- (1) to entitle any child care provider or recipient of a child care certificate to any contract, grant or benefit; or
- (2) to limit the right of any State to impose additional limitations or conditions on contracts or grants funded under this subchapter.

(b) Construction of facilities

(1) In general

Except as provided for in section 9858m(c)(6) of this title, no funds made available under this subchapter shall be expended for the purchase or improvement of land, or for the purchase, construction, or permanent improvement (other than minor remodeling) of any building or facility.

(2) Sectarian agency or organization

In the case of a sectarian agency or organization, no funds made available under this subchapter may be used for the purposes described in paragraph (1) except to the extent that renovation or repair is necessary to bring the facility of such agency or organization into compliance with health and safety requirements referred to in section 9858c(c)(2)(F) of this title.

(Pub. L. 97–35, title VI, \$658F, as added Pub. L. 101–508, title V, \$5082(2), Nov. 5, 1990, 104 Stat. 1388–240; amended Pub. L. 102–401, \$3(a), Oct. 7, 1992, 106 Stat. 1959; Pub. L. 102–586, \$8(c)(1), Nov. 4, 1992, 106 Stat. 5036; Pub. L. 104–193, title VI, \$606, Aug. 22, 1996, 110 Stat. 2283.)

AMENDMENTS

1996—Subsec. (b)(1). Pub. L. 104–193 substituted "Except as provided for in section 9858m(c)(6) of this title, no funds" for "No funds".

1992—Pub. L. 102–401 and Pub. L. 102–586 made identical technical corrections to directory language of Pub. L. 101–508, \S 5082(2), which added this section.

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104-193 effective Oct. 1, 1996, see section 615 of Pub. L. 104-193, set out as a note under section 9858 of this title.

§ 9858e. Activities to improve quality of child

A State that receives funds to carry out this subchapter for a fiscal year, shall use not less than 4 percent of the amount of such funds for activities that are designed to provide comprehensive consumer education to parents and the public, activities that increase parental choice, and activities designed to improve the quality and availability of child care (such as resource and referral services).

(Pub. L. 97–35, title VI, $\S658G$, as added Pub. L. 101–508, title V, $\S5082(2)$, Nov. 5, 1990, 104 Stat. 1388–241; amended Pub. L. 102–401, $\S3(a)$, Oct. 7, 1992, 106 Stat. 1959; Pub. L. 102–586, $\S8(c)(1)$, Nov. 4, 1992, 106 Stat. 5036; Pub. L. 104–193, title VI, $\S607$, Aug. 22, 1996, 110 Stat. 2283.)

AMENDMENTS

1996—Pub. L. 104–193 reenacted section catchline without change and amended text generally, substituting current provisions for provisions requiring State receiving financial assistance under this subchapter to utilize not less than 20 percent of such assistance for one or more of following: resource and referral pro-

grams, grants or loans to assist in meeting State and local standards, monitoring of compliance with licensing and regulatory requirements, training, or improving salaries or other compensation to staff.

1992—Pub. L. 102–401 and Pub. L. 102–586 made identical technical corrections to directory language of Pub. L. 101–508, §5082(2), which added this section.

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104-193 effective Oct. 1, 1996, see section 615 of Pub. L. 104-193, set out as a note under section 9858 of this title.

§ 9858f. Repealed. Pub. L. 104–193, title VI, § 608, Aug. 22, 1996, 110 Stat. 2284

Section, Pub. L. 97-35, title VI, §658H, as added Pub. L. 101-508, title V, §5082(2), Nov. 5, 1990, 104 Stat. 1388-241; amended Pub. L. 102-401, §3(a), Oct. 7, 1992, 106 Stat. 1959; Pub. L. 102-586, §8(c)(1), Nov. 4, 1992, 106 Stat. 5036, related to early childhood development and before- and after-school services.

EFFECTIVE DATE OF REPEAL

Repeal 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.

§ 9858g. Administration and enforcement

(a) Administration

The Secretary shall—

- (1) coordinate all activities of the Department of Health and Human Services relating to child care, and, to the maximum extent practicable, coordinate such activities with similar activities of other Federal entities;
- (2) collect, publish and make available to the public a listing of State child care standards at least once every 3 years; and
- (3) provide technical assistance to assist States to carry out this subchapter, including assistance on a reimbursable basis.

(b) Enforcement

(1) Review of compliance with State plan

The Secretary shall review and monitor State compliance with this subchapter and the plan approved under section 9858c(c) of this title for the State.

(2) Noncompliance

(A) In general

If the Secretary, after reasonable notice to a State and opportunity for a hearing, finds that—

- (i) there has been a failure by the State to comply substantially with any provision or requirement set forth in the plan approved under section 9858c(c) of this title for the State; or
- (ii) in the operation of any program for which assistance is provided under this subchapter there is a failure by the State to comply substantially with any provision of this subchapter;

the Secretary shall notify the State of the finding and shall require that the State reimburse the Secretary for any funds that were improperly expended for purposes prohibited or not authorized by this subchapter, that the Secretary deduct from the administrative portion of the State allotment for the following fiscal year an amount that is

less than or equal to any improperly expended funds, or a combination of such options

(B) Additional sanctions

In the case of a finding of noncompliance made pursuant to subparagraph (A), the Secretary may, in addition to imposing the sanctions described in such subparagraph, impose other appropriate sanctions, including recoupment of money improperly expended for purposes prohibited or not authorized by this subchapter, and disqualification from the receipt of financial assistance under this subchapter.

