

Child Care and Development Block Grant Participation in 2009

January 2011

By Hannah Matthews and Teresa Lim

The Office of Child Care released preliminary federal fiscal year 2009 administrative data for the Child Care and Development Block Grant (CCDBG). This fact sheet provides a snapshot of CCDBG program participation in 2009, noting the great variability in child care assistance programs among states. Participation is one of several significant variations among state child care programs. Policymakers and advocates are encouraged to obtain the most recent information about their state—including data on participation, expenditures, income eligibility criteria, and provider reimbursement rates—to evaluate the full range of child care assistance policies.

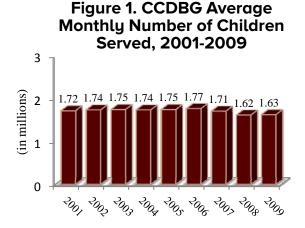
State-by-state profiles of CCDBG participation are available at Hwww.clasp.org/in_the_state s/H. In addition, custom tables including state and national CCDBG participation data can be created and downloaded using CLASP's custom DataFinder tool at Hwww.clasp.org/data/H.

A snapshot of CCDBG participation in 2009:

The number of children receiving CCDBG assistance increased slightly in 2009. CCDBG served a monthly average of 1.63 million children in 2009, a slight increase of 6,700 children from 2008.² This was the second smallest number of children served by CCDBG this decade (see Figure 1). State data on children served vary. About half of states (23) served fewer children in 2009 than in 2008, while the other half (24 states) served more children.³

Several states reported large decreases in numbers of children served in 2009:

- Alabama served 5,100 fewer children, a 16 percent decrease.
- Pennsylvania served 4,200 fewer children, a 4 percent decrease.
- Utah served 2,500 fewer children, a 20 percent decrease.
- Minnesota served 2,400 children, a 10 percent decrease.



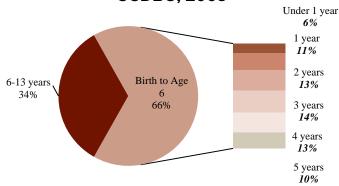
Note: The data in this fact sheet are based on children who received CCDBG-funded child care assistance in 2009. Participation data on children who received assistance through other sources of funding, including the Temporary Assistance for Needy Families (TANF) block grant, are not available.



CCDBG Participation in 2009

January 2011 2

Figure 2. Ages of Children Served in CCDBG, 2009



All families that qualify for child care assistance cannot access subsidies. According to research from the National Women's Law Center, as of early 2010, 19 states had waiting lists or had frozen intake for child care assistance. Waiting lists were as high as 194,460 children in California and 66,947 children in Florida.⁴

In FY 2009, states received an additional \$2 billion in CCDBG funding through the American Recovery and Reinvestment Act (ARRA). Congress anticipated that these funds would provide child care for an additional 300,000 children over two years.⁵

CCDBG serves children from birth to age 13. Fewer than a third of children served in 2009 were under age 3, while the 3 to 5 and 6 to 13 age groups each comprised more than one-third of children served (see Figure 2). This national breakdown has been fairly consistent over time. Infants and toddlers, under age 3, comprised a large portion of children served in Arkansas (58 percent), the District of Columbia (46 percent), Louisiana (44 percent), and North Dakota (40 percent). Preschool aged children, ages 3 to 5, comprised a large portion of children served in Maine (45 percent), California (44 percent), Arkansas (42 percent), and Florida (40 percent).

