

118TH CONGRESS
2D SESSION

H. R. 10115

To amend the Small Business Act and the Small Business Investment Act of 1958 to provide resources, counseling, and access to capital for child care providers, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

NOVEMBER 12, 2024

Mr. LANDSMAN introduced the following bill; which was referred to the Committee on Small Business

A BILL

To amend the Small Business Act and the Small Business Investment Act of 1958 to provide resources, counseling, and access to capital for child care providers, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*

3 **SECTION 1. SHORT TITLE.**

4 This Act may be cited as the “Child Care for Small
5 Businesses Act”.

1 **SEC. 2. SMALL BUSINESS LOANS FOR COVERED NON-**
2 **PROFIT CHILD CARE PROVIDERS.**

3 (a) IN GENERAL.—Section 3 of the Small Business
4 Act (15 U.S.C. 632) is amended by adding at the end the
5 following new subsection:

6 “(gg) COVERED NONPROFIT CHILD CARE PRO-
7 VIDER.—In this Act, the term ‘covered nonprofit child
8 care provider’ means an organization—

9 “(1) that—

10 “(A) is in compliance with licensing re-
11 quirements for child care providers of the State
12 in which the organization is located;

13 “(B) is described in section 501(c)(3) of
14 the Internal Revenue Code of 1986 and exempt
15 from tax under section 501(a) of such Code;

16 “(C) is primarily engaged in providing
17 child care for children from birth to compulsory
18 school age; and

19 “(D) is in compliance with applicable in-
20 dustry-based size standard established under
21 subsection (a);

22 “(2) for which each employee and regular vol-
23 unteer complies with the criminal background check
24 requirements under section 658H(b) of the Child
25 Care and Development Block Grant Act of 1990 (42
26 U.S.C. 9858f(b));

1 “(3) that may—

2 “(A) provide care for school-age children
3 outside of school hours or outside of the school
4 year; or

5 “(B) offer preschool or prekindergarten
6 educational programs; and

7 “(4) subject to any exemption under Federal
8 law applicable to the organization, that certifies to
9 the Administrator that the organization will not dis-
10 criminate in any business practice, including pro-
11 viding services to the public, on the basis of race,
12 color, religion, sex, sexual orientation, marital sta-
13 tus, age, disability, or national origin.”.

14 (b) ELIGIBILITY OF NONPROFIT CHILD CARE PRO-
15 VIDERS FOR 7(a) LOANS.—Section 7(a) of the Small Busi-
16 ness Act (15 U.S.C. 636(a)) is amended by adding at the
17 end the following new paragraph:

18 “(38) COVERED NONPROFIT CHILD CARE PRO-
19 VIDERS.—

20 “(A) IN GENERAL.—The Administrator
21 may guarantee loans made to a covered non-
22 profit child care provider under the same terms,
23 conditions, and processes as a loan made under
24 this subsection.

1 “(B) LOAN GUARANTEE.—A covered non-
2 profit child care provider that receives a loan
3 under this subsection—

4 “(i) with respect to a loan greater
5 than \$500,000, shall obtain a guarantee of
6 timely payment of the loan from another
7 person; and

8 “(ii) with respect to a loan less than
9 or equal to \$500,000, may not be required
10 to obtain a guarantee of timely payment of
11 the loan.

12 “(C) LIMITATION ON BASIS FOR INELIGI-
13 BILITY.—The Administrator may not determine
14 that a covered nonprofit child care provider is
15 not eligible for a loan under this section on the
16 basis that the proceeds of such loan will be used
17 for a religious activity protected under the First
18 Amendment to the Constitution of the United
19 States (as determined by a court of competent
20 jurisdiction).

21 “(D) REPORT.—Not later than 1 year
22 after the date of the enactment of this Act, and
23 annually thereafter, the Administrator shall
24 submit to Congress a report that contains—

1 “(i) for the year covered by the re-
2 port, the number and dollar value of loans
3 made under this paragraph; and

4 “(ii) any other information deter-
5 mined relevant by the Administrator.”.

