mit an application to the Secretary in such form as the Secretary may require.

(b) Contents of applications

- A State's application shall contain appropriate assurances that—
 - (1) scholarship assistance made available with funds provided under this chapter will be awarded—
 - (A) only to eligible individuals;
 - (B) on the basis of the financial need of such individuals: and
 - (C) in amounts sufficient to cover the cost of application, assessment, and credentialing (including, at the option of the State, any training necessary for credentialing) for the Child Development Associate credential for such individuals:
 - (2) not more than 35 percent of the funds received under this chapter by a State may be used to provide scholarship assistance under paragraph (1) to cover the cost of training described in paragraph (1)(C); and
 - (3) not more than 10 percent of the funds received by the State under this chapter will be used for the costs of administering the program established in such State to award such assistance.

(c) Equitable distribution

In making grants under this chapter, the Secretary shall—

- (1) distribute such grants equitably among States; and
- (2) ensure that the needs of rural and urban areas are appropriately addressed.

(Pub. L. 99–425, title VI, §603, Sept. 30, 1986, 100 Stat. 976; Pub. L. 101–501, title V, §501, Nov. 3, 1990, 104 Stat. 1256.)

AMENDMENTS

1990—Subsec. (b)(1)(C). Pub. L. 101–501, $\S501(a)$, (b)(1), inserted "(including, at the option of the State, any training necessary for credentialing)" after "credentialing" and struck out "and" at end.

Subsec. (b)(2), (3). Pub. L. 101-501, §501(b)(2), (3), added par. (2) and redesignated former par. (2) as (3).

EFFECTIVE DATE OF 1990 AMENDMENT

Amendment by Pub. L. 101-501 effective Oct. 1, 1990, see section 1001(a) of Pub. L. 101-501, set out as a note under section 8621 of this title.

EFFECTIVE DATE

Section effective Oct. 1, 1986, see section 1001 of Pub. L. 99-425, set out as an Effective Date of 1986 Amendment note under section 8621 of this title.

§ 10903. Definitions

For purposes of this chapter—

- (1) the term "eligible individual" means a candidate for the Child Development Associate credential whose income does not exceed the 1 130 percent of the lower living standard income level, by more than 50 percent;
- (2) the term "lower living standard income level" means that income level (adjusted for regional, metropolitan, urban, and rural differences and family size) determined annually

- by the Secretary of Labor and based on the most recent lower living family budget issued by the Secretary of Labor;
- (3) the term "Secretary" means the Secretary of Health and Human Services; and
- (4) the term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Commonwealth of the Northern Mariana Islands, the Marshall Islands, the Federated States of Micronesia, and Palau.

(Pub. L. 99–425, title VI, §604, Sept. 30, 1986, 100 Stat. 976; Pub. L. 101–501, title V, §502, Nov. 3, 1990, 104 Stat. 1256.)

AMENDMENTS

1990—Par. (1). Pub. L. 101-501, §502(1), substituted "130 percent of the lower living standard income level" for "poverty line, as defined in section 9902(2) of this title".

Pars. (2) to (4). Pub. L. 101–501, §502(2), (3), added par. (2) and redesignated former pars. (2) and (3) as (3) and (4), respectively.

Effective Date of 1990 Amendment

Amendment by Pub. L. 101-501 effective Oct. 1, 1990, see section 1001(a) of Pub. L. 101-501, set out as a note under section 8621 of this title.

EFFECTIVE DATE

Section effective Oct. 1, 1986, see section 1001 of Pub. L. 99–425, set out as an Effective Date of 1986 Amendment note under section 8621 of this title.

§ 10904. Annual report by States; contents; manner of payments pursuant to grants

(a) Reporting

Each State receiving grants under this chapter shall annually submit to the Secretary information on the number of eligible individuals assisted under the grant program, and their positions and salaries before and after receiving the Child Development Associate credential.

(b) Payments

Payments pursuant to grants made under this chapter may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Secretary may determine.

(Pub. L. 99-425, title VI, §605, Sept. 30, 1986, 100 Stat. 977.)

EFFECTIVE DATE

Section effective Oct. 1, 1986, see section 1001 of Pub. L. 99–425, set out as an Effective Date of 1986 Amendment note under section 8621 of this title.

§ 10905. Authorization of appropriations

There are authorized to be appropriated to carry out this chapter such sums as may be necessary for fiscal year 1995.

(Pub. L. 99–425, title VI, §606, Sept. 30, 1986, 100 Stat. 977; Pub. L. 101–501, title V, §503, Nov. 3, 1990, 104 Stat. 1256; Pub. L. 103–252, title I, §124, May 18, 1994, 108 Stat. 650.)

AMENDMENTS

1994—Pub. L. 103–252 substituted "to carry out this chapter such sums as may be necessary for fiscal year

 $^{^{\}rm 1}\,\mathrm{So}$ in original. The word "the" probably should not appear.

² So in original. The comma probably should not appear.