

House Committee Build Back Better Bills

In September 2021, House Committees passed a series of bills to advance the Biden-Harris Administration's Build Back Better Agenda through budget reconciliation. Below are sample highlights that are relevant to child care facilities and provider capacity.

House Education and Labor Committee

- \$450 billion to lower the cost of child care and secure universal pre-K for three- and four-year-olds, including:
 - Creation of a child care quality grant program to improve the quality and supply of child care services. Child care facilities grants as identified as one of five quality child care activities; and
 - Community Development Financial Institutions (CDFIs) are listed as an entity eligible to administer activities on behalf of a state lead agency.
 - \$111 billion to lower the cost of higher education by funding two years of tuition-free community college and increasing the value of Pell Grants.
- Nearly \$80 billion to expand job training programs, including:
 - \$16 billion to support workers dislocated because of the pandemic;
 - \$15 billion for adult Workforce Innovation and Opportunity Act programs; and
 - \$10 billion for industry and sector partnerships.
- \$1.3 billion for AmeriCorps to establish a new Civilian Climate Corps, make adjustments to existing grants, and increase living allowances; and
- Nearly \$35 billion to help prevent child hunger by expanding child nutrition programs.

For additional information, see the [Education and Labor Committee's fact sheet](#).

House Ways and Means Committee

- Provides \$15 billion in infrastructure grants to improve child care safety to support the acquisition, construction and renovation of child care facilities; this includes \$15 million for grants to experienced intermediaries.
- Establishes a new federal tax credit to encourage the construction and rehabilitation of homes in distressed neighborhoods, as contained in the [Neighborhood Homes Investment Act](#).
- Makes several modifications to the Low Income Housing Tax Credit, including:
 - Increasing the formula for the allocated credits by 60 percent, phased in over the next four years; of which at least 10 percent must be used for projects that designate at least 20 percent of their units to serve extremely low income households;
 - Lowering the 50 percent bond financing threshold to 25 percent;
 - Providing a 50 percent basis boost for certain units serving extremely low income households, for up to 10 percent of the allocated credits and 15 percent of the 4 percent credits.

Contact Nicole Barcliff, NCFN co-chair, at nbarcliff@lisc.org for questions or comments.

- Providing up to a 30 percent basis boost for properties financed with 4 percent Housing Credits;
- Providing up to a 30 percent basis boost for developments in rural communities and Indian areas for buildings placed in service after December 31, 2021;
- Repeal of the qualified contract option for buildings receiving allocations after January 1, 2022; and
- Strengthening language around the Right of First Refusal for nonprofits, and converting it to a purchase option going forward.
- Provides a permanent extension of the New Markets Tax Credit (NMTC) at \$5 billion in annual allocation plus inflation adjustments; and
 - Provides an additional \$2 billion of allocation authority for 2022 and \$1 billion of additional allocation authority for 2023;
 - Creates a new, permanent additional annual allocation of \$175 million for projects in tribal areas or that that serve or employ tribe members; and
 - Provides a new, permanent additional allocation of \$100 million for low income communities in U.S. territories, 80 percent of which is directed toward projects in Puerto Rico.

For additional information, see the [Ways and Means Committee's summary](#).

House Small Business Committee

- \$1 billion to support an uplift accelerator program and business development academy at Historically Black Colleges and Universities (HBCUs) and Minority Serving Institutions (MSIs);
- \$1 billion to establish a national network of business incubators;
- \$9.5 billion to provide patient capital to underserved markets and small manufacturers under the Small Business Investment Company program;
- \$600 million to enhance, improve, and expand the Small Business Administration's Community Advantage program;
- \$4.4 billion to fund a direct loan product under the current 7(a) lending program;
- \$2.746 billion to establish a direct lending subprogram under the 504 CDC lending program to allow community development corporations (CDCs) to make loans to small contractors, small manufacturers, and small businesses in underrepresented markets; and
- Over \$100 million to invest in entrepreneurial training initiatives for the formerly incarcerated.

For additional information, see the [Small Business Committee's summary memo](#).