6 (c) ELIGIBILITY OF NONPROFIT CHILD CARE PRO-
7 VIDERS FOR 504 FINANCING.—Title V of the Small Busi-
8 ness Investment Act of 1958 (15 U.S.C. 695 et seq.) is
9 amended by adding at the end the following new section:

10 **“SEC. 511. ASSISTANCE FOR COVERED NONPROFIT CHILD**
11 **CARE PROVIDERS.**

12 “(a) IN GENERAL.—The Administrator may provide
13 financing under this title to a covered nonprofit child care
14 provider (as defined in section 3(gg) of the Small Business
15 Act).

16 “(b) GUARANTEE.—A covered nonprofit child care
17 provider that receives financing under this title—

18 “(1) with respect to financing in an aggregate
19 amount greater than \$500,000, shall obtain a guar-
20 antee of timely payment of the loan from another
21 person; and

22 “(2) with respect to financing in an aggregate
23 amount less than or equal to \$500,000, may not be
24 required to obtain a guarantee of timely payment of
25 the loan.

1 “(c) LIMITATION ON BASIS FOR INELIGIBILITY.—
2 The Administrator may not determine that a covered non-
3 profit child care provider is not eligible for a loan under
4 this section on the basis that the proceeds of such loan
5 will be used for a religious activity protected under the
6 First Amendment to the Constitution of the United States
7 (as determined by a court of competent jurisdiction).

8 “(d) REPORT.—Not later than 1 year after the date
9 of the enactment of this Act, and annually thereafter, the
10 Administrator shall submit to Congress a report that con-
11 tains—

12 “(1) for the year covered by the report, the
13 number and dollar value of financing provided to a
14 covered nonprofit child care provider under this title;
15 and

16 “(2) any other information determined relevant
17 by the Administrator.”.

18 **SEC. 3. ASSISTANCE PROVIDED BY SMALL BUSINESS DE-**
19 **VELOPMENT CENTERS.**

20 Section 21(c)(3) of the Small Business Act (15
21 U.S.C. 648(c)(3)) is amended—

22 (1) in subparagraph (T), by striking “; and”;

23 (2) in the first subparagraph (U), in clause (v),
24 by striking the period at the end and inserting a
25 semicolon;

1 (3) by redesignating the second subparagraph
2 (U) as subparagraph (V);

3 (4) in subparagraph (V), as so redesignated, in
4 clause (ii)(II), by striking the period at the end and
5 inserting “; and”; and

6 (5) by adding at the end the following new sub-
7 paragraph:

8 “(W) providing business assistance to
9 small business concerns and covered nonprofit
10 child care providers operating or interested in
11 operating a child care business, including one-
12 on-one advising sessions, workshops, or training
13 cohorts on topics relating to—

14 “(i) developing a business, financial,
15 and marketing plan;

16 “(ii) learning operational policies and
17 procedures;

18 “(iii) implementing methods for man-
19 aging financial statements;

20 “(iv) fostering opportunities to expand
21 the business and increase revenues; and

22 “(v) other matters the Administrator
23 determines appropriate.”.

1 **SEC. 4. ASSISTANCE PROVIDED BY WOMEN'S BUSINESS**
2 **CENTERS.**

3 Section 29 of the Small Business Act (15 U.S.C. 656)
4 is amended—

5 (1) in subsection (b)—

6 (A) in the matter preceding paragraph (1),
7 by inserting “or, to the extent provided in this
8 subsection, for the benefit of covered nonprofit
9 child care providers” after “by women”;

10 (B) in paragraph (2), by striking “and” at
11 the end;

12 (C) in paragraph (3), by striking the pe-
13 riod at the end and inserting a semicolon; and

14 (D) by adding at the end the following new
15 paragraph:

16 “(4) with respect to a project for the benefit of
17 a small business concern or covered nonprofit child
18 care provider or operating or interested in operating
19 a child care business, business assistance, including
20 one-on-one advising sessions, workshops, or training
21 cohorts on topics relating to—

22 “(A) developing a business, financial, and
23 marketing plan;

24 “(B) learning operational policies and pro-
25 cedures;

1 “(C) implementing methods for managing
2 financial statements;

3 “(D) fostering opportunities to expand the
4 business and increase revenues; and

5 “(E) other matters the Administrator de-
6 termines appropriate.”;

7 (2) in subsection (d), by inserting “and, to the
8 extent permitted under subsection (b), to covered
9 nonprofit child care providers” after “small business
10 concerns”; and

11 (3) in subsection (n)(1), by striking “or small
12 business concern” each place it appears and insert-
13 ing “, small business concern, or covered nonprofit
14 child care provider”.

