



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

# URGENT

Legislative Reference Division  
Economic, Science, and General Government Branch

## Fax Transmission

Fax Number (202) 395-3109  
Telephone Number (202) 395-7593

To: Cynthia Rice 6-7431  
Elisabeth Stock 6-0231

From: Jill Gibbons  
Legislative Reference Division  
Room 7116  
(202) 395-7593

Date: 9/5/97 Number of Pages: 5

Comments: Attached is a revised version of the GSA Draft bill on  
Federal Child Care Facilities. This draft bill was originally sent  
to you in early August under LRM MJB 114. Please provide  
comments or sign-off on the revised version by 3:00 Today.  
If you are not the correct person to review this please  
let me know. Thanks

Revised Draft

To amend Section 616 of the Act of December 22, 1987 (40 U.S.C. 490b), relative to child care services for Federal employees in Federal buildings.

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

Section 1. That Section 616 of the Act of December 22, 1987, as codified in 40 U.S.C. 490b, is amended in subsection (a) to read as follows:

(2) such officer or agency determines that such space will be used to provide child care services to children of Federal employees or on site Federal contractors, or dependent children who live with Federal employees;

(3) such officer or agency determines that such individual or entity will give priority for available child care services in such space to Federal employees and on-site Federal contractors; and

(4) the Administrator of General Services Administration must confirm that at least 50 percent of aggregate enrollment in Federal centers governmentwide are children of Federal employees, or on-site Federal contractors, or dependent children who live with Federal employees. Providers at individual centers will maintain the same percentage as a goal. In the event that enrollment at a center drops below the Federal enrollment goal percentage, the provider will develop and implement a business plan with the sponsoring agency(ies) to maximize Federal enrollment. This plan must be approved by the Administrator of General Services based on its compliance with standards established by the Administrator, as well as its effect on achieving the aggregate Federal enrollment percentage goal.

New

Used to be space available only to 250%  
Now 1/3 of centers below that  
Process/trigger to ensure that those below 50% get attention

Section 2. Subsection (b)(3) (40 U.S.C. 490(b)(3)) is amended to read as follows:

"If an agency has a child care facility in its space, or is a sponsoring agency for a child care facility in other Federal or leased space, the agency or the General Services Administration may pay accreditation fees, including renewal fees, for that center to be accredited by a nationally recognized early childhood professional organization and, notwithstanding the provisions of the Act of September 13, 1982 (Public Law 97-258, 31 U.S.C. 1345), any agency, department or instrumentality of the United States which provides or proposes to provide child care services for children of Federal employees as described in Subsection (a)(2)(iii) above, may reimburse any Federal employee or any person employed to provide such services for the costs of training programs, conferences and meetings and related travel, transportation, and subsistence expenses incurred in connection with those activities: Provided, That any per diem allowance made pursuant to this section shall not exceed the rate specified in regulations prescribed pursuant to section 5707 of title 5, United States Code".

Section 3. Subsection 490b(d) (40 U.S.C. 490b(d)) is amended as follows:

✓ (a) by inserting "(1)" before "If a Federal";

(b) by amending the subsection to read as follows:

"(d)(1) If a Federal agency has a child care facility in its space, or is a sponsoring agency for a child care facility in other Federal or leased space, the agency, Child Care Center Board of Directors, or the General Services Administration may enter into an agreement with one or more private entities under which such private entities would assist in defraying the general operating expenses of the child care provider including, but not limited to, salaries and tuition assistance programs at the facility." and

(c) by adding the following new paragraphs at the end thereof:

"(2)(A)(i) Notwithstanding any other provision of law, if a Federal agency which does not have a child care program, or the General Services Administration has identified a need for child care for Federal employees which does not meet the criteria of subsection (a) above, the agency or GSA may enter into a agreement with an existing non-Federal, licensed and accredited child care facility or a planned child care facility, which must become licensed and accredited, for the provision of child care services for children of Federal employees.

"(ii) Prior to entering into an agreement, the Head of the Federal agency[ies] must determine that child care services to be provided through the agreement are more cost effectively provided through this arrangement than through establishment of a Federal child care facility.

"(iii) The agency may provide any of the "services" defined in subsection (b)(3) above, and in exchange for such "services", the facility would reserve child care spaces for children of Federal employees as defined in subsection (a)(2)(iii) above, as agreed to by the parties. The cost of any "services" provided by an agency to a child care facility on behalf of another agency will be reimbursed by the receiving agency.

(B) This subsection does not apply to residential child care programs.

Section 4. Section 490b is further amended by adding at the end thereof the following new subsection:

"(e)(1) Upon approval of the Agency head, an Agency may conduct pilot projects not otherwise authorized by law for up to 2 years to test innovative

approaches to provide alternative forms of quality child care assistance for Federal employees. Agency heads may extend pilot projects for an additional 2 year period at their discretion. Before any pilot project may be implemented, a determination must be made by the agency head that the cost of initiating the pilot project would be more cost effective than establishing a new child care facility. Costs of any pilot project will be borne solely by the agency conducting the pilot project.

"(2) The General Services Administration will serve as an information clearinghouse for pilot projects initiated by other agencies to provide information concerning the pilot projects to the other agencies.

"(3) The Agency conducting the pilot project shall provide for an evaluation of the impact on improving the delivery of child care services to Federal employees within 6 months of completion of the initial 2 year pilot project period, and shall submit the results of its evaluation to the Administrator of General Services who shall share the results with other Federal agencies."

\* Correction - When this LAM was originally circulated it was missing a page. Attached is a complete copy.

Total Pages: 10

LRM ID: MJG114

EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
Washington, D.C. 20503-0001

Tuesday, July 29, 1997

LEGISLATIVE REFERRAL MEMORANDUM

TO: Legislative Liaison Officer - See Distribution below

FROM: James J. Jukes (for) Assistant Director for Legislative Reference  
OMB CONTACT: M. Jill Gibbons *Jin*  
PHONE: (202)395-7593 FAX: (202)395-3109

SUBJECT: General Services Administration Draft Bill on Child Care Services for Federal Employees in Federal Buildings

DEADLINE: 5:00 Monday, August 11, 1997

In accordance with OMB Circular A-19, OMB requests the views of your agency on the above subject before advising on its relationship to the program of the President. Please advise us if this item will affect direct spending or receipts for purposes of the "Pay-As-You-Go" provisions of Title XIII of the Omnibus Budget Reconciliation Act of 1990.

COMMENTS:  
DISTRIBUTION LIST

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- Cynthia Rice

Elizabeth Stock

Susan Valaseovic

Mary Mojzinge

**DRAFT**

July 21, 1997

The Honorable Albert Gore, Jr.  
President of the Senate  
Washington, DC 20510

Dear Mr. President:

Transmitted herewith, for referral to the appropriate committee, is a draft bill prepared by the General Services Administration (GSA) to amend 40 U.S.C. § 490b, known as the Tribble Amendment (Enclosure 1). An explanation of the bill is also included (Enclosure 2). GSA has consulted with other government agencies, including the Departments of Transportation, Veteran's Affairs, Agriculture, the National Aeronautics and Space Administration, and the Office of Personnel Management. These agencies, with the exception of the Office of Personnel Management, sponsor multiple child care facilities, (collectively, over 80% of non-Department of Defense (DoD)/non-GSA Federal facilities). Their representatives have provided input, and indicated favorable support of the draft amendments.

GSA, other government agencies, and private sector experts agree that affordability and accessibility of child care facilities concern the public and private sector alike, and tackling these problems requires multiple strategies. We believe we must be innovative in creating new partnerships, sharing resources and ideas, and designing and trying new methods of meeting this challenge. Therefore, we have proposed four legislative changes to increase flexibility in Federal (non-DoD) child care programs.

First, we propose to amend the rule which currently requires at least 50% Federal children enrollment. By broadening the definition, and allowing flexibility in the ratio of Federal to non-Federal children while maintaining 50% as a goal, we will extend care to dependent children of more Federal employees, help enable our facilities to fully utilize their capacity, improve their financial stability, and manage the inevitable fluctuations in the facility's enrollment without falling into non-compliance with the law. We believe that agency heads should have the flexibility and authority to determine the cost effective ratio of Federal/non-Federal children, and will do so responsibly.

We also believe that notwithstanding this amendment, the overwhelming majority of Federal centers will continue to have greater than 50% Federal enrollment. A provision in the proposed bill which requires a provider to develop a business plan to achieve and maintain 50% Federal enrollment as a goal will further assist the child care provider, the Boards of Directors, and the agency in maximizing Federal employee use of the facility. This proposed amendment will provide the most significant improvement to accessibility and affordability in the language we are proposing.

The second amendment allows agencies to pay for expenses to train employees through conferences, meetings, and classes related to child care professional development in addition to attendance at the annual GSA Child Care Conference currently referenced in 40 U.S.C. § 490b. This provision reflects language included in previous appropriation laws and makes the authorization permanent, codified law. Its inclusion as permanent law will promote maintaining quality child care services, and provide continuous authority in place of the current annual authority.

The third amendment will allow private entities to provide funds to help defray operating expenses or tuition assistance programs at existing Federal child care facilities. The amendment will also provide new authority for agencies to enter into partnerships with non-Federal entities to provide spaces to Federal employees in private child care facilities where establishing a Federal facility is not economically feasible. The new authority would enable agencies to participate in non-Federal centers when the surveyed need among Federal employees does not meet cost effective criteria for establishment of a Federal facility. In this collaborative effort, the agency will be authorized to provide "services" as defined in the Triple Amendment, in exchange for reserved spaces for Federal children to attend the facility. The language requires licensing and accreditation (or application for accreditation where the eligibility requirements have been met) of the facility to insure quality care. This innovation is the reverse of current authority which allows private entities to participate in Federal facilities. It will provide much needed flexibility to partner with groups outside the Federal sector, who are also struggling with issues of affordability and accessibility.

The last amendment will provide new authority for agency heads to approve and conduct pilot projects which are not currently authorized by law and which test new forms of providing quality child care for up to two years, with a provision for a two year extension. The authority is limited to projects which do not exceed the cost of establishing a child care facility, and will be paid for by the sponsoring agency. The agency will be required to provide GSA with an evaluation of the project within six months of completion of the first two years of the pilot. GSA will disseminate evaluations and successful demonstration concepts to other agencies, in a compendium of best practices. This amendment may help to identify new methods of providing quality child care assistance which have not been used widely by agencies, and is consistent with government reinvention goals set forth in the National Performance Review.