(C) Notice

The notice required under subparagraph (A) shall include a specific identification of any additional sanction being imposed under subparagraph (B).

(3) Issuance of rules

The Secretary shall establish by rule procedures for—

(A) receiving, processing, and determining the validity of complaints concerning any failure of a State to comply with the State plan or any requirement of this subchapter; and

(B) imposing sanctions under this section.

(Pub. L. 97–35, title VI, $\S658I$, as added Pub. L. 101–508, title V, $\S5082(2)$, Nov. 5, 1990, 104 Stat. 1388–242; amended Pub. L. 102–401, $\S3(a)$, Oct. 7, 1992, 106 Stat. 1959; Pub. L. 102–586, $\S8(c)(1)$, Nov. 4, 1992, 106 Stat. 5036; Pub. L. 104–193, title VI, $\S609$, Aug. 22, 1996, 110 Stat. 2284.)

AMENDMENTS

1996—Subsec. (b)(1). Pub. L. 104–193, 609(1), struck out ", and shall have the power to terminate payments to the State in accordance with paragraph (2)" before period at end.

Subsec. (b)(2)(A). Pub. L. 104–193, §609(2), in closing provisions, substituted before period at end "finding and shall require that the State reimburse the Secretary for any funds that were improperly expended for purposes prohibited or not authorized by this subchapter, that the Secretary deduct from the administrative portion of the State allotment for the following fiscal year an amount that is less than or equal to any improperly expended funds, or a combination of such options" for "finding and that no further payments may be made to such State under this subchapter (or, in the case of noncompliance in the operation of a program or activity, that no further payments to the State will be made with respect to such program or activity) until the Secretary is satisfied that there is no longer any such failure to comply or that the noncompliance will be promptly corrected".

1992—Pub. L. 102–401 and Pub. L. 102–586 made identical technical corrections to directory language of Pub. L. 101–508, §5082(2), which added this section.

EFFECTIVE DATE OF 1996 AMENDMENT

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

§9858h. Payments

(a) In general

Subject to the availability of appropriations, a State that has an application approved by the Secretary under section 9858c(d) of this title

shall be entitled to a payment under this section for each fiscal year in an amount equal to its allotment under section 9858m of this title for such fiscal year.

(b) Method of payment

(1) In general

Subject to paragraph (2), the Secretary may make payments to a State in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

(2) Limitation

The Secretary may not make such payments in a manner that prevents the State from complying with the requirement specified in section 9858c(c)(3) of this title.

(c) Spending of funds by State

Payments to a State from the allotment under section 9858m of this title for any fiscal year may be obligated by the State in that fiscal year or in the succeeding fiscal year.

(Pub. L. 97–35, title VI, $\S658J$, as added Pub. L. 101–508, title V, $\S5082(2)$, Nov. 5, 1990, 104 Stat. 1388–243; amended Pub. L. 102–27, title III, $\S310$, Apr. 10, 1991, 105 Stat. 153; Pub. L. 102–401, $\S3(a)$, Oct. 7, 1992, 106 Stat. 1959; Pub. L. 102–586, $\S8(a)$, (c)(1), Nov. 4, 1992, 106 Stat. 5035, 5036; Pub. L. 103–171, $\S8$, Dec. 2, 1993, 107 Stat. 1994; Pub. L. 104–193, title VI, $\S610$, Aug. 22, 1996, 110 Stat. 2284.)

AMENDMENTS

1996—Subsec. (c). Pub. L. 104-193 substituted "obligated" for "expended" and "succeeding fiscal year" for "succeeding 3 fiscal years".

1993—Subsec. (c). Pub. L. 103–171 made technical correction to directory language of Pub. L. 102–586, $\S 8(a)$. See 1992 Amendment note below.

1992—Pub. L. 102-401 and Pub. L. 102-586, §8(c)(1), made identical technical corrections to directory language of Pub. L. 101-508, §5082(2), which added this section.

Subsec. (c). Pub. L. 102–586, §8(a), as amended by Pub. L. 103–171, substituted "expended" for "obligated" and "succeeding 3 fiscal years" for "succeeding fiscal year".

1991—Subsec. (c). Pub. L. 102-27 substituted "obligated" for "expended".

EFFECTIVE DATE OF 1996 AMENDMENT

Amendment by Pub. L. 104-193 effective Oct. 1, 1996, see section 615 of Pub. L. 104-193, set out as a note under section 9858 of this title.

EFFECTIVE DATE OF 1992 AMENDMENT

Section 8(d) of Pub. L. 102-586 provided that:

"(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section [enacting section 9858q of this title and amending this section and section 9858n of this title] shall take effect on the date of enactment of this Act [Nov. 4, 1992].

"(2) APPLICATION.—The amendments made by this section shall not apply with respect to fiscal years beginning before October 1, 1992."

§ 9858i. Reports and audits

(a) Reports

(1) Collection of information by States

(A) In general

A State that receives funds to carry out this subchapter shall collect the information