

118TH CONGRESS
2D SESSION

S. 4765

To reauthorize the Child Care and Development Block Grant Act of 1990,
to improve access to relative caregivers, and for other purposes.

IN THE SENATE OF THE UNITED STATES

JULY 24, 2024

Mr. RUBIO introduced the following bill; which was read twice and referred
to the Committee on Finance

A BILL

To reauthorize the Child Care and Development Block Grant
Act of 1990, to improve access to relative caregivers,
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 “Respect Parents’
5 Childcare Choices Act”.

6 **SEC. 2. AMENDMENTS TO THE CHILD CARE AND DEVELOP-**
7 **MENT BLOCK GRANT ACT OF 1990.**

8 (a) AUTHORIZATION OF APPROPRIATIONS.—Section
9 658B of the Child Care and Development Block Grant Act
10 of 1990 (42 U.S.C. 9858) is amended by striking “this

1 subchapter” and all that follows and inserting the fol-
 2 lowing: “this subchapter, \$14,000,000,000 for each of fis-
 3 cal years 2025 through 2030.”.

4 (b) APPLICATION AND PLAN.—Section 658E(c) of
 5 the Child Care and Development Block Grant Act of 1990
 6 (42 U.S.C. 9858c(c)) is amended—

7 (1) in paragraph (2)—

8 (A) by striking subparagraph (A) and in-
 9 serting the following:

10 “(A) PARENTAL CHOICE OF PROVIDERS.—

11 Provide assurances that—

12 “(i) the parent or parents of each eli-
 13 gible child within the State, who receives
 14 or is offered child care services for which
 15 financial assistance is provided under this
 16 subchapter, are given the option to receive
 17 a child care certificate as defined in section
 18 658P(2); and

19 “(ii) all direct services authorized in
 20 this subchapter will be provided via child
 21 care certificates.”;

22 (B) in subparagraph (F)—

23 (i) in clause (i), by inserting “(not in-
 24 cluding in-home child care providers and

1 relative caregivers)” after “within the
2 State”; and

3 (ii) in clause (ii), by inserting “(other
4 than in-home child care providers and rel-
5 ative caregivers)” after “described in
6 clause (i)”;

7 (C) in subparagraph (G)—

8 (i) in clause (i)—

9 (I) in the first sentence, by in-
10 serting “(if any)” after “within the
11 State”; and

12 (II) in the second sentence, by
13 inserting “, except that such require-
14 ments shall not apply to in-home child
15 care providers and relative caregivers”
16 before the period; and

17 (ii) in clause (ii)(I), by striking
18 “(which may include encouraging the pur-
19 suit of postsecondary education),”;

20 (D) in subparagraph (K)(i)(II)—

21 (i) in item (aa), by inserting “(not in-
22 cluding in-home child care providers and
23 relative caregivers or their facilities)” be-
24 fore the semicolon; and

1 (ii) in item (bb), by inserting “(not in-
 2 cluding in-home child care providers and
 3 relative caregivers or their facilities)” after
 4 “facility in the State”;

5 (E) in subparagraph (M), by adding at the
 6 end the following flush sentence:

7 “Nothing in this subchapter shall be construed
 8 to imply that States are required to provide a
 9 portion of the delivery of direct services through
 10 grants or contracts.”;

11 (F) in subparagraph (N)—

12 (i) by striking “(N)” and all that pre-
 13 cedes clause (i) and inserting the following:

14 “(N) PROTECTION FOR WORKING AND
 15 NEWLY MARRIED PARENTS.—”;

16 (ii) in clause (i)(I)—

17 (I) by striking “85 percent of”;

18 and

19 (II) by striking “of the same
 20 size” and inserting “with the same
 21 number of children and parents as
 22 prescribed in section 658P(4)”;

23 (iii) in clause (iii)—

24 (I) by inserting before “At the
 25 option” the following:

1 “(I) CESSATION OF WORK,
2 TRAINING, OR EDUCATION.—”; and

3 (II) by adding at the end the fol-
4 lowing:

5 “(II) MARRIAGE OF AN UNMAR-
6 RIED PARENT.—The plan shall certify
7 that the State will not terminate as-
8 sistance provided to carry out this
9 subchapter based on a factor con-
10 sisting of an unmarried parent’s mar-
11 riage which causes the family income
12 to rise above the State median income
13 for a family with the same number of
14 children and parents as prescribed in
15 section 658P(4), without continuing
16 the assistance for at least 6 months
17 after such marriage.”;

18 (iv) in clause (iv)—

19 (I) by striking “for children of
20 parents” and inserting the following:
21 “for children of—

22 “(I) parents”; and

23 (II) by striking “85 percent of
24 the State median income for a family
25 of the same size” and inserting the

1 following: “the State median income
2 for a family with the same number of
3 children and parents as prescribed in
4 section 658P(4); or

5 “(II) parents who married fol-
6 lowing the initial determination or
7 most recent redetermination whose
8 family income now exceeds the State’s
9 income limit to qualify for such assist-
10 ance due to the addition of their
11 spouse’s income.”; and

12 (G) by adding at the end the following:

13 “(W) NOTIFICATION OF PROGRAM COV-
14 ERAGE FOR RELATIVE CAREGIVERS.—The plan
15 shall certify that the State will—

16 “(i) clearly post on the State’s website
17 described in subparagraph (E)(III); and

18 “(ii) annually notify the parents of
19 each eligible child receiving a child care
20 certificate under this subchapter that such
21 certificates may be used—

22 “(I) as a payment to a relative
23 caregiver including the child’s grand-
24 parent, great grandparent, adult sib-
25 ling, aunt, or uncle; or

1 “(II) as a disbursement to mar-
2 ried parents in which at least one par-
3 ent is acting as a relative caregiver to
4 the parent’s own eligible child, so long
5 as such families are in compliance
6 with the income and work require-
7 ments described in section
8 658P(4)(C)(iii).

9 “(X) REVIEW OF REQUIREMENTS ON REL-
10 ATIVE CAREGIVERS.—The plan shall include
11 certification that the State will (at least once
12 every 5 years) review State and local regula-
13 tions, requirements, and licensing standards ap-
14 plicable to relative caregivers to identify bur-
15 densome or redundant requirements that are
16 unnecessary to protect the health and safety of
17 children and that—

18 “(i) limit or lower the number of rel-
19 ative caregivers who care for eligible chil-
20 dren under this subchapter; or

21 “(ii) prevent parents from choosing to
22 have a relative caregiver provide childcare
23 for their eligible child.”;

24 (2) in paragraph (3)(E)(ii), by striking “70
25 percent to fund direct services (provided by the

1 State) in accordance with paragraph (2)(A)” and in-
2 sserting “90 percent to fund direct services (provided
3 by the State) via child care certificates”; and

4 (3) in paragraph (4)—

5 (A) by redesignating subparagraph (C) as
6 subparagraph (D); and

7 (B) by inserting after subparagraph (B),
8 the following:

9 “(C) PAYMENT RATE.—The State plan
10 shall certify that the payment rate to relative
11 caregivers is not less than 75 percent of the
12 rate for family child care providers for children
13 of the same age and in the same geographic lo-
14 cation.”.

15 (c) LIMITATIONS.—Section 658F(b)(2) of the Child
16 Care and Development Block Grant Act of 1990 (42
17 U.S.C. 9858d(b)(2)) is amended—

18 (1) in the paragraph heading, by striking “SEC-
19 TARIAN” and inserting “RELIGIOUS”; and

20 (2) by striking “sectarian” and inserting “reli-
21 gious”.