These four amendments to our current authority will contribute substantially to the multi-faceted strategy needed to meet the challenges in child care. While Federal facilities currently provide services for many Federal employees, new approaches are clearly needed to make significant progress in improving affordability and accessibility without sacrificing quality and safety. We have made a commitment to take a leadership role in child care, and now we must enable agencies to contribute to the solutions needed with their resources and innovative ideas.

The Office of Management and Budget has advised that from the standpoint of the Administration's program, there is no objection to the submission of this proposed legislation to the Congress.

Very Respectfully,

David J. Barram  
Administrator

Enclosures

To amend Section 616 of the Act of December 22, 1987 (40 U.S.C. 490b), relative to child care services for Federal employees in Federal buildings.

Be it enacted by the Senate and the House of Representatives of the United States of America in Congress assembled,

Section 1. That Section 616 of the Act of December 22, 1987, as codified in 40 U.S.C. 490b, is amended in subsection (a)(2) to read as follows:

"(2) such officer or agency determines that such space will be used to provide child care services, with the goal of providing services to children of whom at least 50% have one parent or guardian who is employed by the Federal Government. For the purposes of this section if, after a reasonable start-up period which will be determined by the officer or agency, the provider of child care services has an enrollment of less than 50% children who have at least one parent or guardian who is employed by the Federal government enrolled in the child care facility, the provider will provide a business plan to the officer or agency that identifies how the child care facility will maximize the Federal enrollment within a reasonable period of time. "Children" includes children of Federal employees and dependent children who live with the Federal employee; and"

Section 2. Subsection (b)(3) (40 U.S.C. 490b(b)(3)) is amended to read as follows:

"If an agency has a child care facility in its space, or is a sponsoring agency for a child care facility in other Federal or leased space, the agency or the General Services Administration may pay accreditation fees, including renewal fees, for that center to be accredited by a nationally recognized early childhood professional organization and, notwithstanding the provisions of the Act of September 13, 1982 (Public Law 97-258, 31 U.S.C. 1345), any agency, department or instrumentality of the United States which provides or proposes to provide child care services for Federal employees may reimburse any Federal employee or any person employed to provide such services for travel, transportation, and subsistence expenses incurred for training classes, conferences or other meetings in connection with the provision of such services: Provided, That any per diem allowance made pursuant to this section shall not exceed the rate specified in regulations prescribed pursuant to section 5707 of title 5, United States Code".

Section 3. Subsection 490b(d) (40 U.S.C. 490b(d)) is amended as follows:

- (a) by inserting "(1)" before "If a Federal";
- (b) by amending the subsection to read as follows:

"(d)(1) If a Federal agency has a child care facility in its space, or is a sponsoring agency for a child care facility in other Federal or leased space, the agency or the General Services Administration may enter into a partnership agreement with one or more private entities under which such private entities would assist in defraying the general operating expenses of the child care facility including, but not limited to, salaries and tuition assistance programs at the facility."; and

- (c) by adding the following new paragraphs at the end thereof:

"(2)(A)(i) Notwithstanding any other provision of law, if a Federal agency, which does not have a child care program, or the General Services Administration has identified a need for child care for Federal employees which does not meet the criteria of subsection (a) above, the agency or GSA may enter into a partnership agreement with an existing non-Federal, licensed and accredited child care facility or a planned child care facility, which must become licensed and accredited, for the provision of child care services for children of Federal employees.

"(ii) Prior to entering into a partnership agreement, the Head of the Federal agency[ies] must determine that child care services to be provided through the partnership agreement are more cost effectively provided through this arrangement than through establishment of a Federal child care facility.

"(iii) The agency may provide any of the "services" defined in subsection (b)(3) above, and in exchange for such "services", the facility would reserve child care spaces for children of Federal employees, as agreed to by the parties. The cost of any "services" provided by an agency to a child care facility on behalf of another agency will be reimbursed by the receiving agency.

"(B) This subsection does not apply to residential child care programs.".

Section 4. Section 490b is further amended by adding at the end thereof the following new subsection:

"(a) (1) Upon approval of the Agency head, an Agency may conduct pilot projects not otherwise authorized by law for up to 2 years to test innovative approaches to provide alternative forms of quality child care assistance for Federal employees. Agency heads may extend pilot projects for an additional 2 year period at their discretion. Before any pilot project may be implemented, a determination must be made by the Agency head that the cost of initiating the pilot project would be more cost effective than establishing a new child care facility. Costs of any pilot project will be borne solely by the agency conducting the pilot project.

"(2) The General Services Administration will serve as an information clearinghouse for pilot projects initiated by other agencies to provide information concerning the pilot projects to the other agencies.

"(3) The Agency conducting the pilot project shall provide for an evaluation of the impact on improving the delivery of child care services to Federal employees within 6 months of completion of the initial 2 year pilot project period, and shall submit the results of its evaluation to the Administrator of General Services who shall share the results with other Federal agencies."

Amendment to the Tribble AmendmentSection by Section Analysis

Section 1 of the Proposed Bill is an amendment to 40 U.S.C. § 490b(a)(2). This proposed language would modify the 50% federal employee enrollment requirement for Federal agency sponsorship of child care facilities in Federal owned and leased space, and to broaden the definition of "children". While retaining the 50% standard as a goal for all child care facilities in Federal owned and leased space, Federal agencies would have the flexibility to extend care to dependent children of more Federal employees; help enable the facilities to fully utilize their capacity (which in turn enables the facilities to lower their operating costs); improve their financial stability, and manage the inevitable fluctuations in the facility's enrollment without falling into non-compliance with the law as currently drafted.

Section 2 of the Proposed Bill revises Subsection (b)(3) (40 U.S.C. § 490b(b)(3)) to reflect language included in previous Appropriations laws to allow agencies to pay for expenses related to training employees and child care facility personnel at any conferences, meetings and classes related to child care professional development. See, e.g. Section 604 of Pub. L. 102-393, October 6, 1992, Treasury, Postal Service, and General Government Appropriation Act, 1993. Current Subsection (b)(3) limits the payment of expenses and per diem to attendance to GSA's annual Child Care Conference. This revision would make the language included in annual appropriation laws permanent, codified law within 40 U.S.C. § 490b.

Section 3 of the Proposed Bill would modify current Subsection 490b(d) to allow private entities to provide funds to help defray operating expenses or tuition assistance programs at existing Federal child care facilities in exchange for reserving spaces at the facility. The new subsection (d)(2) would provide authority for agencies to enter into partnerships with non-Federal entities to provide spaces to Federal employees in private child care facilities when establishing a Federal facility is not economically feasible. Agencies would be authorized to provide "services" as defined in subsection (b)(3) of the Tribble Amendment in exchange for the provision of the spaces. The private facility would be required to be licensed by the state or local jurisdiction and to be accredited before the agency would consider entering into a partnership with the private facility.

Section 4 would establish a new subsection 490b(e) to provide authority for Federal agencies to conduct pilot projects not otherwise authorized by law to test new methods of providing quality child care to Federal employees. After obtaining approval of the Agency Head, each pilot project would be

authorized to be conducted for a period of 2 years, with the possibility of a two year extension. At the end of the initial 2 year period, the agency conducting the pilot project must provide an evaluation of the project to the Administrator of GSA within 6 months for dissemination to other agencies.

Total Pages: \_\_\_\_\_

LRM ID: MJG114

EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
Washington, D.C. 20503-0001

Tuesday, July 29, 1997

## LEGISLATIVE REFERRAL MEMORANDUM

TO: Legislative Liaison Officer - See Distribution below

FROM: James J. Jukes (for) Assistant Director for Legislative Reference *Jin*  
OMB CONTACT: M. Jill Gibbons  
PHONE: (202)395-7593 FAX: (202)395-3109

SUBJECT: General Services Administration Draft Bill on Child Care Services for Federal Employees in Federal Buildings

DEADLINE: 5:00 Monday, August 11, 1997

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## EOP:

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Susan Valaseovic  
Mary Mozingo

LRM ID: MJG114 SUBJECT: General Services Administration Draft Bill on Child Care Services for Federal Employees in Federal Buildings

RESPONSE TO LEGISLATIVE REFERRAL MEMORANDUM

If your response to this request for views is short (e.g., concur/no comment), we prefer that you respond by e-mail or by faxing us this response sheet. If the response is short and you prefer to call, please call the branch-wide line shown below (NOT the analyst's line) to leave a message with a legislative assistant.

You may also respond by:

- (1) calling the analyst/attorney's direct line (you will be connected to voice mail if the analyst does not answer); or
(2) sending us a memo or letter

Please include the LRM number shown above, and the subject shown below.

TO: M. Jill Gibbons Phone: 395-7593 Fax: 395-3109
Office of Management and Budget
Branch-Wide Line (to reach legislative assistant): 395-3454

FROM: \_\_\_\_\_ (Date)
\_\_\_\_\_ (Name)
\_\_\_\_\_ (Agency)
\_\_\_\_\_ (Telephone)

The following is the response of our agency to your request for views on the above-captioned subject:

- \_\_\_\_\_ Concur
\_\_\_\_\_ No Objection
\_\_\_\_\_ No Comment
\_\_\_\_\_ See proposed edits on pages \_\_\_\_\_
\_\_\_\_\_ Other: \_\_\_\_\_

\_\_\_\_\_ FAX RETURN of \_\_\_\_\_ pages, attached to this response sheet

*Ashton, Elms*

**DRAFT**

July 21, 1997

The Honorable Albert Gore, Jr.  
President of the Senate  
Washington, DC 20510

*Why now?  
Fo. Labor-HHS approps?*

Dear Mr. President:

Transmitted herewith, for referral to the appropriate committee, is a draft bill prepared by the General Services Administration (GSA) to amend 40 U.S. C. § 490b, known as the Triple Amendment (Enclosure 1). An explanation of the bill is also included (Enclosure 2). GSA has consulted with other government agencies, including the Departments of Transportation, Veteran's Affairs, Agriculture, the National Aeronautics and Space Administration, and the Office of Personnel Management. These agencies, with the exception of the Office of Personnel Management, sponsor multiple child care facilities, (collectively, over 80% of non-Department of Defense (DoD)/non-GSA Federal facilities). Their representatives have provided input, and indicated favorable support of the draft amendments.

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We also believe that notwithstanding this amendment, the overwhelming majority of Federal centers will continue to have greater than 50% Federal enrollment. A provision in the proposed bill which requires a provider to develop a business plan to achieve and maintain 50% Federal enrollment as a goal will further assist the child care provider, the Boards of Directors, and the agency in maximizing Federal employee use of the facility. This proposed amendment will provide the most significant improvement to accessibility and affordability in the language we are proposing.