CCDBG serves children from different backgrounds. African American children comprised 44 percent, and white children comprised 43 percent of children served in CCDBG in 2009. Native American or Alaskan Native, Asian, and Native Hawaiian or Pacific children each comprised 1 percent of children served. Two percent of children served were multi-racial; a race was not reported for 7 percent of children. Twenty percent of children served were Latino (regardless of race). Information on the languages spoken or country of origin of children or families served in CCDBG is not available.⁶

Three-quarters of children are in licensed settings, and more than half are in center-based care. CCDBG allows families to select the child care provider of their choice. In 2009, 63 percent of children were cared for in center-based settings, 26 percent in family child care homes, 5 percent in their own homes, and 5 percent in group homes. Seventy-eight percent of children were cared for in licensed or regulated settings; 12 percent were in license-exempt care with a relative, and 8 percent were in license-exempt care with a non-relative. Nearly all children served in Arkansas, the District of Columbia, Oklahoma, North Carolina, and Rhode Island, and Texas are in licensed care, while more than half of children served in Hawaii, Michigan, and Oregon are in license-exempt care.



CCDBG Participation in 2009

January 2011

3

Vouchers are the most common type of payment for care. In 2009, 91 percent of children received

CCDBG assistance through vouchers or certificates. Six percent of children were served through grants or contracts, and 3 percent were served through cash payments. Contracts, which are formal agreements between a state and a provider to serve a set number of children, can be a way to guarantee that families can successfully find the care they need particularly in communities without an adequate supply of child care. While most states do not use contracts, California, Hawaii, Maine, and Massachusetts serve a third or more of children through contracts.

Most families receiving CCDBG are working, lowincome, and providing co-payments. The vast majority of families receive CCDBG assistance because they are working; 93 percent are working and/or in education or training programs (see Figure 3).

2009 Protective Services Other 5% Both Employment and Training Training & Educa-tion Employ-11% ment 75%

Figure 3. Percentages of

Families by Reason for **Receiving CCDBG Assistance**

Though most families work, they are very low-income. In 2005, the latest year income data are available, the median

monthly income of families receiving CCDBG-funded assistance was \$1,283 or \$15,396 when annualized; nearly 15 percent of families had incomes greater than \$2,000 a month. Nearly half (49 percent) of families had incomes below the federal poverty level and an additional 27 percent of families had incomes between 100-150 percent of poverty. Most (86 percent) of these families were single parent households.⁸

In 2009, 16 percent of CCDBG families received TANF assistance. Sixty-five percent of CCDBG families paid co-payments for care. The mean co-payment amount was 6 percent of family income.

¹ Information in this fact sheet is based on Office of Child Care, FFY 2009 CCDF Data Tables (Preliminary Estimates), http://www.acf.hhs.gov/programs/ccb/data/index.htm.

² HHS estimates that in 2008, 2.5 million children received child care assistance through all sources, including CCDBG, TANF, and

³ We include the District of Columbia as a state in this analysis.

⁴ Karen Schulman and Helen Blank, State Child Care Assistance Policies 20010: New Federal Funds Help States Weather the Storm, National Women's Law Center, 2010, http://www.nwlc.org/sites/default/files/pdfs/statechildcareassistancepoliciesreport2010.pdf.

⁵ U.S. House Committee on Appropriations, Summary: American Recovery and Reinvestment, 2009, http://appropriations.house.gov/pdf/PressSummary01-15-09.pdf.

⁶ The U.S. Government Accountability Office (GAO) found that 13 states collect some language data from parents whose children receive subsidies, but language information is not available nationally. GAO, Report to Congressional Requestors, Child Care and Early Childhood Education: More Information Sharing and Program Review by HHS Could Enhance Access for Families with Limited English Proficiency, 2006, http://www.gao.gov/new.items/d06807.pdf.



CCDBG Participation in 2009

January 2011 4

⁷ Hannah Matthews and Rachel Schumacher, *Ensuring Quality Care for Low-Income Babies: Contracting Directly with Providers to Expand and Improve Infant and Toddler Care*, CLASP, 2008, http://www.clasp.org/admin/site/publications/files/0422.pdf. ⁸ Office of Child Care, *Child Care and Development Fund Report to Congress for FY 2004 and FY 2005*, 2008, http://www.acf.hhs.gov/programs/ccb/ccdf/rtc/rtc2004/intro.htm. Income data for 2009 are not available.