22 (d) IMPROVING THE QUALITY OF CHILD CARE.—Sec-
23 tion 658G of the Child Care and Development Block
24 Grant Act of 1990 (42 U.S.C. 9858e) is amended—

1 (1) in subsection (a), by striking paragraphs
 2 (2) and (3) and inserting the following:

3 “(2) AMOUNT OF RESERVATIONS.—Such State
 4 shall reserve and use—

5 “(A) not more than 9 percent of the funds
 6 described in paragraph (1) each year to carry
 7 out the activities described in paragraph (1);
 8 and

9 “(B) in addition to the funds reserved
 10 under subparagraph (A), 3 percent of the funds
 11 described in paragraph (1) to carry out the ac-
 12 tivities described in paragraph (1) and sub-
 13 section (b)(4), as such activities relate to the
 14 quality of care for infants and toddlers.”; and
 15 (2) in subsection (b)(1)—

16 (A) in subparagraph (F), by adding “and”
 17 at the end;

18 (B) in subparagraph (G), by striking “;
 19 and” and inserting a period; and

20 (C) by striking subparagraph (H).

21 (e) REPORTS.—Section 658K(a) of the Child Care
 22 and Development Block Grant Act of 1990 (42 U.S.C.
 23 9858i(a)) is amended—

24 (1) in paragraph (1)(B)(vii), by striking “home
 25 care” and inserting “in-home care”; and

1 (2) in paragraph (2)(C), by striking “con-
2 tracts,”.

3 (f) HOTLINE AND WEBSITE.—Section 658L(b)(2)(B)
4 of the Child Care and Development Block Grant Act of
5 1990 (42 U.S.C. 9858j(b)(2)(B)) is amended—

6 (1) in clause (iv), by striking “and” at the end;

7 (2) in clause (v), by striking the period and in-
8 serting “; and”; and

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

10 “(vi) notice that the parents of eligible
11 children may use child care certificates—

12 “(I) as a payment to a relative
13 caregiver including the child’s grand-
14 parent, great grandparent, adult sib-
15 ling, aunt, or uncle; or

16 “(II) as a disbursement to mar-
17 ried parents in which at least one par-
18 ent is acting as a relative caregiver to
19 the parent’s own eligible child, so long
20 as such families are in compliance
21 with the income and work require-
22 ments described in section
23 658P(4)(C)(iii).”.

1 (g) SECTARIAN ACTIVITIES.—Section 658M of the
 2 Child Care and Development Block Grant Act of 1990 (42
 3 U.S.C. 9858k) is amended—

4 (1) by striking subsection (a); and

5 (2) by striking “(b) TUITION.—With” and in-
 6 serting “With”.

7 (h) NONDISCRIMINATION.—Section 658N of the
 8 Child Care and Development Block Grant Act of 1990 (42
 9 U.S.C. 9858l) is amended —

10 (1) in subsection (a)—

11 (A) in paragraph (1)(B), by striking “sec-
 12 tarian” and inserting “religious”;

13 (B) in paragraph (3)—

14 (i) by striking subparagraph (A); and

15 (ii) by redesignating subparagraphs

16 (B) and (C) as subparagraphs (A) and

17 (B), respectively; and

18 (C) by striking paragraph (4) and insert-

19 ing the following:

20 “(4) PROTECTIONS FOR RELIGIOUS CHILD CARE
 21 PROVIDERS.—

22 “(A) IN GENERAL.—A State receiving
 23 funds under this subchapter shall ensure that—

24 “(i) in licensing child care providers,

25 the State shall not impose any requirement

1 on a religious organization that results in
2 the imposition of a greater burden on the
3 religious organization when compared to
4 the related burden imposed on any private
5 nonreligious organization;

6 “(ii) in licensing child care providers,
7 the State shall not impose a requirement
8 on a religious organization to provide or
9 comply with any document, agreement,
10 covenant, memorandum of understanding,
11 policy, or regulation, or to provide an as-
12 surance or notice, unless the State also im-
13 poses that requirement on nonreligious or-
14 ganizations; and

15 “(iii) a religious organization receiving
16 funds under this subchapter that provides
17 child care services shall retain its inde-
18 pendence from State and local govern-
19 ments, including retaining the autonomy,
20 right of expression, religious character or
21 affiliation, authority over internal govern-
22 ance, or other aspects of the independence
23 of such organization.