*What problem  
we're  
solve?  
Unused  
capacity?*

The second amendment allows agencies to pay for expenses to train employees through conferences, meetings, and classes related to child care professional development in addition to attendance at the annual GSA Child Care Conference currently referenced in 40 U.S.C. § 490b. This provision reflects language included in previous appropriation laws and makes the authorization permanent, codified law. Its inclusion as permanent law will promote maintaining quality child care services, and provide continuous authority in place of the current annual authority.

The third amendment will allow private entities to provide funds to help defray operating expenses or tuition assistance programs at existing Federal child care facilities. The amendment will also provide new authority for agencies to enter into partnerships with non-Federal entities to provide spaces to Federal employees in private child care facilities where establishing a Federal facility is not economically feasible. The new authority would enable agencies to participate in non-Federal centers when the surveyed need among Federal employees does not meet cost effective criteria for establishment of a Federal facility. In this collaborative effort, the agency will be authorized to provide "services" as defined in the Triple Amendment, in exchange for reserved spaces for Federal children to attend the facility. The language requires licensing and accreditation (or application for accreditation where the eligibility requirements have been met) of the facility to insure quality care. This innovation is the reverse of current authority which allows private entities to participate in Federal facilities. It will provide much needed flexibility to partner with groups outside the Federal sector, who are also struggling with issues of affordability and accessibility.

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Very Respectfully,

David J. Barram  
Administrator

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Section 2. Subsection (b)(3) (40 U.S.C. 490b(b)(3)) is amended to read as follows:

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Section 3. Subsection 490b(d) (40 U.S.C. 490b(d)) is amended as follows:

(a) by inserting "(1)" before "If a Federal";

(b) by amending the subsection to read as follows:

"(d) (1) If a Federal agency has a child care facility in its space, or is a sponsoring agency for a child care facility in other Federal or leased space, the agency or the General Services Administration may enter into a partnership agreement with one or more private entities under which such private entities would assist in defraying the general operating expenses of the child care facility including, but not limited to, salaries and tuition assistance programs at the facility."; and

(c) by adding the following new paragraphs at the end thereof:

"(2) (A) (1) Notwithstanding any other provision of law, if a Federal agency, which does not have a child care program, or the General Services Administration has identified a need for child care for Federal employees which does not meet the criteria of subsection (a) above, the agency or GSA may enter into a partnership agreement with an existing non-Federal, licensed and accredited child care facility or a planned child care facility, which must become licensed and accredited, for the provision of child care services for children of Federal employees.

"(ii) Prior to entering into a partnership agreement, the Head of the Federal agency[ies] must determine that child care services to be provided through the partnership agreement are more cost effectively provided through this arrangement than through establishment of a Federal child care facility.

"(iii) The agency may provide any of the "services" defined in subsection (b) (3) above, and in exchange for such "services", the facility would reserve child care spaces for children of Federal employees, as agreed to by the parties. The cost of any "services" provided by an agency to a child care facility on behalf of another agency will be reimbursed by the receiving agency.

(B) This subsection does not apply to residential child care programs."

Section 4. Section 490b is further amended by adding at the end thereof the following new subsection:

"(e) (1) Upon approval of the Agency head, an Agency may conduct pilot projects not otherwise authorized by law for up to 2 years to test innovative approaches to provide alternative forms of quality child care assistance for Federal employees. Agency heads may extend pilot projects for an additional 2 year period at their discretion. Before any pilot project may be implemented, a determination must be made by the Agency head that the cost of initiating the pilot project would be more cost effective than establishing a new child care facility. Costs of any pilot project will be borne solely by the agency conducting the pilot project.

"(2) The General Services Administration will serve as an information clearinghouse for pilot projects initiated by other agencies to provide information concerning the pilot projects to the other agencies.

"(3) The Agency conducting the pilot project shall provide for an evaluation of the impact on improving the delivery of child care services to Federal employees within 6 months of completion of the initial 2 year pilot project period, and shall submit the results of its evaluation to the Administrator of General Services who shall share the results with other Federal agencies."

Amendment to the Tribble AmendmentSection by Section Analysis

Section 1 of the Proposed Bill is an amendment to 40 U.S.C. § 490b(a)(2). This proposed language would modify the 50% federal employee enrollment requirement for Federal agency sponsorship of child care facilities in Federal owned and leased space, and to broaden the definition of "children". While retaining the 50% standard as a goal for all child care facilities in Federal owned and leased space, Federal agencies would have the flexibility to extend care to dependent children of more Federal employees, help enable the facilities to fully utilize their capacity (which in turn enables the facilities to lower their operating costs), improve their financial stability, and manage the inevitable fluctuations in the facility's enrollment without falling into non-compliance with the law as currently drafted.

Section 2 of the Proposed Bill revises Subsection (b)(3) (40 U.S.C. § 490b(b)(3)) to reflect language included in previous Appropriations laws to allow agencies to pay for expenses related to training employees and child care facility personnel at any conferences, meetings and classes related to child care professional development. See, e.g. Section 604 of Pub. L. 102-393, October 6, 1992, Treasury, Postal Service, and General Government Appropriation Act, 1993. Current Subsection (b)(3) limits the payment of expenses and per diem to attendance to GSA's annual Child Care Conference. This revision would make the language included in annual appropriation laws permanent, codified law within 40 U.S.C. § 490b.

Section 3 of the Proposed Bill would modify current Subsection 490b(d) to allow private entities to provide funds to help defray operating expenses or tuition assistance programs at existing Federal child care facilities in exchange for reserving spaces at the facility. The new subsection (d)(2) would provide authority for agencies to enter into partnerships with non-Federal entities to provide spaces to Federal employees in private child care facilities when establishing a Federal facility is not economically feasible. Agencies would be authorized to provide "services" as defined in subsection (b)(3) of the Tribble Amendment in exchange for the provision of the spaces. The private facility would be required to be licensed by the state or local jurisdiction and to be accredited before the agency would consider entering into a partnership with the private facility.

Section 4 would establish a new subsection 490b(e) to provide authority for Federal agencies to conduct pilot projects not otherwise authorized by law to test new methods of providing quality child care to Federal employees. After obtaining approval of the Agency Head, each pilot project would be

authorized to be conducted for a period of 2 years, with the possibility of a two year extension. At the end of the initial 2 year period, the agency conducting the pilot project must provide an evaluation of the project to the Administrator of GSA within 6 months for dissemination to other agencies.

## **Child Care Plan to Support Federal Welfare to Work Initiative**

The General Services Administration will use a three part strategy to support the efforts of Federal agencies to hire and retain welfare recipients and to assist other low income employees find safe, affordable child care.

**GSA will link Federal hiring officials at the community level with state and county child care resource and referral networks.** These 600 specialist community-based organizations can counsel, support and assist new and existing lower income employees by linking them to a wide array of child care options.

- These groups can also provide information concerning financial subsidies for child care which are available at the local level (state or county) for those leaving the welfare rolls and which may also be available to other low income employees.
- Federal officials can also hire part time employees or job-shares through local Head Start programs. These employees could then use Head Start (generally part day, part year) in lieu of child care, while meeting current welfare reform requirements for 20 hours of work per week for those with children under six.

**GSA will act aggressively to make Federal child care centers more affordable to more employees.** Currently, there are more than 1,000 available spaces in the more than 200 non-military centers that operate in Federal space, but fees for quality care charged by private operators are generally out of reach to lower graded employees. Sliding fee scales and other forms of scholarship assistance could help match employees to available spaces, if costs could be reduced and/or revenues increased.

- GSA will determine whether group purchases of supplies, insurance and other shared needs could help reduce costs for center operators. Savings could be reinvested in tuition help for families that need it.
- GSA will help centers seek enterprise activities and special additional programs for children that could operate at their location to bring in additional revenue.
- If adequate additional revenues are secured, GSA will require each center operating in Federal space to use a sliding fee scale.
- GSA has worked with the Office of Management Budget on a major study of the accessibility and affordability of Federal child care which will be released to Congress at the end of April. The agency will promptly implement appropriate recommendations.

**GSA will increase the capability of individual Federal child care centers to raise additional funds for tuition assistance scholarships.** GSA will immediately retain expert financial development and fund raising counsel to define a national strategy to help support the financial needs of all Federal centers. This could include establishment of a private non-profit foundation which could seek and receive funds to support all centers on a larger scale than individual centers can accomplish on their own. It is estimated that approximately \$3-5 million per year will be needed to make Federal child care slots more affordable for more parents.

- GSA will seek opportunities for centers to partner with private organizations which need child care for their employees as a way to diversify funding sources.
- GSA will assure that each center applies for participation in the Combined Federal Campaign. It will also continue to encourage agencies to dedicate recycling proceeds to child care centers which operate in their buildings.
- GSA will tap and utilize the best experience of states which have been exploring child care financing strategies to support welfare reform (i.e. Colorado, Indiana, Washington, Hawaii, Minnesota and others).



U.S. GENERAL SERVICES ADMINISTRATION  
Office of Governmentwide Policy

*Can we  
draft a  
proposal?*

April 22, 1997

Mr. Franklin D. Raines  
Director  
Office of Management and Budget  
725 17th Street, NW  
Washington, DC 20503

Dear Mr. Raines:

The Office of Management and Budget (OMB) requested the General Services Administration (GSA) Office of Governmentwide Policy (OGP) to complete a study on the affordability of child care for Federal employees. OMB was directed by the House Appropriations Treasury, Postal Service and General Government subcommittee to report to Congress on this subject. This memorandum transmits a report from the National Academy of Public Administration (the Academy), commissioned by GSA to respond to the OMB request. Agencies referenced in the report have provided comments.

The Committee's primary stated interest is to determine how to improve affordability of child care for all Federal employees. The resulting comprehensive study (enclosure 1) reinforces the acting GSA Administrator's comments at the April 10, 1997 Cabinet meeting, where child care affordability was recognized as a complex problem which requires multiple strategies.

Although the scope of the affordability problem is only partially known, the Academy report recommends a combination of strategies which focus on two areas. The first contains recommendations for making the best use of existing resources, such as improving leadership and increasing child care center revenues through grants, donations and entrepreneurial efforts. GSA supports these strategies which have potential to improve child care affordability, and may be implementable at low or no cost. If implemented, the costs would be shared by participating agencies.

Second, the Academy recommends other strategies which require legislative initiatives to expand current authorities, and reconsideration, through pilots and additional studies, of options to provide more flexible employee benefits. Several recommendations require amendment of the Tribble Amendment (40 U.S.C. 490b), which authorizes provision of government space, utilities and maintenance, and purchase of certain equipment for child care centers. The Academy also suggests expansion of public-private partnerships, and further study of the potential to change personnel policies. These ideas have been under discussion within government agencies for some time, and merit pursuing their potential to improve affordability.

