services or other
20 adult protective services for an individual
21 who—

22 (I) is a dependent, or a member
23 of the household of, an essential work-
24 er; and

25 (II) requires the services;

1 (B) the funds are provided to reimburse an
2 essential worker for the cost of obtaining the
3 services (including child and adult care services
4 obtained on or after the date the Secretary of
5 Health and Human Services declared a public
6 health emergency pursuant to section 319 of
7 the Public Health Service Act on January 31,
8 2020, entitled “Determination that a Public
9 Health Emergency Exists Nationwide as the
10 Result of the 2019 Novel Coronavirus”), to a
11 provider of child or adult care services, or to es-
12 tablish a temporary child care facility operated
13 by a State or local government;

14 (C) eligibility for the funds or services, and
15 the amount of funds or services provided, is not
16 conditioned on a means test;

17 (D) the funds are used in consultation with
18 the lead agency designated pursuant to section
19 658D(a) of the Child Care and Development
20 Block Grant Act of 1990 by the State involved
21 and subject to the limitations in section 2005 of
22 the Social Security Act, except that, for pur-
23 poses of this subparagraph—

1 (i) paragraphs (3), (5), and (8) of sec-
2 tion 2005(a) of such Act shall not apply;
3 and

4 (ii)(I) the limitation in section
5 2005(a)(7) of such Act shall not apply
6 with respect to any standard which the
7 State involved determines would impede
8 the ability of the State to provide emer-
9 gency temporary care to a child, depend-
10 ent, or household member referred to in
11 subparagraph (A) of this paragraph if the
12 emergency temporary care would not en-
13 danger the health, safety, or development
14 of children who received the care and care
15 would otherwise not be available to support
16 the immediate, short-term family care
17 needs of essential workers; and

18 (II) if the State determines that such
19 a standard would be so impeding, the
20 State shall report the determination to the
21 Secretary, including a description of how
22 exempting standards that may impede the
23 ability of the State to provide emergency
24 temporary care did not endanger the
25 health, safety, or development of children

1 who received emergency temporary care,
2 separately from the annual report to the
3 Secretary by the State;

4 (E) the funds are used to supplement, not
5 supplant, State general revenue funds for child
6 care assistance; and

7 (F) the funds are not used for child care
8 costs that are—

9 (i) covered by funds provided under
10 the Head Start Act, a preschool develop-
11 ment grant under section 9121 of the
12 Every Student Succeeds Act (42 U.S.C.
13 9831 note), the Child Care and Develop-
14 ment Block Grant Act of 1990, section
15 418 of the Social Security Act, or another
16 federally funded dependent care program;
17 or

18 (ii) reimbursable by the Federal
19 Emergency Management Agency.

20 (2) ESSENTIAL WORKER DEFINED.—In para-
21 graph (1), the term “essential worker” means—

22 (A) a health sector employee;

23 (B) an emergency response worker;

24 (C) a child care worker;

25 (D) a sanitation worker;

1 (E) a worker at a business which a State
2 or local government official has determined
3 must remain open to serve the public during the
4 emergency referred to in paragraph (1)(B); and

5 (F) any other worker who cannot telework,
6 and whom the State deems to be essential dur-
7 ing the emergency referred to in paragraph
8 (1)(B).

9 **SEC. 410. INFRASTRUCTURE GRANTS TO IMPROVE CHILD**
10 **CARE SAFETY.**

11 (a) IN GENERAL.—Part A of title IV of the Social
12 Security Act (42 U.S.C. 601 et seq.) is amended by insert-
13 ing after section 418 the following:

14 **“SEC. 418A. INFRASTRUCTURE GRANTS TO IMPROVE CHILD**
15 **CARE SAFETY.**

16 “(a) SHORT TITLE.—This section may be cited as the
17 ‘Infrastructure Grants To Improve Child Care Safety Act
18 of 2020’.

19 “(b) NEEDS ASSESSMENTS.—

20 “(1) IMMEDIATE NEEDS ASSESSMENT.—

21 “(A) IN GENERAL.—The Secretary shall
22 conduct an immediate needs assessment of the
23 condition of child care facilities throughout the
24 United States (with priority given to child care
25 facilities that receive Federal funds), that—

1 “(i) determines the extent to which
2 the COVID–19 pandemic has created im-
3 mediate infrastructure needs, including in-
4 frastructure-related health and safety
5 needs, which must be addressed for child
6 care facilities to operate in compliance with
7 public health guidelines;

8 “(ii) considers the effects of the pan-
9 demic on a variety of child care centers, in-
10 cluding home-based centers; and

11 “(iii) considers how the pandemic has
12 impacted specific metrics, such as—

13 “(I) capacity;

14 “(II) investments in infrastruc-
15 ture changes;

16 “(III) the types of infrastructure
17 changes centers need to implement
18 and their associated costs;

19 “(IV) the price of tuition; and

20 “(V) any changes or anticipated
21 changes in the number and demo-
22 graphic of children attending.

23 “(B) TIMING.—The immediate needs as-
24 sessment should occur simultaneously with the
25 first grant-making cycle under subsection (c).