1 “(B) REQUIREMENTS.—A religious organi-
2 zation receiving funds under this subchapter
3 that provides child care services may—

4 “(i) retain religious terms in the orga-
5 nization’s name;

6 “(ii) continue to carry out the organi-
7 zation’s mission, including the definition,
8 development, practice, and expression of its
9 religious beliefs;

10 “(iii) use the organization’s facilities
11 to provide a program without concealing,
12 removing, or altering religious art, icons,
13 scriptures, or other symbols from the fa-
14 cilities;

15 “(iv) select, promote, or dismiss the
16 members of the organization’s governing
17 body, and the organization’s employees, on
18 the basis of their acceptance of or adher-
19 ence to the religious tenets of the organiza-
20 tion; and

21 “(v) include religious references in the
22 organization’s mission statement and other
23 chartering or governing documents.

24 “(C) RELIGIOUS EXEMPTIONS.—A reli-
25 gious organization’s exemptions, as provided in

1 title VII of the Civil Rights Act of 1964 (42
2 U.S.C. 2000e et seq.) (including exemptions
3 from prohibitions of employment discrimination
4 in section 702(a) of that Act (42 U.S.C. 2000e–
5 1(a))), title VIII of the Civil Rights Act of 1968
6 (42 U.S.C. 3601 et seq.), title IX of the Edu-
7 cation Amendments of 1972 (20 U.S.C. 1681 et
8 seq.), the Americans with Disabilities Act of
9 1990 (42 U.S.C. 12101 et seq.), the Religious
10 Freedom Restoration Act of 1993 (42 U.S.C.
11 2000bb et seq.), the Religious Land Use and
12 Institutionalized Persons Act of 2000 (42
13 U.S.C. 2000cc et seq.), or any other provision
14 in law providing an exemption for a religious
15 organization, shall not be waived because of the
16 religious organization’s receipt of funds under
17 this subchapter.

18 “(D) PRIVATE RIGHT OF ACTION.—Any re-
19 ligious organization that alleges a violation of
20 its rights under this paragraph and seeks to en-
21 force such rights—

22 “(i) may bring an action in a court of
23 competent jurisdiction and assert that vio-
24 lation as a claim, or assert that violation
25 as a defense in a civil action; and

1 “(ii) may obtain appropriate relief, in-
2 cluding attorney’s fees, against an entity
3 or agency that committed such violation.”;
4 and

5 (2) in subsection (b), by striking “sectarian”
6 each place it appears and inserting “religious”.

7 (i) DEFINITIONS.—Section 658P of the Child Care
8 and Development Block Grant Act of 1990 (42 U.S.C.
9 9858n) is amended—

10 (1) by striking paragraph (2) and inserting the
11 following:

12 “(2) CHILD CARE CERTIFICATE.—

13 “(A) IN GENERAL.—The term ‘child care
14 certificate’ means a certificate (that may be a
15 check or other disbursement) that is issued by
16 a State or local government under this sub-
17 chapter directly to a parent who may use such
18 certificate—

19 “(i) as payment for child care serv-
20 ices;

21 “(ii) as a deposit for child care serv-
22 ices if such a deposit is required of other
23 children being cared for by the provider; or

24 “(iii) as a disbursement to married
25 parents described in paragraph (4)(C)(iii)

1 in which at least one parent is acting as a
2 relative caregiver to the parent's own child,
3 so long as such disbursement is not less
4 than the payment rate set for other rel-
5 ative caregivers for children of the same
6 age and in the same geographic location.

7 “(B) RULE OF CONSTRUCTION.—Nothing
8 in this subchapter shall be construed to allow
9 State or Federal agencies to preclude the use of
10 such certificates for child care services provided
11 by a religious child care provider if such serv-
12 ices are freely chosen by the parent. Such cer-
13 tificates may be expended by providers for any
14 religious purpose or activity that is a part of
15 the child care services, including religious wor-
16 ship and instruction.

