

## Infants and Toddlers in the Child Care and Development Block Grant Program: 2007 Update

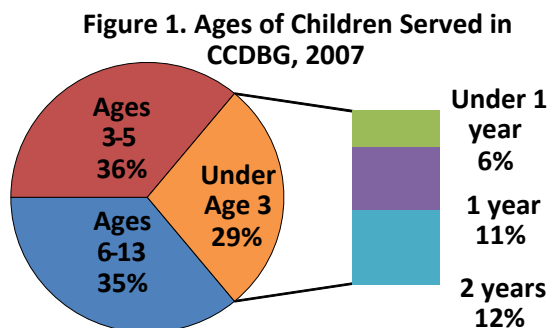
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### What do we know about infants and toddlers in the Child Care and Development Block Grant (CCDBG) program?

CCDBG is the primary source of federal funding for child care subsidies for low-income working families and funds to improve child care quality. CCDBG provides child care assistance to children from birth to age 13. In fiscal year 2008, CCDBG provided \$5 billion in federal funding, with states expected to contribute an additional \$2 billion to draw down all federal funds. This fact sheet highlights key information about infants and toddlers and CCDBG.<sup>1</sup>

CCDBG allows states a great deal of flexibility in how they design their programs, within minimal federal guidelines. Among policies set by states are payment rates for providers, which are a critical component in access to quality care for infants and toddlers. In 2008, only 10 states had rates equal to the 75<sup>th</sup> percentile of current market rates for child care, the level recommended by federal regulations; 18 states set their maximum payment rates for a 1-year-old in a child care center at 20 percent or more below the 75<sup>th</sup> percentile.<sup>2</sup> In 2008, ten states reported using a higher reimbursement rate for infant/toddler care in order to improve access.<sup>3</sup> Other state policies to improve the access and quality of infant care include direct contracts with child care providers, small group sizes, good staff-to-child ratios, and training on critical health and safety issues for infant/toddler caregivers.<sup>4</sup>

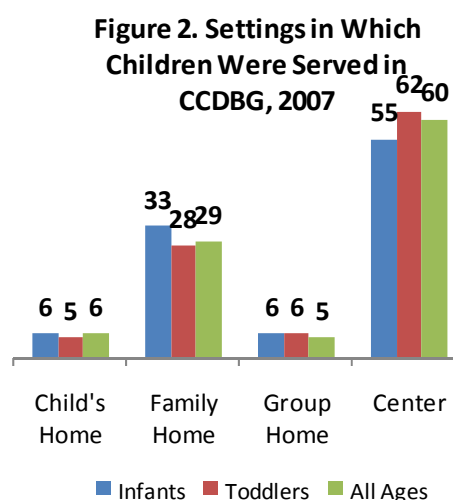


### Over a quarter of children served in CCDBG are under the age of 3.

In FY 2007, nearly 500,000 infants and toddlers received CCDBG-funded child care assistance in an average month, comprising approximately 29 percent of all children receiving CCDBG (see Figure 1). The share of children receiving CCDBG who are infants and toddlers varies from state to state. Arkansas serves the greatest share with over half (55 percent) of children under the age of 3. Infants and toddlers make up the smallest share of children served in California (20 percent). Infants and toddlers make up a third or more of all children served in CCDBG in 14 states: Georgia (33 percent), Iowa (33 percent), Kentucky (33 percent), Ohio (33 percent), Texas (33 percent), Wyoming (33 percent), Montana (34 percent), Nebraska (35 percent), South Carolina (35 percent), South Dakota (35 percent), North Dakota (39 percent), District of Columbia (41 percent), Louisiana (41 percent), and Arkansas (55 percent, see Table 1).

### Over half of infants and toddlers in CCDBG are served in center-based care.

Infants and toddlers in low-income families that receive child care assistance are more likely to be in center-based care compared to other low-income infants and toddlers. Fifty-five percent of infants and 62 percent of toddlers receiving CCDBG are cared for in centers. Among all children under age 3 of employed mothers, only 18 percent from poor households (under 100 percent of poverty) and 16 percent from low-income households (100-200 percent of poverty) are cared for in centers.<sup>5</sup> A family home was the second most common setting for infants and toddlers in CCDBG (see Figure 2).



### The CCDBG infant/toddler earmark funds a range of services.

Federal CCDBG funding includes an earmark to improve the quality of care for infants and toddlers. In FY 2008, the infant/toddler earmark in CCDBG was funded at \$96 million, or approximately 2 percent of federal CCDBG funds. The infant and toddler earmark was initially funded at \$50 million in 1998. It increased to \$100 million in 2001 and has subsequently declined slightly as CCDBG discretionary funding has been subject to flat funding and minor cuts.

States use the infant/toddler earmark to fund a range of services including technical assistance; training or education for infant and toddler child care providers; financial incentives such as scholarships, wage supplements, or higher reimbursement rates; grants for specialized equipment and supplies for programs serving infants and toddlers; support for infant and toddler specialists or health consultants; support for parent and consumer education initiatives; and collaborations with Early Head Start.<sup>6</sup>

## Funds earmarked for infants and toddlers comprise a small portion of CCDBG spending.

In FY 2006, the latest year data are available, states spent a total of \$9.3 billion in state and federal CCDBG funds—including funds transferred from the Temporary Assistance for Needy Families (TANF) block grant to CCDBG. This total includes funds that were appropriated and liquidated in FY 2006, as well as funds that were appropriated in prior years but liquidated in 2006.<sup>7</sup>

Total spending of funds earmarked for infants and toddlers, including funds appropriated in prior fiscal years, was \$121 million, or 1 percent of total federal and state CCDBG expenditures. In FY 2005, states spent a total of \$115 million on funds earmarked for infants and toddlers, which comprised 1 percent of total federal and state CCDBG expenditures in that year.

