

119TH CONGRESS
2^D SESSION

H. R. 7723

To amend the Child Care and Development Block Grant Act of 1990 to debar child care providers that committed fraud from receiving financial assistance under the Act, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 26, 2026

Ms. FOXX introduced the following bill; which was referred to the Committee on Education and Workforce

A BILL

To amend the Child Care and Development Block Grant Act of 1990 to debar child care providers that committed fraud from receiving financial assistance under the Act, 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 “Safeguarding Taxpayer
5 Dollars in Child Care Act”.

1 **SEC. 2. PREVENTING FRAUD IN THE CHILD CARE AND DE-**
2 **VELOPMENT BLOCK GRANT PROGRAM.**

3 Section 658I(b) of the Child Care and Development
4 Block Grant Act of 1990 (42 U.S.C. 9858g(b)) is amend-
5 ed—

6 (1) by redesignating paragraph (3) as para-
7 graph (4); and

8 (2) by inserting after paragraph (2) the fol-
9 lowing:

10 “(3) DETERMINATION OF FRAUD.—

11 “(A) INVESTIGATION.—The Secretary shall
12 investigate fraud with respect to financial as-
13 sistance available under this subchapter.

14 “(B) DEBARMENT.—In the case that the
15 Secretary makes, or finds that there has been,
16 a final determination of fraud against a child
17 care provider that received financial assistance
18 available under this subchapter, the Secretary
19 shall permanently debar such child care pro-
20 vider from receiving such financial assistance.

21 “(C) PROVIDERS DEBARRED FROM CHILD
22 AND ADULT CARE FOOD PROGRAM.—In the case
23 that a child care provider has been debarred
24 from participating in the Child and Adult Care
25 Food Program under section 17 of the Richard
26 B. Russell National School Lunch Act (42

1 U.S.C. 1766) in accordance with subsection
2 (d)(5)(E)(i) of such section, the Secretary shall
3 permanently debar such child care provider
4 from receiving financial assistance under this
5 subchapter.

6 “(D) FINAL DETERMINATION OF FRAUD
7 DEFINITION.—In this paragraph, the term
8 ‘final determination of fraud’ means a deter-
9 mination reached in an administrative order or
10 as part of a judicial decision, for which any
11 rights to review or appeal have been exhausted
12 or waived, that a child care provider—

13 “(i) knowingly submitted a false state-
14 ment or documentation to obtain financial
15 assistance available under this subchapter;

16 “(ii) misrepresented ownership of, en-
17 rollment at, attendance at, or services pro-
18 vided through a program of child care
19 services, or the eligibility of the provider to
20 provide such services, to obtain such finan-
21 cial assistance;

22 “(iii) to obtain such financial assist-
23 ance, operated without the State licensing
24 under section 658E(c)(2)(F) and without
25 receiving an exception to such licensing;

1 “(iv) made a knowing and improper
 2 expenditure of such financial assistance; or
 3 “(v) engaged in any other conduct re-
 4 lated to such financial assistance that con-
 5 stituted fraud under Federal or State
 6 law.”.

7 **SEC. 3. PREVENTING FRAUD IN THE CHILD AND ADULT**
 8 **CARE FOOD PROGRAM.**

9 Section 17(d)(5) of the Richard B. Russell National
 10 School Lunch Act (42 U.S.C. 1766(d)(5)(E)) is amend-
 11 ed—

12 (1) by redesignating subparagraph (E) as sub-
 13 paragraph (F); and

14 (2) by inserting after subparagraph (D) the fol-
 15 lowing:

16 “(E) TERMINATION DUE TO FRAUD.—

17 “(i) DEBARMENT.—In the case that
 18 the participation of an institution or family
 19 or group day care home under the program
 20 is terminated due to a final determination
 21 of fraud, the Secretary shall permanently
 22 debar such institution or family or group
 23 day care home from participating in the
 24 program.

1 “(ii) PROVIDERS DEBARRED FROM
2 CHILD CARE AND DEVELOPMENT BLOCK
3 GRANT PROGRAM.—In the case that an in-
4 stitution or family or group day care home
5 has been debarred from receiving financial
6 assistance under the Child Care and Devel-
7 opment Block Grant Act of 1990 (42
8 U.S.C. 9857 et seq.) in accordance with
9 section 658I(b)(3)(A) of such Act, the Sec-
10 retary shall permanently debar such insti-
11 tution or family or group day care home
12 from participating in the program.

13 “(iii) FINAL DETERMINATION OF
14 FRAUD DEFINITION.—In this subpara-
15 graph, the term ‘final determination of
16 fraud’ means a determination reached in
17 accordance with the procedures and re-
18 quirements of this section, for which any
19 rights to review or appeal have been ex-
20 hausted or waived, that an institution or
21 family or group day care home—

22 “(I) knowingly submitted a false
23 statement or documentation to obtain
24 funds disbursed under subsection
25 (f)(1)(A);

1 “(II) misrepresented ownership,
2 enrollment, attendance, or services in
3 connection with the operation of the
4 program by such institution or family
5 or group day care home, or the eligi-
6 bility of such institution or family or
7 group day care home to operate the
8 program, to obtain such funds;

9 “(III) made a knowing and im-
10 proper expenditure of such funds; or

11 “(IV) engaged in any other con-
12 duct related to such funds that con-
13 stituted fraud under Federal or State
14 law.”.

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