17 “(C) NOT GRANTS OR CONTRACTS.—For
18 purposes of this subchapter, child care certifi-
19 cates shall not be considered to be grants or
20 contracts.”;

21 (2) in paragraph (4), by striking subparagraphs
22 (B) and (C) and inserting the following:

23 “(B) whose family assets do not exceed
24 \$1,000,000 (as certified by a member of such
25 family); and

1 “(C) who—

2 “(i) resides in a family that is headed
3 by an unmarried person who is the child’s
4 parent, who is working or attending a job
5 training or educational program, and that
6 has a family income that does not exceed
7 85 percent of the State median income for
8 a family with the same number of children
9 headed by an unmarried person, based on
10 the most recent data that is published by
11 the Bureau of the Census;

12 “(ii) resides in a family that is headed
13 by two married persons who are the child’s
14 parents, who are both working or attend-
15 ing a job training or educational program,
16 and that has a family income that does not
17 exceed 70 percent of the State median in-
18 come for a family with the same number of
19 children headed by two married persons,
20 based on the most recent data that is pub-
21 lished by the Bureau of the Census;

22 “(iii) resides in a family that is head-
23 ed by two married persons who are the
24 child’s parents, and who work a combined
25 total of at least 40 hours per week and

1 that has one or both parents acting as a
2 relative caregiver for the child, with a fam-
3 ily income that does not exceed 70 percent
4 of the State median income for a family
5 with the same number of children headed
6 by two married persons, based on the most
7 recent data that is published by the Bu-
8 reau of the Census; or

9 “(iv) is receiving, or needs to receive,
10 protective services and resides with a par-
11 ent or parents not described in clause (i),
12 (ii), or (iii).”;

13 (3) in paragraph (6)—

14 (A) in subparagraph (A), by striking “a
15 group home child care provider”; and

16 (B) by striking subparagraph (B) and in-
17 serting the following:

18 “(B) a relative caregiver or in-home child
19 care provider, if such caregiver or other pro-
20 vider complies with any applicable requirements
21 that govern child care provided by the type of
22 provider involved.”;

23 (4) in paragraph (7)—

1 (A) by striking “one individual who pro-
2 vides” and inserting “one or more individuals
3 who provide”; and

4 (B) by striking “as the sole caregiver,
5 and”;

6 (5) by redesignating paragraphs (8), (9), (10),
7 (11), (12), (13), (14), and (15) as paragraphs (9),
8 (10), (11), (13), (14), (15), (16), and (17), respec-
9 tively;

10 (6) by inserting after paragraph (7), the fol-
11 lowing:

12 “(8) IN-HOME CHILD CARE PROVIDER.—The
13 term ‘in-home child care provider’ means an indi-
14 vidual who provides child care services (excluding
15 services provided by a family child care provider) in
16 the child’s own home.”; and

17 (7) by inserting after paragraph (11) (as so re-
18 designated), the following:

19 “(12) RELATIVE CAREGIVER.—The term ‘rel-
20 ative caregiver’ means a child care provider that is
21 18 years of age or older who provides child care
22 services only to eligible children who are, by affinity
23 or consanguinity, or by court decree, the child (if the
24 parent or parents acting as a relative caregiver are
25 married and work a combined total of at least 40

1 hours per week), grandchild, great grandchild, sib-
2 ling, niece, or nephew of such provider.”.

3 (j) PARENTAL RIGHTS.—Section 658Q of the Child
4 Care and Development Block Grant Act of 1990 (42
5 U.S.C. 9858o) is amended—

6 (1) by striking “(a) IN GENERAL.—”; and

7 (2) by striking subsection (b).