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18th and F Streets, NW, Washington, DC 20405

The Academy also recommends enacting legislation to broaden authority of agency heads to use agency funds for Federal child care center operating expenses and vouchers in non Federal centers. GSA believes implementation of many of the other low/no cost strategies may result in increased flexibility to improve services and significant improvements to affordability, without turning to additional agency funds, thus diminishing the need to implement this recommendation. This recommendation and others requiring legislative initiatives should be considered further in coordination with the appropriate agencies, and should be consistent with other Administration and Congressional efforts underway to improve affordability and quality.

To place this Affordability and Accessibility study in context, a comprehensive picture of Administration and Congressional interest over the past year is essential. In June 1996 a Presidential memorandum directed government agencies to develop a plan to "...expand their ability to provide their employees assistance in securing safe, affordable quality child care." The Appropriations subcommittee's request for a study coincided with the President's directive, and gave specific focus to the issues of access, availability and flexibility in the context of affordability.

In the Fall of 1996, OMB asked GSA to establish within OGP the capability to provide leadership to the Federal community by exercising governmentwide policy roles for workplace programs, including child care. These programs are designed to provide Federal employees with a family-friendly, cost effective and accessible workplace. GSA subsequently included necessary resources in its FY 1998 budget request. This governmentwide function would be in addition to the current resources devoted to programmatic oversight of child care centers within buildings managed by the Public Buildings Service (PBS).

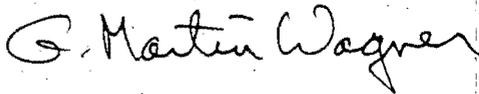
Academy recommendations support OMB guidance to establish a single agency responsible for leadership of Federal child care. However, neither a new policy office nor existing PBS staffing (in the Office of Workplace Initiatives - OWI) and funding would provide the resources for the additional programmatic responsibilities which are implied by new directives in the President's Welfare to Work plan, and a potential child care initiative from Senator Daschle, both of which are described below, or the Affordability study. These initiatives are being costed separately.

In late 1996, Senator Daschle's office and the staff of the Senate Labor Committee expressed a concerted interest in establishing governmentwide standards and oversight of Federal child care centers. In response, OWI reviewed non-GSA child care centers and practices, and last month provided the Minority Leader's office with options for standardization and oversight, and their projected costs. These costs would be born by agencies sponsoring child care centers. Interested Senate offices and committees are considering action on the data and recommendations.

In March 1997 the President directed GSA, after consultation with Federal agencies, to report on governmentwide plans to assist low-income Federal employees in finding affordable child care. This directive was contained in the President's initiative to hire citizens coming off welfare. The GSA response to the Welfare to Work initiative (enclosure 2) included numerous strategies directed at improving current information and referral systems, expanding activities to bring in additional revenue to apply to tuition assistance and developing new partnerships within and outside government agencies. These strategies are being analyzed to determine their costs.

GSA believes the Academy report is an important work with implications for improvement of Federal child care programs well beyond the issue of affordability. The report also points to further study and analysis required to continue to reduce the problem. This agency will work directly with the Administration (including the Domestic Policy Council and the National Performance Review office), OMB, other agencies, and the Congress to improve our strategies, and implement those recommendations of the report which will, in fact, improve the quality, affordability, and accessibility of child care for Federal employees.

Sincerely,



G. Martin Wagner  
Associate Administrator for  
Governmentwide Policy

Enclosures

The Honorable Jim Kolbe  
Chairman, Subcommittee on Treasury,  
Postal Service, and General Government  
House Appropriations Committee  
B307 Rayburn House Office Building  
Washington, D.C. 20515-6028

Dear Mr. Chairman:

The House Treasury, Postal Service, and General Government Appropriations Committee Report on the 1997 Appropriations Act directed the Office of Management and Budget to "coordinate a government-wide review of federal child care centers to evaluate their effectiveness and determine how they may be improved to provide greater flexibility, access, and availability to all federal employees."

The General Services Administration (GSA) operates the largest number of child care centers among the civilian agencies and is recognized for its expertise in this area. Therefore, we requested GSA to lead this review and they, in turn, contracted with the National Academy of Public Administration to perform the survey and report their findings and recommendations. GSA was subsequently directed by the President to consult with federal agencies and report on governmentwide plans to assist low-income federal employees in finding affordable child care as part of the Welfare to Work initiative. Since GSA's response to the President's request addresses some of the same issues as the Academy's report, both documents are enclosed along with GSA's transmittal letter to us.

When we discussed this review with GSA, it became clear that the Academy review should concentrate on civilian agency child care centers. DoD operates the vast majority of federal child care centers, over 800 as compared to the approximately 225 centers operated by civilian agencies. The Office of Family Policy, under the Assistant Secretary of Defense for Force Management Policy, is responsible for setting standards, issuing guidance, and maintaining statistics for the Department's Child Care Program. At GSA's request, the Office of Family Policy provided a review of the DoD Child Care Program, a copy of which is included in the Academy report.

The Academy study team was able to find little measurable data on the number of children denied child care because their parents or guardians could not afford it. However, based on interviews and other studies, the team concluded that quality child care is generally out of the financial reach of low income federal employees. This view was expressed by virtually all the people interviewed during the course of the study, including child care professionals, government managers and federal employees.

The Academy's recommendations fall into two categories. The first category proposes actions which may be taken within current statutory authorities and budget resources. These actions include strengthening the leadership of child care programs within agencies and seeking outside financial support and volunteer staff assistance to offset the costs of running child care centers. The Office of Management and Budget concurs with the Academy's recommendations. We also recommend that GSA proceed to implement the plan prepared at the President's request to make child care more affordable for low income Federal employees. This will provide the Administration's most comprehensive response to the issue of child care affordability within current authorities and resources.

The second category includes actions which require legislation, such as expanding current authorities for agencies to pay certain infrastructure costs, giving centers more flexibility in meeting enrollment requirements and partnering with the private sector, and authorizing demonstration projects and pilot tests of other new approaches. We have asked the General Services Administration to work with the affected agencies in analyzing the recommendations in detail and developing legislative proposals which reflect the agencies' views.

Child care is an issue of great concern to many Federal employees. I hope that this report will be useful in developing approaches to making high quality child care affordable to those employees who desire it.

Sincerely,

Franklin D. Raines  
Director

GENERAL SERVICES ADMINISTRATION  
PLAN TO IMPROVE THE AFFORDABILITY OF CHILD CARE

This report describes the steps GSA plans to take to assist low income Federal workers in finding affordable child care.

**Executive Summary**

The General Services Administration will use a three part strategy to assist low income Federal employees find safe, affordable child care and to support the child care needs of Federal agencies as they hire and retain welfare recipients.

**GSA will link Federal officials at the community level with state and county child care resource and referral networks.** These 600 specialist community-based organizations can counsel, support and assist new and existing lower income employees by linking them to a wide array of child care options.

- These groups can also provide information concerning financial subsidies for child care which are available at the local level (state or county) for those leaving the welfare rolls and which may also be available to other low income employees.
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- GSA will seek opportunities for centers to partner with private organizations which need child care for their employees as a way to diversify funding sources.
- GSA will assure that each center applies for participation in the Combined Federal Campaign. It will also continue to encourage agencies to dedicate recycling proceeds to child care centers which operate in their buildings.
- GSA will tap and utilize the best experience of states which have been exploring child care financing strategies to support welfare reform (i.e. Colorado, Indiana, Washington, Hawaii, Minnesota and others).

## **BACKGROUND**

The Federal government has long played a leadership role in the development of child care arrangements for its work force. Starting in 1985, for example, the General Services Administration began to make space available for this purpose in the Federal buildings it manages. As a result of this effort, authorized by the Triple Amendment, GSA currently has 107 child care centers operating in its buildings. These centers care for more than 7,000 children, in facilities in 68 cities, 31 states and the District of Columbia.

Other Federal agencies, operating under the same legislative authority, also have created child care and development programs in their facilities. Some 110 or more of these are now sponsored by 27 agencies in 36 states and the District of Columbia, as well as 9 Coast Guard centers under separate legislation. That means that today, a total of more than 225 worksite child care centers operate in non-military settings to serve the needs of Federal workers, and more are planned.

The Department of Defense, the nation's largest sponsor of worksite child care programs, has been very active over the past 25 years in creating child development programs to meet the needs of its military service members and civilian employees. Today, it has a sophisticated system of varied child development options which support military readiness and retention.

Operating under the authority of the Military Child Care Act of 1989, DoD now operates more than 800 centers at over 300 locations, providing care for 200,000 children daily, from six weeks to 12 years of age. In addition, more than 9,000 licensed and trained family day care programs operate in government owned or leased housing to provide night, weekend and unusual hours care to meet the specific needs of military training and deployment schedules.

The systems through which child care is provided are very different in civilian agencies and military installations. Centers in civilian agencies are set up as local non-profit corporations which then hire private providers--either individuals, companies or community agencies-- to actually provide care to children. Agencies lease space to the centers and provide furniture and equipment, maintenance, security, utilities and certain training costs, all at no cost to the center operator. Parent fees, paid to the non-profit corporation, are the principal source of funding to cover ongoing operating expenses, more than 80% of which are related to the cost of caregiving staff.

Local fund raising by the center's Board of Directors can generate additional revenues to offset the high cost of care for lower income families through tuition assistance programs. (Last year, for example, in the centers in GSA buildings, more than \$1,000,000 was raised in this way.) Fees to parents are established by the business entity which operates the center. These are generally based on

the age of the child, with infant/toddler care costing parents considerably more than care for a preschool age child; because it requires more staff to care for younger children.

In the military system, on the other hand, child development programs are run by the military services themselves which employ care giving personnel directly. Fees are established by DoD, on a sliding scale based on income--low income parents pay less than high income families, regardless of the age of the child. In addition to the sliding fee scale, fees to parents are heavily subsidized by the military service. This subsidy covers about half the cost of care and costs about \$260 million per year to maintain.

Because of these very different organizational and financial arrangements, DoD and non-DoD employees pay quite different fees when they use Federal child care centers. Parents using non-DoD centers can expect to pay fees for the care of their children which are comparable to the market rate in the community in which their child care center operates. In 1996, this averaged in the range of \$180 per week (in Washington, D.C.) for the care of an infant, the highest cost form of care. Families eligible to use DoD centers, on the other hand, can pay as little as \$36 per week to \$92, depending on income, for children of any age. This difference is directly attributable to the subsidy which is authorized under the Military Child Care Act, but which is not authorized for other Federal centers.