**Table 1. Ages of Children Served in CCDBG by State, 2007**

State	Infants/Toddlers (Under Age 3)	Preschoolers (Ages 3-5)	School-Age (Ages 6-13)
Alabama	32%	34%	34%
Alaska	32%	37%	32%
Arizona	30%	36%	33%
Arkansas	55%	44%	0%
California	20%	43%	38%
Colorado	32%	37%	31%
Connecticut	30%	37%	33%
Delaware	32%	35%	34%
District of Columbia	41%	38%	21%
Florida	32%	40%	29%
Georgia	33%	33%	32%
Hawaii	30%	44%	26%
Idaho	31%	36%	32%
Illinois	27%	31%	42%
Indiana	29%	38%	32%
Iowa	33%	33%	34%
Kansas	31%	36%	33%
Kentucky	33%	35%	33%
Louisiana	41%	33%	26%
Maine	25%	40%	35%
Maryland	30%	34%	36%
Massachusetts	31%	36%	33%
Michigan	25%	29%	45%
Minnesota	32%	35%	33%
Mississippi	30%	33%	36%
Missouri	28%	35%	28%
Montana	34%	38%	28%
Nebraska	35%	34%	30%
Nevada	29%	36%	35%

New Hampshire	27%	37%	33%
New Jersey	29%	33%	36%
New Mexico	32%	37%	32%
New York	25%	35%	41%
North Carolina	26%	34%	40%
North Dakota	39%	34%	27%
Ohio	33%	33%	35%
Oklahoma	32%	36%	30%
Oregon	30%	33%	37%
Pennsylvania	26%	34%	39%
Rhode Island	25%	34%	42%
South Carolina	35%	35%	30%
South Dakota	35%	39%	26%
Tennessee	32%	34%	33%
Texas	33%	34%	33%
Utah	29%	35%	35%
Vermont	28%	38%	33%
Virginia	32%	38%	30%
Washington	30%	34%	35%
West Virginia	30%	35%	35%
Wisconsin	31%	34%	35%
Wyoming	33%	40%	27%
U.S.	29%	36%	35%

Source: U.S. Department of Health and Human Services, Administration for Children and Youth, Child Care Bureau, *Table 9: Child Care and Development Fund, Average Monthly Percentages of Children In Care By Age Group (FFY 2007)*, [http://www.acf.hhs.gov/programs/ccb/data/ccdf\\_data/07acf800\\_preliminary/table9.htm](http://www.acf.hhs.gov/programs/ccb/data/ccdf_data/07acf800_preliminary/table9.htm).

<sup>1</sup> The information in this fact sheet is limited to infants and toddlers receiving CCDBG-funded child care assistance in federal fiscal year 2007. Participation data on children served through other sources, including Temporary Assistance for Needy Families funds, are not available. Data, unless otherwise noted, comes from U.S. Department of Health and Human Services, Administration for Children and Services, Child Care Bureau, *FFY 2007 CCDF Data Tables (Preliminary Estimates)*, [http://www.acf.hhs.gov/programs/ccb/data/ccdf\\_data/07acf800\\_preliminary/list.htm](http://www.acf.hhs.gov/programs/ccb/data/ccdf_data/07acf800_preliminary/list.htm). For information on children of all ages served in CCDBG, see Hannah Matthews, *Child Care and Development Block Grant Participation in 2007*, Center for Law and Social Policy, 2008, [http://clasp.org/publications/ccdbgp participation\\_2007.pdf](http://clasp.org/publications/ccdbgp participation_2007.pdf).

<sup>2</sup> Karen Schulman and Helen Blank, *State Child Care Assistance Policies in 2008: Too Little Progress for Children and Families*, National Women's Law Center, 2008, <http://www.nwlc.org/pdf/StateChildCareAssistancePoliciesReport08.pdf>.

<sup>3</sup> U.S. Department of Health and Human Services, Administration for Children and Families, Child Care Bureau, *Child Care and Development Fund: Report of State and Territory Plans, FY 2008-FY 2009*, 2008, <http://www.nccic.org/pubs/stateplan2008-09/index.html>.

<sup>4</sup> See Rachel Schumacher, Elizabeth Hoffmann, and Anne Goldstein, *Charting Progress for Babies in Child Care: Policy Framework Summary*, Center for Law and Social Policy, 2008, <http://childcareandearlyed.clasp.org/babiesinchildcare.html>.

<sup>5</sup> Jennifer Macomber, Gina Adams, and Kathryn Tout, *Who's Caring for Our Youngest Children? Child Care Patterns of Infants and Toddlers*, Urban Institute, 2001, <http://www.urban.org/url.cfm?ID=310029>.

<sup>6</sup> U.S. Department of Health and Human Services, *Child Care and Development Fund: Report of State and Territory Plans*.

<sup>7</sup> CCDBG contains several funding streams, each with their own rules for liquidation. Funds appropriated for the infant/toddler earmark must be obligated (or legally committed) in two years and liquidated in the subsequent year. For more information on child care spending, see: Hannah Matthews and Danielle Ewen, *Child Care Assistance in 2006: Insufficient Investments*, Center for Law and Social Policy, 2008, [http://www.clasp.org/publications/childcareassistance\\_2006.pdf](http://www.clasp.org/publications/childcareassistance_2006.pdf).