1 “(C) REPORT.—Not later than 1 year
2 after the date of the enactment of this section,
3 the Secretary shall submit to the Congress a re-
4 port containing the result of the needs assess-
5 ment conducted under subparagraph (A), and
6 make the assessment publicly available.

7 “(2) LONG-TERM NEEDS ASSESSMENT.—

8 “(A) IN GENERAL.—The Secretary shall
9 conduct a long-term assessment of the condition
10 of child care facilities throughout the United
11 States (with priority given to child care facili-
12 ties that receive Federal funds). The assess-
13 ment may be conducted through representative
14 random sampling.

15 “(B) REPORT.—Not later than 4 years
16 after the date of the enactment of this section,
17 the Secretary shall submit to the Congress a re-
18 port containing the results of the needs assess-
19 ment conducted under subparagraph (A), and
20 make the assessment publicly available.

21 “(c) CHILD CARE FACILITIES GRANTS.—

22 “(1) GRANTS TO STATES.—

23 “(A) IN GENERAL.—The Secretary may
24 award grants to States for the purpose of ac-
25 quiring, constructing, renovating, or improving

1 child care facilities, including adapting, re-
2 configuring, or expanding facilities to respond
3 to the COVID–19 pandemic.

4 “(B) PRIORITIZED FACILITIES.—The Sec-
5 retary may not award a grant to a State under
6 subparagraph (A) unless the State involved
7 agrees, with respect to the use of grant funds,
8 to prioritize—

9 “(i) child care facilities primarily serv-
10 ing low-income populations;

11 “(ii) child care facilities primarily
12 serving children who have not attained the
13 age of 5 years;

14 “(iii) child care facilities that closed
15 during the COVID–19 pandemic and are
16 unable to open without making modifica-
17 tions to the facility that would otherwise be
18 required to ensure the health and safety of
19 children and staff; and

20 “(iv) child care facilities that serve the
21 children of parents classified as essential
22 workers during the COVID–19 pandemic.

23 “(C) DURATION OF GRANTS.—A grant
24 under this subsection shall be awarded for a pe-
25 riod of not more than 5 years.

1 “(D) APPLICATION.—To seek a grant
2 under this subsection, a State shall submit to
3 the Secretary an application at such time, in
4 such manner, and containing such information
5 as the Secretary may require, which informa-
6 tion shall—

7 “(i) be disaggregated as the Secretary
8 may require; and

9 “(ii) include a plan to use a portion of
10 the grant funds to report back to the Sec-
11 retary on the impact of using the grant
12 funds to improve child care facilities.

13 “(E) PRIORITY.—In selecting States for
14 grants under this subsection, the Secretary
15 shall prioritize States that—

16 “(i) plan to improve center-based and
17 home-based child care programs, which
18 may include a combination of child care
19 and early Head Start or Head Start pro-
20 grams;

21 “(ii) aim to meet specific needs across
22 urban, suburban, or rural areas as deter-
23 mined by the State; and

24 “(iii) show evidence of collaboration
25 with—

- 1 “(I) local government officials;
- 2 “(II) other State agencies;
- 3 “(III) nongovernmental organiza-
- 4 tions, such as—
 - 5 “(aa) organizations within
 - 6 the philanthropic community;
 - 7 “(bb) certified community
 - 8 development financial institutions
 - 9 as defined in section 103 of the
 - 10 Community Development Bank-
 - 11 ing and Financial Institutions
 - 12 Act of 1994 (12 U.S.C. 4702)
 - 13 that have been certified by the
 - 14 Community Development Finan-
 - 15 cial Institutions Fund (12 U.S.C.
 - 16 4703); and
 - 17 “(cc) organizations that
 - 18 have demonstrated experience
 - 19 in—
 - 20 “(AA) providing tech-
 - 21 nical or financial assistance
 - 22 for the acquisition, construc-
 - 23 tion, renovation, or improve-
 - 24 ment of child care facilities;

1 “(BB) providing tech-
2 nical, financial, or manage-
3 rial assistance to child care
4 providers; and

5 “(CC) securing private
6 sources of capital financing
7 for child care facilities or
8 other low-income community
9 development projects; and

10 “(IV) local community organiza-
11 tions, such as—

12 “(aa) child care providers;

13 “(bb) community care agen-
14 cies;

15 “(cc) resource and referral
16 agencies; and

17 “(dd) unions.

18 “(F) CONSIDERATION.—In selecting States
19 for grants under this subsection, the Secretary
20 shall consider—

21 “(i) whether the applicant—

22 “(I) has or is developing a plan
23 to address child care facility needs;
24 and

1 “(II) demonstrates the capacity
2 to execute such a plan; and

3 “(ii) after the date the report required
4 by subsection (b)(1)(C) is submitted to the
5 Congress, the needs of the applicants
6 based on the results of the assessment.

7 “(G) DIVERSITY OF AWARDS.—In award-
8 ing grants under this section, the Secretary
9 shall give equal consideration to States with
10 varying capacities under subparagraph (F).