8 (k) FRAUD PREVENTION AND INCREASED RELATIVE
9 CAREGIVING.—The Child Care and Development Block
10 Grant Act of 1990 (42 U.S.C. 9857 et seq.) is amended
11 by adding at the end the following:

12 **“SEC. 658T. PILOT GRANT PROGRAM TO PREVENT FRAUD.**

13 “(a) IN GENERAL.—Not later than 1 year after the
14 date of the enactment of this section, the Secretary shall
15 establish and implement a 2-year pilot program to award
16 grants to States to increase the State’s ability to—

17 “(1) verify that children receiving assistance
18 under this subchapter meet eligibility criteria at the
19 time of eligibility determination and redetermination;

20 “(2) prevent payments to ineligible children;

21 “(3) verify the relationship of relative caregivers
22 to eligible children;

23 “(4) identify cases of fraud and intentional pro-
24 gram violation by child care providers; and

1 “(5) recover payments that are the result of
2 fraud.

3 “(b) AUTHORIZATION OF APPROPRIATIONS.—There
4 is authorized to be appropriated \$50,000,000 to carry out
5 this section.

6 **“SEC. 658U. INCREASING RELATIVE CAREGIVING.**

7 “(a) IN GENERAL.—Not later than 1 year after the
8 date of the enactment of this section, the Secretary shall
9 submit to Congress and make publicly available a report
10 on regulations that prevent family members from acting
11 as relative caregivers to eligible children under this sub-
12 chapter.

13 “(b) CONTENTS.—The report required under this
14 section shall include the following:

15 “(1) A list of the provisions under this sub-
16 chapter and other Federal laws that decrease the
17 number of relative caregivers.

18 “(2) A description of State or local government
19 policies, regulations, or licensing standards that de-
20 crease the number of relative caregivers or that
21 place burdensome requirements upon such caregivers
22 beyond basic health and safety requirements.

23 “(3) Recommendations and legislative proposals
24 for Congress, State legislatures, and State lead
25 agencies to lessen or remove unnecessary, burden-

1 “(A) MARRIED COUPLES MUST FILE JOINT
2 RETURN.—If the taxpayer is married at the
3 close of the taxable year, the credit shall be al-
4 lowed under subsection (a) only if the taxpayer
5 and his spouse file a joint return for the taxable
6 year.

7 “(B) MARITAL STATUS.—An individual le-
8 gally separated from his spouse under a decree
9 of divorce or of separate maintenance shall not
10 be considered as married.

11 “(C) CERTAIN MARRIED INDIVIDUALS LIV-
12 ING APART.—If—

13 “(i) an individual who is married and
14 who files a separate return—

15 “(I) maintains as his home a
16 household which constitutes for more
17 than one-half of the taxable year the
18 principal place of abode of a quali-
19 fying individual, and

20 “(II) furnishes over half of the
21 cost of maintaining such household
22 during the taxable year, and

23 “(ii) during the last 6 months of such
24 taxable year such individual’s spouse is not
25 a member of such household,

1 such individual shall not be considered as mar-
2 ried.”.

3 (2) Section 35(g)(6) of such Code is amended
4 to read as follows:

5 “(6) MARITAL STATUS; CERTAIN MARRIED IN-
6 DIVIDUALS LIVING APART.—Rules similar to the
7 rules of subparagraphs (B) and (C) of section
8 23(f)(1) shall apply for purposes of this section.”.

9 (3) Section 129(a)(2)(C) of such Code is
10 amended to read as follows:

11 “(C) MARITAL STATUS.—For purposes of
12 this paragraph, marital status shall be deter-
13 mined under the rules of subparagraphs (B)
14 and (C) of section 23(f)(1).”.

15 (4) Section 129(b)(2) of such Code is amended
16 to read as follows:

17 “(2) SPECIAL RULES FOR SPOUSE WHO IS A
18 STUDENT OR INCAPABLE OF CARING FOR SELF.—In
19 the case of a spouse who is a student or an indi-
20 vidual described in subsection (e)(1)(B)(ii)(III) (de-
21 termined without regard to the amount of time spent
22 in the taxpayer’s household), for purposes of para-
23 graph (1), such spouse shall be deemed for each
24 month during which such spouse is a full-time stu-
25 dent at an educational institution, or is an individual

1 so described in subsection (e)(1)(B)(ii)(III), to be
2 gainfully employed and to have earned income of not
3 less than—

4 “(A) \$250 if there is 1 individual described
5 in subclauses (I) through (III) of subsection
6 (e)(1)(B) with respect to the taxpayer for the
7 taxable year, or

8 “(B) \$500 if there are 2 or more such in-
9 dividuals with respect to the taxpayer for the
10 taxable year.