As a result, there are presently two different affordability issues related to child care in the Federal community. In most non-DOD centers, parents at the lower end of the pay schedule cannot afford and therefore generally do not use the worksite centers that are available. In the DoD system, while low income parents can pay low fees and use the centers, there is growing concern about the cost to the military service of maintaining both high quality programs and low fees for parents. The Navy is currently pilot testing the outsourcing of its programs to private providers in several markets to see whether this would reduce costs.

Concern about affordability for parents prompted the Congress at the start of FY 1997 to direct the Office of Management and Budget to review "Federal child care centers to evaluate their effectiveness and determine how they may be

improved to provide greater flexibility, access and availability to all Federal employees." OMB requested that GSA's Office of Governmentwide Policy conduct this study which is now complete. The Affordability Study will be released to the Congress at the end of April.

As the Federal government pursues the welfare to work initiative stimulated by the President's March memo, the issue of child care affordability--especially that dimension relating to fees charged to parents-- will assume an even higher profile and greater significance. It will be a key to the Federal government's ability to attract and retain entry level employees, particularly those in the population that formerly received AFDC payments.

Responding to the needs of lower income families will require efforts to make the existing Federal centers more affordable as well as to develop alternatives to worksite child care.

## **GSA'S PLAN FOR MORE AFFORDABLE CHILD CARE**

The President's memorandum directed GSA to consult with all Federal agencies concerning agency-sponsored child care centers as well as agency contracts with local child care resource and referral services. It also asked GSA to provide recommendations on any appropriate expansion of these arrangements to provide assistance to low-income Federal workers.

### **I What GSA has learned from other agencies**

GSA reviewed information provided by all Federal agencies in response to the President's June 1996 memorandum on the family-friendly workplace. These responses described how agencies are currently supporting child care for their employees and the extent to which they are utilizing resource and referral programs to assist employees in finding affordable child care. In addition, a number of interviews, focus groups and questionnaires used with Federal agency personnel in the course of completing the Affordability Study have also provided input and understanding of agency programs.

Many agencies point with pride to the quality worksite centers they sponsor either with GSA or on their own. However, recognizing that these provide care for a relatively small part of the Federal work force, agencies have been active in providing other child care program options to supplement and complement worksite centers.

For example, many of them provide help to their employees in finding appropriate forms of care through resource and referral services. In the vast majority of cases, this is done through the agency's contract with its Employee Assistance Program (EAP) and not through the more than 600 community-based agencies throughout the country which specialize in resource and referral or some of the private sector providers of such services. Only the Internal Revenue Service, the Centers for Disease Control and the Department of Justice have indicated that they provide this service through a private sector provider. Others use or distribute the OPM Child and Elder Care Handbook, which is a helpful guide to locating alternate forms of care.

Many agencies offer on-site dependent care fairs, educational seminars and brown-bag lunch sessions to help educate employees about the care options available to them. Transportation, Labor, Education, Commerce, the National Science Foundation and the EPA are among those which have highly active programs of this kind. These are useful to employees in helping them understand the various forms of care available, how to select providers and how best to develop an effective working relationship with the selected caregiver.

Other agencies are testing unusual forms of child care. For example, one Department of Energy location has a Babies in the Workplace initiative, which allows employees to bring infants of 8 weeks to six months in age to work with them and care for them at their own work station. The Department of Interior is piloting a Family Support Room at its Washington headquarters where employees can work and supervise mildly ill children at the same time, in special offices that combine desks and beds. The Department of Justice has a contract with a private sector employer to provide emergency child care when the employee's regular arrangements break down. Transportation has agreements with more than 2,000 private sector child care providers to offer reduced tuition to its employees for savings of 10-15%.

It is clear from our contacts with other agencies that they are both aware and very concerned about the affordability problem in Federal centers. In general they believe that resolving it will take authorization for agencies to spend additional appropriated funds to reduce operating costs and thereby reduce fees charged to parents. In this plan, GSA proposes a different strategy, one that places its primary emphasis on local resources in the communities where lower income families need care as well as on taking new steps to generate additional revenue to support existing centers.

## **II What GSA has done so far**

In its briefing to agency representatives on March 13, GSA promised that it would take a number of steps to determine how best to help agencies with the child care needs of low income workers.

**First**, we said that we would inventory all non-military federal child care centers around the country, and gather similar information from DoD, to determine what spaces exist in the centers we have, in what age groups and at what price to parents. That inventory has been completed. It shows that approximately 1,000 more children could reasonably be accommodated in the existing system of GSA centers and as many as twice that number in the other non-DoD centers. Reasonable accommodation would not require physical expansion or construction, but it would require the hiring of additional staff and possibly some additional equipment. We will be in a position to provide more specific information to agencies about where these spaces exist, for what age children and at what cost by May 1. The Department of Defense has indicated that no spaces are available in its centers at this time.

**Second**, recognizing that existing Federal worksite child care centers might be limited in their ability to accommodate enough children as well as not readily affordable to low income parents, GSA said it would link agencies in the field with their local child care resource and referral organizations. These groups can assist employees in finding appropriate care at the community level--family day care, local centers, school-based programs and others. Initially, we provided agencies with a national 800 number (800-424-2246) of a project called

Child Care Aware which was designed to ensure that parents have access to good information about finding quality child care and resources in their community. Use of that number will link local hiring officials in Federal agencies with the right resource and referral organization for their specific geographic area. Local resource and referral organizations are also the best source for current information on child care subsidies which may be available to those leaving welfare or other low income working parents.

**Third**, we said that we would hold a briefing for agencies designed to help them better understand the opportunities, complexities and inadequacies of the system of child care and early education. That briefing will be held in conjunction with The Child Care Bureau of the Department of Health and Human Services, the National Association of Child Care Resource and Referral Agencies and the Internal Revenue Service. It will be scheduled in May.

**Fourth**, GSA said it would contact national child care groups and private employers hiring welfare recipients to seek their ideas. This process is underway and will be ongoing. Once hiring plans are in place, and we can be more specific about where needs for child care will develop, this effort can be more targeted. *✓*

### **III GSA's Next Steps and Recommendations**

#### **A. Efforts to Make Existing Centers More Affordable**

As its initial priority, GSA will take a number of steps to make existing Federal centers more affordable to more parents principally by seeking additional funding sources and by improving the effectiveness and impact of local fund raising efforts to generate funds to support expanded tuition assistance scholarships. These will include:

1. If the steps taken below are successful in providing additional funding streams for Federal child care centers, GSA will require through its governmentwide real estate leases that every child care center operating in Federal space institute a sliding fee scale to assure that lower income parents

can more easily afford to use the centers. Absent a new funding stream, putting a sliding fee scale in place would simply mean increasing fees to higher income parents to offset reduced fees for lower income parents. It is estimated that as much as \$3-5 million in new funds would be needed to reduce tuition fees at the 107 GSA centers alone.

2. To generate additional funds to make sliding fee scales a reality, GSA will immediately retain expert fund raising and financial development counsel on a full time basis to develop a national fund raising strategy and implementation plan to support child care needs. This would supplement what individual centers are doing and would develop materials to greatly increase the scope, sophistication and results of current efforts. One possibility we are exploring is the creation of a non-profit foundation to help generate a mix of private and public funds to support all Federal centers. As part of this intensified fund raising effort, GSA will ensure that all centers apply for and become part of the Combined Federal Campaign. And it will help provide centers with comprehensive fund raising training and effective materials to use in local fund raising efforts.

3. GSA will convene a Fund Raising Advisory Group to bring together agency personnel, large child care providers, representatives of center boards of directors and others to create a forum in which new approaches to fund raising can be explored. For example, in order to generate enough funds to truly support low income families with tuition assistance, centers need to move from the present context of traditional bake sales and silent auctions to larger scale activities. These could include the enterprising use of their centers as sites for business activities that can produce ongoing revenue--for example, parenting education or other forms of training. It could also include special curriculum enrichment activities for children at the centers for which parents now pay other institutions--music or dance lessons, computer courses, gymnastics. These could be set up as profit making ventures for the child care centers.

4. A number of states have accomplished really creative work in exploring alternate funding and financing mechanisms for child care. The Administrator of GSA will convene the leaders of these efforts to draw upon the best ideas which could be applied to child care offered in the Federal sector. In Colorado, for

example, Governor Romer appointed a commission of 25 business leaders to examine financing structures for child care and early education from a business point of view. In Washington state a group called Child Care Works for Washington, a coalition of many organizations involved with children's issues, set as its goal to establish funding and policy priorities for early childhood care and education in the advocacy community. Other states which have been particularly active in child care financing strategies related to welfare reform include Hawaii, Indiana, Wisconsin and Minnesota.

5. GSA will seek opportunities to partner with private sector organizations to develop consortia for child care. GSA, for example, has already had initial conversations with the American Business Collaborative for Dependent Care (ABC), a private sector collaborative effort that has put together \$100 million from its member companies. GSA should work towards developing agreements with such groups that would facilitate the investment of private sector dollars in existing government centers in exchange for use of child care "slots." The goal would be to diversify funding sources so that more funds are available to support tuition assistance programs. There are already two consortium child care programs within the GSA system--one is a collaboration between the Federal Energy Regulatory Commission and the American Psychological Association whose combined center serves the needs of both groups. The other is a public-private partnership in Atlanta that brings together four private sector employers with the Federal community. Such arrangements offer the promise of bringing non-appropriated funds into the center to help defray costs and provide scholarships.

## **B. Efforts to Develop Alternatives to Work Site Child Care**

While every effort should be made to make existing centers more affordable, GSA can also lead an effort to explore lower cost alternatives to worksite centers. It can help its agency colleagues with intensified information, technical assistance and training, briefings of key groups and other related efforts. Some steps which could be taken include:

1. GSA will provide information to existing centers and agency personnel on transitional child care subsidies which are available to welfare recipients in states and counties. Additionally, agencies can be trained to work as advocates in behalf of existing low income working parents to be sure they have applied for child care subsidies which may be available to them. While low income working parents as a category now rate 8th on the priority list for most state subsidies (well behind those leaving the welfare rolls, and children in child abuse situations which are first and second on the list) there may be opportunities to access state subsidies for existing workers as well, especially in some states that plan to dedicate additional funds from their block grants to this application.

