

that would-be providers face in financing child care facility development. Financial institutions often view child care providers as high risks for loans.

In low-income neighborhoods, child care providers face severely restricted revenues and low real estate values. In urban areas, would-be child care providers must contend with buildings in poor physical condition and high property costs.

In all areas, reimbursement rates for child care subsidies are generally too low to cover the recovery cost of purchasing or developing facilities, especially after allowing for the cost of running the program. In addition, new providers often have no business training, and may need to learn how to manage their finances and business.

The Child Care Facilities Financing Act would provide grants to intermediary organizations, enabling them to provide financial and technical assistance to existing or new child care providers—including both center-based and home-based child care.

The financial assistance may be in the form of loans, grants, investments, or other assistance, allowing for flexibility depending on the situation of the child care provider. The assistance may be used for acquisition, construction, or renovation of child care facilities or equipment. It may also be used for improving child care management and business practices.

Grant funds under our legislation are required to be matched 50-50, further enhancing local capacity by leveraging Federal funding and creating valuable public/private partnerships. The added benefit in providing this kind of assistance is that it will spur further community and economic development by building local partnerships.

Reducing parental anxiety about child care means that parents can become more reliable and productive workers. An evaluation of California's welfare-to-work program found that mothers participating in the program were twice as likely to drop out during the first year if they expressed dissatisfaction with the child care provider or facility they were using.

Let me share with you an example from my state of Connecticut. In the Hill neighborhood of New Haven, one of the most underserved areas of the city, there are more than 2,500 children under the age of five, but just 200 licensed child care spaces, including family care.

LULAC Head Start has been serving the Hill neighborhood since 1983, operating a part-day, early childhood program out of a cramped and poorly lit church basement. This basement program could no longer be licensed by the state and recently closed. The 54 children being served were moved to another location which is overcrowded.

Thanks to a collaboration between the Hill Development Corporation,

LULAC Head Start and the New Haven Child Development Program, low-income families in the Hill community will have more access to affordable and high-quality child care services.

A new facility, the Hill Parent Child Center, is under construction and will provide multicultural child care, school readiness, and Head Start services for 172 low-income children in New Haven.

Fortunately for this Hill Community, Connecticut has a new child care financing program. Connecticut multi-Cities Local Initiatives Support Corporation and the National Child Care Initiative joined forces with the State of Connecticut to design a program to finance the development of child care facilities.

Unfortunately, there are many more children in New Haven and other parts of Connecticut as well as across the Nation who still need child care. Sadly, most States do not have a child care financing system in place.

We should do all we can to ensure that safe, affordable, quality child care is available for more families, particularly low-income families, so that we can truly leave no child behind. When the economic situation of families improve, distressed communities become revitalized.

Expanding the supply of quality child care is an important step in investing in the needs of families with young children.

I hope that you will join with Senator DEWINE and me in supporting this legislation to ensure that parents have as many choices as possible in selecting child care while they work. It is hard enough for low-income families to make ends meet without the additional anxiety of poor choices of care for their children.

I ask unanimous consent that a brief summary of the legislation be printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THE CHILD CARE FACILITIES FINANCING ACT
THE PROBLEM

Many low-income communities face a severe shortage of child care and equipment.

Child care providers in low-income areas often lack the access to capital and management expertise to expand the capacity and the quality of their programs.

A lack of affordable child care threatens the ability of low-income parents to find and maintain stable employment.

Quality child care can really make a difference in a child's ability to start school ready to learn.

THE SOLUTION

The Child Care Facilities Financing Act authorizes \$50 million annually to fund grants to non-profit intermediaries to enhance the ability of home- and center-based child care providers to serve their communities. Funds will be used to provide:

Financial assistance by intermediaries, in the form of loans, grants, and interest subsidies, for the acquisition, construction, or

improvement of facilities for home- and center-based child care and technical assistance to improve business management and entrepreneurial skills to ensure long-term viability of child care providers.

The Child Care Facilities Financing Act requires that the federal investment be matched, dollar for dollar, by funds from the private sector, stimulating valuable public/private partnerships.

BUILDING ON A PROVEN MODEL

The Child Care Facilities Financing Act draws from the community development model—using small, seed-money investments to leverage existing community resources.

Tested in communities across the nation, this approach has been proven to be successful in expanding child care capacity:

In New Haven, Connecticut, the Local Initiatives Support Corporation (LISC) established the Community Investment Collaborative for Kids—closing on \$3.6 million in public-private financing to construct a new 10 room, 171 child Head Start and child care center on a vacant lot in a low-income neighborhood.

The Ohio Community Development Finance Fund offers stable resources for planning, technical assistance and funding for the development of expanded quality child care space. It leverages \$26.11 for every \$1.00 in public funding and has touched the lives of over 13,000 Ohio children. Wonder World, an urban child car center in Akron, Ohio, was operating in a dingy and poorly lit space of an old church. Despite these conditions the center had a waiting list. With help from the Ohio Community Development Finance Fund, a new eight room child care facility was constructed serving approximately 200 children.

AMENDMENTS SUBMITTED AND
PROPOSED

SA 1028. Mr. THOMAS submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table.

SA 1029. Mrs. MURRAY (for herself and Mr. SHELBY) proposed an amendment to amendment SA 1025 submitted by Mrs. MURRAY and intended to be proposed to the bill (H.R. 2299) supra.

SA 1030. Mrs. MURRAY (for herself and Mr. SHELBY) proposed an amendment to amendment SA 1025 submitted by Mrs. MURRAY and intended to be proposed to the bill (H.R. 2299) supra.

SA 1031. Mr. CRAPO submitted an amendment intended to be proposed to amendment SA 1025 submitted by Mrs. MURRAY and intended to be proposed to the bill (H.R. 2299) supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 1028. Mr. THOMAS submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 66, line 8, after the word "bus", insert the following phrase: ", as that term is defined in section 301 of the American with Disabilities Act of 1990 (42 U.S.C. §12181)";