11 In the case of any husband and wife, this paragraph
12 shall apply with respect to only one spouse for any
13 month.”.

14 (5) Section 129(e)(1) of such Code is amend-
15 ed—

16 (A) by striking “The term” and inserting
17 the following:

18 “(A) IN GENERAL.—The term”,

19 (B) by striking “under section 21(b)(2)
20 (relating to expenses for household and depend-
21 ent care services necessary for gainful employ-
22 ment)”, and

23 (C) by adding at the end the following:

24 “(B) EMPLOYMENT-RELATED EX-
25 PENSES.—

1 “(i) IN GENERAL.—The term ‘employ-
2 ment-related expenses’ means amounts
3 paid for the following expenses, but only if
4 such expenses are incurred to enable the
5 taxpayer to be gainfully employed for any
6 period for which there are 1 or more quali-
7 fying individuals with respect to the tax-
8 payer:

9 “(I) Expenses for household serv-
10 ices, and

11 “(II) Expenses for the care of a
12 qualifying individual.

13 Such term shall not include any amount
14 paid for services outside the taxpayer’s
15 household at a camp where the qualifying
16 individual stays overnight.

17 “(ii) EXCEPTION.—Employment-re-
18 lated expenses described in clause (i) which
19 are incurred for services outside the tax-
20 payer’s household shall be taken into ac-
21 count only if incurred for the care of—

22 “(I) a dependent of the taxpayer
23 (as defined in section 152(a)(1)) who
24 has not attained age 13,

1 “(II) a dependent of the taxpayer
2 (as defined in section 152, determined
3 without regard to subsections (b)(1),
4 (b)(2), and (d)(1)(B)) who is phys-
5 ically or mentally incapable of caring
6 for himself or herself, who has the
7 same principal place of abode as the
8 taxpayer for more than one-half of
9 such taxable year, and who regularly
10 spends at least 8 hours each day in
11 the taxpayer’s household, or

12 “(III) the spouse of the taxpayer,
13 if the spouse is physically or mentally
14 incapable of caring for himself or her-
15 self, has the same principal place of
16 abode as the taxpayer for more than
17 one-half of such taxable year, and reg-
18 ularly spends at least 8 hours each
19 day in the taxpayer’s household.

20 “(iii) DEPENDENT CARE CENTERS.—
21 Employment-related expenses described in
22 clause (i) which are incurred for services
23 provided outside the taxpayer’s household
24 by a dependent care center shall be taken
25 into account only if—

1 “(I) such center complies with all
2 applicable laws and regulations of a
3 State or unit of local government, and

4 “(II) The requirements of clause
5 (ii) are met.

6 “(iv) DEPENDENT CARE CENTER DE-
7 FINED.—For purposes of this paragraph,
8 the term ‘dependent care center’ means
9 any facility which—

10 “(I) provides care for more than
11 six individuals (other than individuals
12 who reside at the facility), and

13 “(II) receives a fee, payment, or
14 grant for providing services for any of
15 the individuals (regardless of whether
16 such facility is operated for profit).”.

17 (6) Section 213 of such Code is amended by
18 striking subsection (e).

19 (7) Section 6213(g)(2) of such Code is amend-
20 ed—

21 (A) in subparagraph (H), by striking “sec-
22 tion 21 (relating to expenses for household and
23 dependent care services necessary for gainful
24 employment) or”, and

1 (B) in subparagraph (L), by striking
2 “21,”.

3 (c) EFFECTIVE DATE.—The amendments made by
4 this section shall apply to taxable years beginning after
5 the date of the enactment of this Act.

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