2. GSA will encourage Federal agencies to define part time or job sharing opportunities that are 20 hours long and then to recruit parents whose children are already enrolled in Head Start. (Parents of children under 6 can satisfy the work requirements under welfare reform by working only 20 hours a week.) Working on a part time schedule would allow welfare recipients to utilize their existing Head Start programs as child care. (Most of these programs are only part day and part year in scope.) Only half of all children in Head Start currently have parents in the work force, so there are opportunities to recruit parents who could come to work with "child care arrangements," if only they could work on a part time schedule or in a job sharing situation. Participation in a Head Start program also provides an additional support system for parents making the difficult transition from welfare to work.

3. Agencies currently rely on their Employee Assistance Programs (EAP's) to provide child care resource and referral assistance to their employees. Accordingly, GSA will work with OPM to maximize the degree to which existing contracts and activities of Employee Assistance Programs provide this service at a level that is effective and complete enough to meet the needs of low income families for affordable care. To do this, briefing sessions will be scheduled to bring EAP staff together with local resource and referral experts who can provide updates on the current child care situation and options in a specific community. In addition, GSA will create a forum through which those agencies which have brought outside professional resource and referral services into their EAP

programs, like the Internal Revenue Service and the Department of Justice, can share their experiences with other agencies.

4. GSA will explore negotiating agreements with national child care providers that will reduce fees to Federal parents through access to large numbers of potential users. A number of national chains and groups of centers now offer such services within the corporate community. Additionally, GSA will work with Federal centers to determine whether group purchases of supplies, insurance and other shared needs could help reduce operating costs for center operators with the understanding that savings generated in this way would be dedicated to tuition assistance programs. GSA can also negotiate governmentwide contracts with large providers of resource and referral services so that they can be more quickly and easily used by other agencies to meet the special needs of the welfare-to-work population and other low income employees.

THPOS      Note - some slots for non-fed empl kids

Statutory Deadline  
Wed April 30th

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OMB wants our  
Comments close  
of Business Monday

Alex Bruce

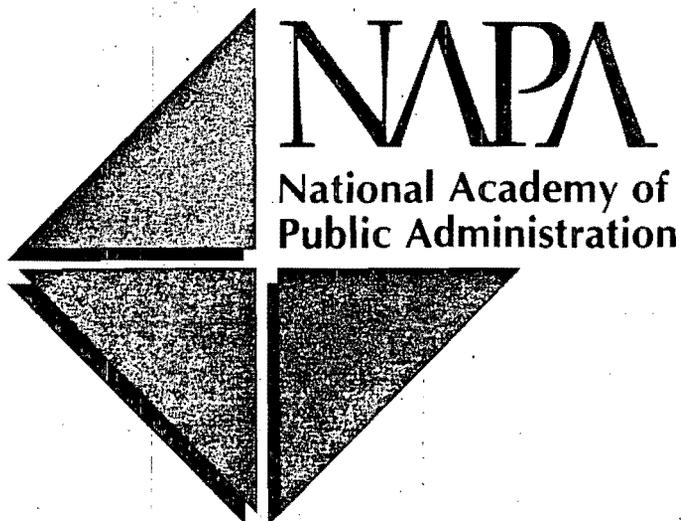
Elena

- 1) hold? for req
- 2) let go / draft  
leg lang to go  
w/ req

*A Report from a Panel of the*  
**NATIONAL ACADEMY OF  
PUBLIC ADMINISTRATION**

**ACCESSIBILITY  
&  
AFFORDABILITY:**

**A STUDY OF  
FEDERAL  
CHILD CARE**



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Total Pages: \_\_\_\_\_

LRM ID: MJG162

**EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
Washington, D.C. 20503-0001**

Monday, February 9, 1998

**URGENT**

**LEGISLATIVE REFERRAL MEMORANDUM**

**TO:** Legislative Liaison Officer - See Distribution below

**FROM:** James J. Jukes (for) Assistant Director for Legislative Reference *Ji*

**OMB CONTACT:** M. Jill Gibbons

**PHONE:** (202)395-7593 **FAX:** (202)395-3109

**SUBJECT:** General Services Administration Testimony on HR2982 Quality Child Care for Federal Employees Act

**DEADLINE:** 3:00 Tuesday, February 10, 1998

In accordance with OMB Circular A-19, OMB requests the views of your agency on the above subject before advising on its relationship to the program of the President. **Please advise us if this item will affect direct spending or receipts for purposes of the "Pay-As-You-Go" provisions of Title XIII of the Omnibus Budget Reconciliation Act of 1990.**

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*File -  
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LRM ID: MJG162 SUBJECT: General Services Administration Testimony on HR2982 Quality Child Care for Federal Employees Act

RESPONSE TO LEGISLATIVE REFERRAL MEMORANDUM

If your response to this request for views is short (e.g., concur/no comment), we prefer that you respond by e-mail or by faxing us this response sheet. If the response is short and you prefer to call, please call the branch-wide line shown below (NOT the analyst's line) to leave a message with a legislative assistant.

You may also respond by:

- (1) calling the analyst/attorney's direct line (you will be connected to voice mail if the analyst does not answer); or
(2) sending us a memo or letter

Please include the LRM number shown above, and the subject shown below.

TO: M. Jill Gibbons Phone: 395-7593 Fax: 395-3109
Office of Management and Budget
Branch-Wide Line (to reach legislative assistant): 395-3454

FROM: \_\_\_\_\_ (Date)
\_\_\_\_\_ (Name)
\_\_\_\_\_ (Agency)
\_\_\_\_\_ (Telephone)

The following is the response of our agency to your request for views on the above-captioned subject:

- \_\_\_\_\_ Concur
\_\_\_\_\_ No Objection
\_\_\_\_\_ No Comment
\_\_\_\_\_ See proposed edits on pages \_\_\_\_\_
\_\_\_\_\_ Other: \_\_\_\_\_
\_\_\_\_\_ FAX RETURN of \_\_\_\_\_ pages, attached to this response sheet

Draft

**STATEMENT OF SUSAN CLAMPITT  
ASSOCIATE ADMINISTRATOR  
MANAGEMENT & WORKPLACE PROGRAMS  
GENERAL SERVICES ADMINISTRATION  
BEFORE THE  
SUBCOMITTEE ON GOVERNMENT MANAGEMENT,  
INFORMATION & TECHNOLOGY  
COMMITTEE ON GOVERNMENT REFORM & OVERSIGHT  
U.S. HOUSE OF REPRESENTATIVES**

**FEBRUARY 11, 1998**

Draft

Thank you, Mr. Chairman, Ms. Ranking Member and Members of the Committee for this opportunity to testify on the issue of child care and the work of the General Services Administration. My name is Susan Clampitt, and I am the Associate Administrator for the Office of Management and Workplace Programs. As manager of a program that affects all of government, I understand the seriousness and importance of the role of this Committee. I welcome the chance to appear before you and continue our conversation on the Federal Child Care program.

I request that my written remarks be added to the record.

At this transformational moment in our society, when the way we work and care for our families evolves into an ever-trickier balancing act, the issue of affordable, quality child care confronts us all. Parents with young children struggle with what's best for their family, their jobs and budgets. All of us are stakeholders in that decision, for the choices made today have a profound ripple effect on us all, today and in the years ahead, when those children grow up and replace us.

Federal workers walk that same tightrope as the rest of society. A 1992 study showed that about one-quarter of all Federal workers had children under the age of six for whom they were responsible and who needed care at some time during the work day. That same survey said that 75 percent of those people could use assistance to help meet their families' dependent care needs. That's a lot of children.

Federal agencies have responded to that need in a number of ways. GSA oversees 109 centers in its public buildings across the country. As you know, the Department of Defense has an extensive child care program that they operate for military families, funded in part through appropriations. Other Federal agencies, not including GSA, sponsor a total of 133 centers.

Today, I want to discuss generally GSA's child care program and talk about the two critical issues we face - quality and affordability; and to give you my thoughts on the pending legislation that we believe strengthens the ability of the Federal government to provide affordable, quality child care for its employees.

Child care has been a big priority at GSA for a dozen years. In that time, we have earned a reputation for quality programs and concern for the safety and security of the children. In 1996, more than 7,100 children - a mix of Federal and non-Federal families - were cared for in GSA buildings. Since coming to GSA last summer, I have made it part of my mission to go out and visit some of those centers and see firsthand the care those children receive.

I am pleased to report that the overall quality of child care in GSA-sponsored centers is equal to, and often, better than other privately-run child care facilities. The centers in GSA-controlled space are all operated by private non-profit or commercial organizations under the terms of licensing agreements which set standards designed to ensure quality. Because of this authority to set standards, we know these children in GSA-controlled spaces are safe and well cared for.

As with any child care program as extensive as the one GSA sponsors, there are differences of degrees in quality. One downtown center that I visited in Seattle, Washington last month, for example, was an oasis of care and compassion. Of course, that center had a strong and active board and a staff committed to quality curriculum and best practices. Part of our job in the years ahead is to raise the bar for all of our centers.

Each of GSA's 109 centers is operated independently, either by a large or small provider, for profit or not-for-profit, locally-run or as part of a national chain. Some of the centers have established boards, made up primarily of parents, who enter into contracts with the child care provider to maintain a degree of responsibility and oversight for the care of their children. These boards are also instrumental in local fundraising, which is used for curriculum enrichment and tuition assistance.

GSA, parents, providers, Congress and the Administration have been concerned for some time about affordability issues. Last year Congress directed the Office of Management & Budget to report on that topic, and OMB requested that we investigate. GSA commissioned a study through the National Academy of Public Administration on "Accessibility & Affordability In Federal Child Care" which addresses those issues.

That study prompted David Barram, Administrator of the GSA, to contact Franklin Raines, director of the Office of Management and Budget, with some key findings to address the child care needs of lower income Federal families:

- The Federal child care system needs more adequate funding.
- Federal child care needs better information and more cohesion.
- Agencies may need more flexibility to pursue new funding and partnership initiatives
- There is no "silver bullet" that will solve the affordability problem.

How do we go about addressing consistency in quality and affordability? We believe that the legislation pending before Congress, <sup>H.R. 2982</sup> the Quality Child Care for Federal Employees Act (~~the Jeffords Bill~~), and the amendments to the Triple Amendment, are important steps.

This legislation will help bring more accountability to Federal child care. All Federal child care centers would be required to adhere to a uniform set of regulations which will be developed by GSA with the assistance of other agencies and representatives of the Judicial and Legislative branches. These regulations would help set national health, safety and facility standards and require that centers meet the standards for state/local licensing and national accreditation.

While agencies which sponsor eight or more child care centers would be delegated responsibility for compliance with the law, child care centers at other Federal, non-DOD agencies which sponsor fewer than eight would come under GSA oversight.

