§ 618. Funding for child care

(a) General child care entitlement

(1) General entitlement

Subject to the amount appropriated under paragraph (3), each State shall, for the purpose of providing child care assistance, be entitled to payments under a grant under this subsection for a fiscal year in an amount equal to the greater of—

(A) the total amount required to be paid to the State under section 603 of this title for fiscal year 1994 or 1995 (whichever is greater) with respect to expenditures for child care under subsections (g) and (i) of section 602 of this title (as in effect before October 1, 1995); or

(B) the average of the total amounts required to be paid to the State for fiscal years 1992 through 1994 under the subsections referred to in subparagraph (A).

(2) Remainder

(A) Grants

The Secretary shall use any amounts appropriated for a fiscal year under paragraph (3), and remaining after the reservation described in paragraph (4) and after grants are awarded under paragraph (1), to make grants to States under this paragraph.

(B) Allotments to States

The total amount available for payments to States under this paragraph, as determined under subparagraph (A), shall be allotted among the States based on the formula used for determining the amount of Federal payments to each State under section 603 (n) of this title (as in effect before October 1, 1995).

(C) Federal matching of State expenditures exceeding historical expenditures

The Secretary shall pay to each eligible State for a fiscal year an amount equal to the lesser of the State’s allotment under subparagraph (B) or the Federal medical assistance percentage for the State for the fiscal year (as defined in section 1396d (b) of this title, as such section was in effect on September 30, 1995) of so much of the State’s expenditures for child care in that fiscal year as exceed the total amount of expenditures by the State (including expenditures from amounts made available from Federal funds) in fiscal year 1994 or 1995 (whichever is greater) for the programs described in paragraph (1)(A).

(D) Redistribution

(i) In general

With respect to any fiscal year, if the Secretary determines (in accordance with clause (ii)) that any amounts allotted to a State under this paragraph for such fiscal year will not be used by such State during such fiscal year for carrying out the purpose for which such amounts are allotted, the Secretary shall make such amounts available in the subsequent fiscal year for carrying out such purpose to one or more States which apply for such funds to the extent the Secretary determines that such States will be able to use such additional amounts for carrying out such purpose. Such available amounts shall be redistributed to a State pursuant to section 603 (n) of this title (as such section was in effect before October 1, 1995) by substituting “the number of children residing in all States applying for such
funds” for “the number of children residing in the United States in the second preceding fiscal year”.

(ii) Time of determination and distribution

The determination of the Secretary under clause (i) for a fiscal year shall be made not later than the end of the first quarter of the subsequent fiscal year. The redistribution of amounts under clause (i) shall be made as close as practicable to the date on which such determination is made. Any amount made available to a State from an appropriation for a fiscal year in accordance with this subparagraph shall, for purposes of this part, be regarded as part of such State’s payment (as determined under this subsection) for the fiscal year in which the redistribution is made.

(3) Appropriation

For grants under this section, there are appropriated—

(A) $1,967,000,000 for fiscal year 1997;

(B) $2,067,000,000 for fiscal year 1998;

(C) $2,167,000,000 for fiscal year 1999;

(D) $2,367,000,000 for fiscal year 2000;

(E) $2,567,000,000 for fiscal year 2001;

(F) $2,717,000,000 for each of fiscal years 2002 and 2003; \(^1\)

(G) $2,917,000,000 for each of fiscal years 2006 through 2010.

(4) Indian tribes

The Secretary shall reserve not less than 1 percent, and not more than 2 percent, of the aggregate amount appropriated to carry out this section in each fiscal year for payments to Indian tribes and tribal organizations.

(5) Data used to determine State and Federal shares of expenditures

In making the determinations concerning expenditures required under paragraphs (1) and (2)(C), the Secretary shall use information that was reported by the State on ACF Form 231 and available as of the applicable dates specified in clauses (i)(I), (ii), and (iii)(III) of section 603 (a)(1)(D) \(^2\) of this title.

(b) Use of funds

(1) In general

Amounts received by a State under this section shall only be used to provide child care assistance. Amounts received by a State under a grant under subsection (a)(1) of this section shall be available for use by the State without fiscal year limitation.