15 **SEC. 5. CHILD CARE RESOURCE GUIDE.**

16 The Small Business Act (15 U.S.C. 631 et seq.) is
17 amended—

18 (1) by redesignating section 49 as section 50;

19 and

20 (2) by inserting after section 48 the following
21 new section:

22 **“SEC. 49. CHILD CARE RESOURCE GUIDE.**

23 “(a) IN GENERAL.—Not later than 2 years after the
24 date of the enactment of this section and not less fre-
25 quently than every 4 years thereafter, the Administrator

1 shall publish or update a resource guide for small business
2 concerns operating or planning to operate as child care
3 providers.

4 “(b) GUIDANCE ON SMALL BUSINESS CONCERN
5 MATTERS.—The resource guide required under subsection
6 (a) shall include—

7 “(1) guidance for such small business concerns
8 related to business operations of a child care pro-
9 vider (including marketing and management plan-
10 ning);

11 “(2) references to other Federal programs and
12 guides, resources, and websites relating to the over-
13 all quality of child care provider operations, includ-
14 ing safety measures and training for employees of
15 such provider; and

16 “(3) any other matters the Administrator deter-
17 mines appropriate.

18 “(c) PUBLICATION AND DISSEMINATION RE-
19 QUIRED.—

20 “(1) PUBLICATION.—The Administrator, wom-
21 en’s business centers (as described under section
22 29), small business development centers, chapters of
23 the Service Corps of Retired Executives (established
24 under section 8(b)(1)(B)), and Veteran Business
25 Outreach Centers (as described under section 32)

1 shall make the resource guide required under sub-
2 section (a) publicly available on an appropriate
3 website.

4 “(2) DISTRIBUTION.—

5 “(A) BY ADMINISTRATOR.—The Adminis-
6 trator shall distribute the resource guide re-
7 quired under subsection (a) electronically to of-
8 fices of the Administration, including district
9 offices.

10 “(B) BY OTHER ENTITIES.—District of-
11 fices of the Administration, women’s business
12 centers (as described under section 29), small
13 business development centers, chapters of the
14 Service Corps of Retired Executives (established
15 under section 8(b)(1)(B)), and Veteran Busi-
16 ness Outreach Centers (as described under sec-
17 tion 32) shall—

18 “(i) distribute the resource guide re-
19 quired under subsection (a) to small busi-
20 ness concerns operating or planning to op-
21 erate as child care providers; and

22 “(ii) make available physical copies of
23 such guide.”.

1 **SEC. 6. REPORT ON FOR-PROFIT CHILD CARE PROVIDERS.**

2 (a) IN GENERAL.—Not later than 120 days after the
3 date of the enactment of this Act, the Administrator of
4 the Small Business Administration shall submit to Con-
5 gress a study and report on for-profit child care providers
6 that includes—

7 (1) an assessment of the challenges and needs
8 of such providers;

9 (2) a description of the resources and support
10 that the Small Business Administration provides to
11 such providers;

12 (3) any deficiencies in the resources and sup-
13 port described under paragraph (2); and

14 (4) any recommendations for legislative actions
15 necessary to address any challenges or needs faced
16 by such providers that are identified by the report
17 required in this subsection.

18 (b) DESIGNATED EMPLOYEE DUTIES.—The Admin-
19 istrator of the Small Business Administration shall des-
20 ignate a full-time employee within the Administration as
21 a point of contact for for-profit child care providers. Such
22 employee shall—

23 (1) carry out the study required under sub-
24 section (a); and

1 (2) provide recommendations to the Adminis-
2 trator on how to better deliver existing resources
3 and support to for-profit child care providers.

4 (c) FOR-PROFIT CHILD CARE PROVIDER DE-
5 FINED.—The term “for-profit child care provider” has the
6 meaning given the term “eligible child care provider” in
7 section 658P of the Child Care and Development Block
8 Grant Act of 1990 (42 U.S.C. 9858n) and is a provider
9 that operates—

10 (1) on a for-profit basis; and

11 (2) in one or more of the several States or the
12 District of Columbia.

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