The legislation also sets up an interagency council to coordinate policy and share best practices. This council will give more cohesion to the Federal efforts, and it has already established a charter.

The amendments to the Triple Amendment, which have been attached to the ~~Jeffords bill~~ HR 2982, would allow government sponsored child care centers to allow more flexible use of resources.

It modifies the 50 percent rule for Federal family enrollment from center by center to a national average, yet children of Federal workers would still have priority.

The language proposed to broaden the definition of Federal employee children to include all children in the custody of Federal employees, such as grandparents and legal guardians, and it includes on-site government contractors.

It will allow us to partner with private centers to reserve spaces for Federal employee children in non-government child care centers when it is more cost effective to do so.

Perhaps most importantly, the legislation allows for some experimentation. Pilot tests and demonstration projects are authorized and encouraged, including those with the private sector. This flexibility for innovation may well prove the most important part of the package.

For as much as the pending legislation can do to help us improve child care, we need to continue to seek additional solutions to the affordability conundrum. On average, it costs about \$6,000 a year for a single slot in a Federal child care center, and the rates are much higher for young infants and in urban centers - more than \$10,000 a year for infant care. For many parents, that's out of reach. Parents should not be denied access to quality child care because they cannot afford it. Too much is at stake.

The Quality Child Care for Federal Employees Act and its amendments are part of the strategy to make quality child care affordable for the Federal worker. We have asked all of our eligible centers to apply for participation in the Combined Federal Campaign, and that will help address the problem. The Interagency Child Care Council will help. The lessons learned from the Department of Defense will help. Flexibility for pilot partnerships will help. Strong local boards at our centers will help. And I know this Committee will help, and I thank you for this opportunity.

105TH CONGRESS  
1ST SESSION

# H. R. 2982

To improve the quality of child care provided through Federal facilities and programs, and for other purposes.

## IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 9, 1997

Mr. GILMAN introduced the following bill, which was referred to the Committee on Government Reform and Oversight, and in addition to the Committees on House Oversight and the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

## A BILL

To improve the quality of child care provided through Federal facilities and programs, 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 "Quality Child Care  
5 for Federal Employees Act".

6 **SEC. 2. DEFINITIONS.**

7 In this Act:

8 (1) ACCREDITED CHILD CARE CENTER.—The  
9 term "accredited child care center" means—

1 (A) a center that is accredited, by a child  
2 care credentialing or accreditation entity recog-  
3 nized by a State, to provide child care to chil-  
4 dren in the State (except children who a tribal  
5 organization elects to serve through a center de-  
6 scribed in subparagraph (B));

7 (B) a center that is accredited, by a child  
8 care credentialing or accreditation entity recog-  
9 nized by a tribal organization, to provide child  
10 care for children served by the tribal organiza-  
11 tion;

12 (C) a center that is used as a Head Start  
13 center under the Head Start Act (42 U.S.C.  
14 9831 et seq.) and is in compliance with any ap-  
15 plicable performance standards established by  
16 regulation under such Act for Head Start pro-  
17 grams; or

18 (D) a military child development center (as  
19 defined in section 1798(1) of title 10, United  
20 States Code).

21 (2) CHILD CARE CREDENTIALING OR ACCREDI-  
22 TATION ENTITY.—The term “child care credentialing  
23 or accreditation entity” means a nonprofit private  
24 organization or public agency that—

1 (A) is recognized by a State agency or trib-  
2 al organization; and

3 (B) accredits a center or credentials an in-  
4 dividual to provide child care on the basis of—

5 (i) an accreditation or credentialing  
6 instrument based on peer-validated re-  
7 search;

8 (ii) compliance with applicable State  
9 and local licensing requirements, or stand-  
10 ards described in section 658E(c)(2)(E)(ii)  
11 of the Child Care and Development Block  
12 Grant Act (42 U.S.C. 9858e(c)(2)(E)(ii)),  
13 as appropriate, for the center or individual;

14 (iii) outside monitoring of the center  
15 or individual; and

16 (iv) criteria that provide assurances  
17 of—

18 (I) compliance with age-appro-  
19 priate health and safety standards at  
20 the center or by the individual;

21 (II) use of age-appropriate devel-  
22 opmental and educational activities, as  
23 an integral part of the child care pro-  
24 gram carried out at the center or by  
25 the individual; and

## 4

1 (III) use of ongoing staff devel-  
2 opment or training activities for the  
3 staff of the center or the individual,  
4 including related skills-based testing.

5 (3) CREDENTIALLED CHILD CARE PROFES-  
6 SIONAL.—The term “credentialled child care profes-  
7 sional” means—

8 (A) an individual who is credentialled, by a  
9 child care credentialing or accreditation entity  
10 recognized by a State, to provide child care to  
11 children in the State (except children who a  
12 tribal organization elects to serve through an  
13 individual described in subparagraph (B)); or

14 (B) an individual who is credentialled, by a  
15 child care credentialing or accreditation entity  
16 recognized by a tribal organization, to provide  
17 child care for children served by the tribal orga-  
18 nization.

19 (4) STATE.—The term “State” has the mean-  
20 ing given the term in section 6581<sup>p</sup> of the Child Care  
21 and Development Block Grant Act (42 U.S.C.  
22 9858n).

23 **SEC. 3. PROVIDING QUALITY CHILD CARE IN FEDERAL FA-**  
24 **CILITIES.**

25 (a) DEFINITION.—In this section:

1           (1) ADMINISTRATOR.—The term “Adminis-  
2           trator” means the Administrator of General Serv-  
3           ices.

4           (2) ENTITY SPONSORING A CHILD CARE CEN-  
5           TER.—The term “entity sponsoring a child care cen-  
6           ter” means a Federal agency that operates, or an  
7           entity that enters into a contract or licensing agree-  
8           ment with a Federal agency to operate, a child care  
9           center.

10          (3) EXECUTIVE AGENCY.—The term “Executive  
11          agency” has the meaning given the term in section  
12          105 of title 5, United States Code, except that the  
13          term—

14                (A) does not include the Department of  
15          Defense; and

16                (B) includes the General Services Adminis-  
17          tration, with respect to the administration of a  
18          facility described in paragraph (4)(B).

19          (4) EXECUTIVE FACILITY.—The term “execu-  
20          tive facility”—

21                (A) means a facility that is owned or  
22          leased by an Executive agency; and

23                (B) includes a facility that is owned or  
24          leased by the General Services Administration  
25          on behalf of a judicial office.

1 (5) FEDERAL AGENCY.—The term “Federal  
2 agency” means an Executive agency, a judicial of-  
3 fice, or a legislative office.

4 (6) JUDICIAL FACILITY.—The term “judicial fa-  
5 cility” means a facility that is owned or leased by a  
6 judicial office (other than a facility that is also a fa-  
7 cility described in paragraph (4)(B)).

8 (7) JUDICIAL OFFICE.—The term “judicial of-  
9 fice” means an entity of the judicial branch of the  
10 Federal Government.

11 (8) LEGISLATIVE FACILITY.—The term “legisla-  
12 tive facility” means a facility that is owned or leased  
13 by a legislative office.

14 (9) LEGISLATIVE OFFICE.—The term “legisla-  
15 tive office” means an entity of the legislative branch  
16 of the Federal Government.

17 (b) EXECUTIVE BRANCH STANDARDS AND COMPLI-  
18 ANCE.—

19 (1) STATE AND LOCAL LICENSING REQUIRE-  
20 MENTS.—

21 (A) IN GENERAL.—Any entity sponsoring  
22 a child care center in an executive facility  
23 shall—

24 (i) obtain the appropriate State and  
25 local licenses for the center; and

1 (ii) in a location where the State or  
2 locality does not license executive facilities,  
3 comply with the appropriate State and  
4 local licensing requirements related to the  
5 provision of child care.

6 (B) COMPLIANCE.—Not later than 6  
7 months after the date of enactment of this  
8 Act—

9 (i) the entity shall comply, or make  
10 substantial progress (as determined by the  
11 Administrator) toward complying, with  
12 subparagraph (A); and

13 (ii) any contract or licensing agree-  
14 ment used by an Executive agency for the  
15 operation of such a child care center shall  
16 include a condition that the child care be  
17 provided by an entity that complies with  
18 the appropriate State and local licensing  
19 requirements related to the provision of  
20 child care.

21 (2) HEALTH, SAFETY, AND FACILITY STAND-  
22 ARDS.—The Administrator shall by regulation estab-  
23 lish standards relating to health, safety, facilities, fa-  
24 cility design, and other aspects of child care that the  
25 Administrator determines to be appropriate for child

1 care centers in executive facilities, and require child  
2 care centers, and entities sponsoring child care cen-  
3 ters, in executive facilities to comply with the stand-  
4 ards.

5 (3) ACCREDITATION STANDARDS.—

6 (A) IN GENERAL.—The Administrator  
7 shall issue regulations requiring, to the maxi-  
8 mum extent possible, any entity sponsoring an  
9 eligible child care center (as defined by the Ad-  
10 ministrator) in an executive facility to comply  
11 with child care center accreditation standards  
12 issued by a nationally recognized accreditation  
13 organization approved by the Administrator.

14 (B) COMPLIANCE.—The regulations shall  
15 require that, not later than 5 years after the  
16 date of enactment of this Act—

17 (i) the entity shall comply, or make  
18 substantial progress (as determined by the  
19 Administrator) toward complying, with the  
20 standards; and

21 (ii) any contract or licensing agree-  
22 ment used by an Executive agency for the  
23 operation of such a child care center shall  
24 include a condition that the child care be

1 provided by an entity that complies with  
2 the standards.

3 (C) CONTENTS.—The standards shall base  
4 accreditation on—

5 (i) an accreditation instrument de-  
6 scribed in section 2(2)(B);

7 (ii) outside monitoring described in  
8 section 2(2)(B), by—

9 (I) the Administrator; or

10 (II) a child care credentialing or  
11 accreditation entity, or other entity,  
12 with which the Administrator enters  
13 into a contract to provide such mon-  
14 itoring; and

15 (iii) the criteria described in section  
16 2(2)(B).

17 (4) EVALUATION AND COMPLIANCE.—

18 (A) IN GENERAL.—The Administrator  
19 shall evaluate the compliance, with the require-  
20 ments of paragraph (1) and the regulations is-  
21 sued pursuant to paragraphs (2) and (3), of  
22 child care centers, and entities sponsoring child  
23 care centers, in executive facilities. The Admin-  
24 istrator may conduct the evaluation of such a  
25 child care center or entity directly, or through

1 an agreement with another Federal agency or  
2 private entity, other than the Federal agency  
3 for which the child care center is providing  
4 services. If the Administrator determines, on  
5 the basis of such an evaluation, that the child  
6 care center or entity is not in compliance with  
7 the requirements, the Administrator shall notify  
8 the Executive agency.