(2) Use for certain populations

A State shall ensure that not less than 70 percent of the total amount of funds received by the State in a fiscal year under this section are used to provide child care assistance to families who are receiving assistance under a State program under this part, families who are attempting through work activities to transition off of such assistance program, and families who are at risk of becoming dependent on such assistance program.

(c) Application of Child Care and Development Block Grant Act of 1990

Notwithstanding any other provision of law, amounts provided to a State under this section shall be transferred to the lead agency under the Child Care and Development Block Grant Act of 1990 [42 U.S.C. 9858 et seq.], integrated by the State into the programs established by the State under such Act, and be subject to requirements and limitations of such Act.

(d) “State” defined
As used in this section, the term “State” means each of the 50 States and the District of Columbia.

Footnotes
1 So in original. Probably should be followed by “and”.
2 See References in Text note below.


References in Text


Amendments
1997—Subsec. (a)(1). Pub. L. 105–33, § 5601(a)(1)(A), (D), inserted “the greater of” after “equal to” in introductory provisions and struck out concluding provisions which read “whichever is greater.”
Subsec. (a)(1)(A). Pub. L. 105–33, § 5601(a)(1)(B), struck out “the sum of” before “the total amount”, substituted “expenditures” for “amounts expended” and “subsections (g) and (i) of section 602 of this title (as in effect before October 1, 1995); or” for “section—”, and struck out cls. (i) and (ii) which read as follows:
“(i) 602(g) of this title (as such section was in effect before October 1, 1995); and
“(ii) 602(i) of this title (as so in effect); or”.
Subsec. (a)(1)(B). Pub. L. 105–33, § 5601(a)(1)(C), substituted “subsections” for “sections” and a period for the semicolon at end.
Subsec. (a)(2)(B). Pub. L. 105–33, § 5601(a)(2)(A), added subpar. (B) and struck out heading and text of former subpar. (B). Text read as follows: “Subject to subparagraph (C), the amount of a grant awarded to a State for a fiscal year under this paragraph shall be based on the formula used for determining the amount of Federal payments to the State under section 603 (n) of this title (as such section was in effect before October 1, 1995).”
Subsec. (a)(2)(C). Pub. L. 105–33, § 5601(a)(2)(B), added subpar. (C) and struck out heading and text of former subpar. (C). Text read as follows: “The Secretary shall pay to each eligible State in a fiscal year an amount, under a grant under subparagraph (A), equal to the Federal medical assistance percentage for such State for fiscal year 1995 (as defined in section 1396d (b) of this title) of so much of the expenditures by the State for child care in such year as exceed the State set-aside for such State under paragraph (1)(A) for such year and the amount of State expenditures in fiscal year 1994 or 1995 (whichever is greater) that equal the non-Federal share for the programs described in subparagraph (A) of paragraph (1).”
Subsec. (a)(2)(D)(i). Pub. L. 105–33, § 5601(a)(2)(C), substituted “any amounts allotted” for “amounts under any grant awarded” and “such amounts are allotted” for “the grant is made”.
Subsec. (a)(5). Pub. L. 105–33, § 5601(b), added par. (5).
Subsec. (d). Pub. L. 105–33, § 5601(c), substituted “and” for “or” before “the District”.

Effective Date of 2006 Amendment
Amendment by Pub. L. 109–171 effective as if enacted on Oct. 1, 2005, except as otherwise provided, see section 7701 of Pub. L. 109–171, set out as a note under section 603 of this title.
Effective Date of 2003 Amendment


Effective Date of 1997 Amendment

Section 5603 of title V of Pub. L. 105–33 provided that:

“(a) In General.—Except as provided in subsection (b), this chapter [chapter 6 (§§ 5601–5603) of subtitle F of title V of Pub. L. 105–33, amending this section and sections 9858c, 9858i, 9858j, 9858m, and 9858n of this title] and the amendments made by this chapter shall take effect as if included in the enactment of title VI of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat. 2278).

“(b) Exceptions.—The amendment made by section 5601 (a)(2)(B) [amending this section] shall take effect on October 1, 1997.”

Effective Date

Section effective Oct. 1, 1996, see section 615 of Pub. L. 104–193, set out as an Effective Date of 1996 Amendment note under section 9858 of this title.