11 “(H) MATCHING REQUIREMENT.—

12 “(i) IN GENERAL.—As a condition for
13 the receipt of a grant under subparagraph
14 (A), a State that is not an Indian tribe
15 shall agree to make available (directly or
16 through donations from public or private
17 entities) contributions with respect to the
18 cost of the activities to be carried out pur-
19 suant to subparagraph (A), which may be
20 provided in cash or in kind, in an amount
21 equal to 10 percent of the funds provided
22 through the grant.

23 “(ii) DETERMINATION OF AMOUNT
24 CONTRIBUTED.—Contributions required by
25 clause (i) may include—

1 “(I) amounts provided by the
2 Federal Government, or services as-
3 sisted or subsidized to any significant
4 extent by the Federal Government; or
5 “(II) philanthropic or private-sec-
6 tor funds.

7 “(I) REPORT.—Not later than 6 months
8 after the last day of the grant period, a State
9 receiving a grant under this paragraph shall
10 submit a report to the Secretary as described in
11 subparagraph (D)—

12 “(i) to determine the effects of the
13 grant in constructing, renovating, or im-
14 proving child care facilities, including any
15 changes in response to the COVID–19
16 pandemic and any effects on access to and
17 quality of child care; and

18 “(ii) to provide such other information
19 as the Secretary may require.

20 “(J) AMOUNT LIMIT.—The annual amount
21 of a grant under this paragraph may not exceed
22 \$35,000,000.

23 “(2) GRANTS TO INTERMEDIARY ORGANIZA-
24 TIONS.—

1 “(A) IN GENERAL.—The Secretary may
2 award grants to intermediary organizations,
3 such as certified community development finan-
4 cial institutions, tribal organizations, or other
5 organizations with demonstrated experience in
6 child care facilities financing, for the purpose of
7 providing technical assistance, capacity build-
8 ing, and financial products to develop or finance
9 child care facilities.

10 “(B) APPLICATION.—A grant under this
11 paragraph may be made only to intermediary
12 organizations that submit to the Secretary an
13 application at such time, in such manner, and
14 containing such information as the Secretary
15 may require.

16 “(C) PRIORITY.—In selecting intermediary
17 organizations for grants under this subsection,
18 the Secretary shall prioritize intermediary orga-
19 nizations that—

20 “(i) demonstrate experience in child
21 care facility financing or related commu-
22 nity facility financing;

23 “(ii) demonstrate the capacity to as-
24 sist States and local governments in devel-
25 oping child care facilities and programs;

1 “(iii) demonstrate the ability to lever-
2 age grant funding to support financing
3 tools to build the capacity of child care
4 providers, such as through credit enhance-
5 ments;

6 “(iv) propose to meet a diversity of
7 needs across States and across urban, sub-
8 urban, and rural areas at varying types of
9 center-based, home-based, and other child
10 care settings, including early care pro-
11 grams located in freestanding buildings or
12 in mixed-use properties; and

13 “(v) propose to focus on child care fa-
14 cilities primarily serving low-income popu-
15 lations and children who have not attained
16 the age of 5 years.

17 “(D) AMOUNT LIMIT.—The amount of a
18 grant under this paragraph may not exceed
19 \$10,000,000.

20 “(3) REPORT.—Not later than the end of fiscal
21 year 2024, the Secretary shall submit to the Con-
22 gress a report on the effects of the grants provided
23 under this subsection, and make the report pub-
24 lically accessible.

1 “(d) LIMITATIONS ON AUTHORIZATION OF APPRO-
2 PRIATIONS.—

3 “(1) IN GENERAL.—To carry out this section,
4 there is authorized to be appropriated
5 \$10,000,000,000 for fiscal year 2020, which shall
6 remain available through fiscal year 2024.

7 “(2) RESERVATIONS OF FUNDS.—

8 “(A) INDIAN TRIBES.—The Secretary shall
9 reserve 3 percent of the total amount made
10 available to carry out this section, for payments
11 to Indian tribes.

12 “(B) TERRITORIES.—The Secretary shall
13 reserve 3 percent of the total amount made
14 available to carry out this section, for payments
15 to territories.

16 “(3) GRANTS FOR INTERMEDIARY ORGANIZA-
17 TIONS.—Not less than 10 percent and not more
18 than 15 percent of the total amount made available
19 to carry out this section may be used to carry out
20 subsection (c)(2).

21 “(4) LIMITATION ON USE OF FUNDS FOR
22 NEEDS ASSESSMENTS.—Not more than \$5,000,000
23 of the amounts made available to carry out this sec-
24 tion may be used to carry out subsection (b).

1 “(e) DEFINITION OF STATE.—In this section, the
2 term ‘State’ has the meaning provided in section 419, ex-
3 cept that it includes the Commonwealth of the Northern
4 Mariana Islands and any Indian tribe.”.

5 (b) EXEMPTION OF TERRITORY GRANTS FROM LIM-
6 TATION ON TOTAL PAYMENTS TO THE TERRITORIES.—
7 Section 1108(a)(2) of such Act (42 U.S.C. 1308(a)(2))
8 is amended by inserting “418A(c),” after “413(f),”.