9 (B) EFFECT OF NONCOMPLIANCE.—On re-  
10 ceipt of the notification of noncompliance issued  
11 by the Administrator, the head of the Executive  
12 agency shall—

13 (i) if the entity operating the child  
14 care center is the agency—

15 (I) within 2 business days after  
16 the date of receipt of the notification  
17 correct any deficiencies that are deter-  
18 mined by the Administrator to be life  
19 threatening or to present a risk of se-  
20 rious bodily harm;

21 (II) develop and provide to the  
22 Administrator a plan to correct any  
23 other deficiencies in the operation of  
24 the center and bring the center and  
25 entity into compliance with the re-

11

1 requirements not later than 4 months  
2 after the date of receipt of the notifi-  
3 cation;

4 (III) provide the parents of the  
5 children receiving child care services  
6 at the center with a notification de-  
7 tailing the deficiencies described in  
8 subclauses (I) and (II) and actions  
9 that will be taken to correct the defi-  
10 ciencies;

11 (IV) bring the center and entity  
12 into compliance with the requirements  
13 and certify to the Administrator that  
14 the center and entity are in compli-  
15 ance, based on an on-site evaluation  
16 of the center conducted by an inde-  
17 pendent entity with expertise in child  
18 care health and safety; and

19 (V) in the event that deficiencies  
20 determined by the Administrator to be  
21 life threatening or to present a risk of  
22 serious bodily harm cannot be cor-  
23 rected within 2 business days after  
24 the date of receipt of the notification,  
25 close the center until such deficiencies

1 are corrected and notify the Adminis-  
2 trator of such closure; and

3 (ii) if the entity operating the child  
4 care center is a contractor or licensee of  
5 the Executive agency—

6 (I) require the contractor or li-  
7 censee within 2 business days after  
8 the date of receipt of the notification,  
9 to correct any deficiencies that are de-  
10 termined by the Administrator to be  
11 life threatening or to present a risk of  
12 serious bodily harm:

13 (II) require the contractor or li-  
14 censee to develop and provide to the  
15 head of the agency a plan to correct  
16 any other deficiencies in the operation  
17 of the center and bring the center and  
18 entity into compliance with the re-  
19 quirements not later than 4 months  
20 after the date of receipt of the notifi-  
21 cation;

22 (III) require the contractor or li-  
23 censee to provide the parents of the  
24 children receiving child care services  
25 at the center with a notification de-

1 tailing the deficiencies described in  
2 subclauses (I) and (II) and actions  
3 that will be taken to correct the defi-  
4 ciencies;

5 (IV) require the contractor or li-  
6 censee to bring the center and entity  
7 into compliance with the requirements  
8 and certify to the head of the agency  
9 that the center and entity are in com-  
10 pliance, based on an on-site evaluation  
11 of the center conducted by an inde-  
12 pendent entity with expertise in child  
13 care health and safety; and

14 (V) in the event that deficiencies  
15 determined by the Administrator to be  
16 life threatening or to present a risk of  
17 serious bodily harm cannot be cor-  
18 rected within 2 business days after  
19 the date of receipt of the notification,  
20 close the center until such deficiencies  
21 are corrected and notify the Adminis-  
22 trator of such closure, which closure  
23 shall be grounds for the immediate  
24 termination or suspension of the con-

1                   tract or license of the contractor or li-  
2                   censee.

3                   (C) COST REIMBURSEMENT.—The Execu-  
4                   tive agency shall reimburse the Administrator  
5                   for the costs of carrying out subparagraph (A)  
6                   for child care centers located in an executive fa-  
7                   cility other than an executive facility of the  
8                   General Services Administration. If an entity is  
9                   sponsoring a child care center for 2 or more  
10                  Executive agencies, the Administrator shall allo-  
11                  cate the costs of providing such reimbursement  
12                  with respect to the entity among the agencies in  
13                  a fair and equitable manner, based on the ex-  
14                  tent to which each agency is eligible to place  
15                  children in the center.

16                  (e) LEGISLATIVE BRANCH STANDARDS AND COMPLI-  
17                  ANCE.—

18                  (1) STATE AND LOCAL LICENSING REQUIRE-  
19                  MENTS, HEALTH, SAFETY, AND FACILITY STAND-  
20                  ARDS, AND ACCREDITATION STANDARDS.—The Ar-  
21                  chitect of the Capitol shall issue regulations ap-  
22                  proved by the administrative officers of the House,  
23                  Senate, and all other Federal agencies, minus the  
24                  Department of Defense for child care centers, and  
25                  entities sponsoring child care centers, in legislative

1 facilities, which shall be no less stringent in content  
2 and effect than the requirements of subsection  
3 (b)(1) and the regulations issued by the Adminis-  
4 trator under paragraphs (2) and (3) of subsection  
5 (b), except to the extent that the Architect approved  
6 by the administrative officers of the House, Senate,  
7 and all other Federal agencies, minus the Depart-  
8 ment of Defense may determine, for good cause  
9 shown and stated together with the regulations, that  
10 a modification of such regulations would be more ef-  
11 fective for the implementation of the requirements  
12 and standards described in paragraphs (1), (2), and  
13 (3) of subsection (b) for child care centers, and enti-  
14 ties sponsoring child care centers, in legislative fa-  
15 cilities.

16 (2) EVALUATION AND COMPLIANCE.—

17 (A) ARCHITECT OF THE CAPITOL.—The  
18 Architect of the Capitol shall have the same au-  
19 thorities and duties with respect to the evalua-  
20 tion of, compliance of, and cost reimbursement  
21 for child care centers, and entities sponsoring  
22 child care centers, in legislative facilities as the  
23 Administrator has under subsection (b)(4) with  
24 respect to the evaluation of, compliance of, and  
25 cost reimbursement for such centers and enti-

1           ties sponsoring such centers, in executive facili-  
2           ties.

3           (B) HEAD OF A LEGISLATIVE OFFICE.—

4           The head of a legislative office shall have the  
5           same authorities and duties with respect to the  
6           compliance of and cost reimbursement for child  
7           care centers, and entities sponsoring child care  
8           centers, in legislative facilities as the head of an  
9           Executive agency has under subsection (b)(4)  
10          with respect to the compliance of and cost reim-  
11          bursement for such centers and entities spon-  
12          soring such centers, in executive facilities.

13          (d) JUDICIAL BRANCH STANDARDS AND COMPLI-  
14          ANCE.—

15          (1) STATE AND LOCAL LICENSING REQUIRE-  
16          MENTS HEALTH, SAFETY, AND FACILITY STAND-  
17          ARDS, AND ACCREDITATION STANDARDS.—The Di-  
18          rector of the Administrative Office of the United  
19          States Courts shall issue regulations for child care  
20          centers, and entities sponsoring child care centers, in  
21          judicial facilities, which shall be no less stringent in  
22          content and effect than the requirements of sub-  
23          section (b)(1) and the regulations issued by the Ad-  
24          ministrator under paragraphs (2) and (3) of sub-  
25          section (b), except to the extent that the Director

1 may determine, for good cause shown and stated to-  
2 gether with the regulations, that a modification of  
3 such regulations would be more effective for the im-  
4 plementation of the requirements and standards de-  
5 scribed in paragraphs (1), (2), and (3) of subsection  
6 (b) for child care centers, and entities sponsoring  
7 child care centers, in judicial facilities.

8 (2) EVALUATION AND COMPLIANCE.—

9 (A) DIRECTOR OF THE ADMINISTRATIVE  
10 OFFICE OF THE UNITED STATES COURTS.—The  
11 Director of the Administrative Office of the  
12 United States Courts shall have the same au-  
13 thorities and duties with respect to the evalua-  
14 tion of, compliance of, and cost reimbursement  
15 for child care centers, and entities sponsoring  
16 child care centers, in judicial facilities as the  
17 Administrator has under subsection (b)(4) with  
18 respect to the evaluation of, compliance of, and  
19 cost reimbursement for such centers and enti-  
20 ties sponsoring such centers, in executive facili-  
21 ties.

22 (B) HEAD OF A JUDICIAL OFFICE.—The  
23 head of a judicial office shall have the same au-  
24 thorities and duties with respect to the compli-  
25 ance of and cost reimbursement for child care

1 centers, and entities sponsoring child care cen-  
2 ters, in judicial facilities as the head of an Ex-  
3 ecutive agency has under subsection (b)(4) with  
4 respect to the compliance of and cost reim-  
5 bursement for such centers and entities spon-  
6 soring such centers, in executive facilities.

7 (e) APPLICATION.—Notwithstanding any other provi-  
8 sion of this section, if 8 or more child care centers are  
9 sponsored in facilities owned or leased by an Executive  
10 agency, the Administrator shall delegate to the head of  
11 the agency the evaluation and compliance responsibilities  
12 assigned to the Administrator under subsection (b)(4)(A).

13 (f) TECHNICAL ASSISTANCE, STUDIES, AND RE-  
14 VIEWS.—The Administrator may provide technical assist-  
15 ance, and conduct and provide the results of studies and  
16 reviews, for Executive agencies, and entities sponsoring  
17 child care centers in executive facilities, on a reimbursable  
18 basis, in order to assist the entities in complying with this  
19 section. The Architect of the Capitol and the Director of  
20 the Administrative Office of the United States Courts may  
21 provide technical assistance, and conduct and provide the  
22 results of studies and reviews, or request that the Admin-  
23 istrator provide technical assistance, and conduct and pro-  
24 vide the results of studies and reviews, for legislative of-  
25 fices and judicial offices, respectively, and entities operat-

1 ing child care centers in legislative facilities and judicial  
2 facilities, respectively, on a reimbursable basis, in order  
3 to assist the entities in complying with this section.

4 (g) COUNCIL.—The Administrator shall establish an  
5 interagency council, comprised of all Executive agencies  
6 described in subsection (c), a representative of the Office  
7 of Architect of the Capitol, and a representative of the  
8 Administrative Office of the United States Courts, to fa-  
9 cilitate cooperation and sharing of best practices, and to  
10 develop and coordinate policy, regarding the provision of  
11 child care in the Federal Government.

12 (h) AUTHORIZATION OF APPROPRIATIONS.—There is  
13 authorized to be appropriated to carry out this section  
14 \$900,000 for fiscal year 1998 and such sums as may be  
15 necessary for each subsequent fiscal year.

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