



Child Care and Development Block Grant Participation in 2012

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The Child Care and Development Block Grant (CCDBG) is the primary funding source for federal child care subsidies to low-income working families, as well as improving child care quality. Based on preliminary state-reported data from the federal Office of Child Care, this fact sheet provides a snapshot of CCDBG program participation in 2012, noting the great variability in child care assistance programs among states.¹

Custom tables including state and national CCDBG participation data can be created and downloaded using CLASP's custom DataFinder tool at www.clasp.org/data.

Fewer children are receiving CCDBG-funded child care.

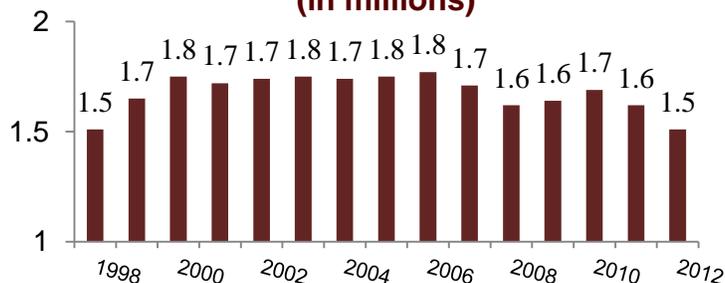
According to preliminary data, 1.5 million children were served by CCDBG on average each month in 2012 (see Figure 1). This was a decrease of 116,400 children from 2011 and the lowest number since 1998. Since 2006, the number of children receiving CCDBG-funded child care has fallen by approximately 263,000 children. Thirty-three states served fewer children in 2012 as compared to the previous year, while 15 states served more children.²

Several states reported large decreases in children served between 2011 and 2012:

- North Dakota served 1,400 fewer children (a 37 percent drop).
- Nevada served 2,600 fewer children (a 35 percent drop).
- Oregon served 5,100 fewer children (a 26 percent drop).
- Georgia served 15,300 fewer children (a 25 percent drop).

Not all families that qualify for child care assistance can access subsidies. According to the National Women's Law Center³ 19 states had waiting lists or had frozen intake for child care assistance as of 2013. Waiting lists were as high as 60,259 children or families in Florida and 51,792 children or families in Massachusetts.³

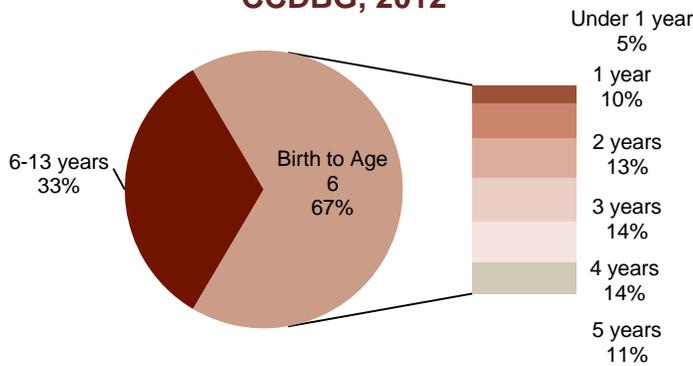
Figure 1. Average Monthly Number of Children Served in CCDBG, FFY 1998-2012 (in millions)



Source: HHS administrative data. FY 2012 data are preliminary.

Note: The data in this fact sheet are based on children who received CCDBG-funded child care assistance in 2012; this includes children served through transfers from the Temporary Assistance for Needy Families (TANF) block grant to CCDBG. Data on children served with TANF or other funds directly are not available.

Figure 2. Ages of Children Served in CCDBG, 2012



According to the U.S. Department of Health and Human Services, 18 percent of children eligible to receive assistance under federal rules were served in 2009.⁴ And given declining investments since then, child care assistance may be reaching an even smaller share of the eligible population today.⁵

CCDBG serves children from birth to age 13. In 2012, 28 percent of children served were under age 3, while the 3 to 5 and 6 to 13 age groups each comprised one-third or more of all children served (see Figure 2). This national

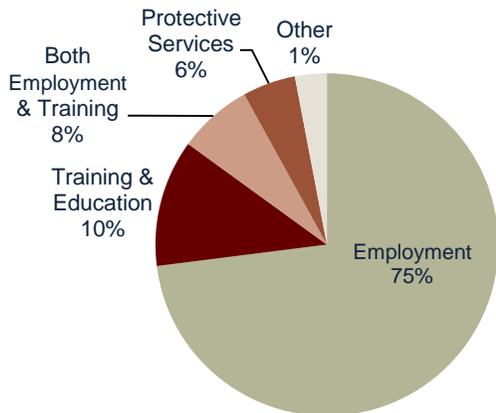
breakdown has been fairly consistent over time. Infants and toddlers under age 3 comprised a large portion of children served in the District of Columbia (48 percent), Arkansas (45 percent), and Louisiana (42 percent). Preschool children, ages 3 to 5, comprised a large portion of children served in California (49 percent), New Hampshire (48 percent), and Florida (44 percent). School aged children, ages 6 to 13, comprised a large portion of children served in North Carolina (42 percent), Illinois (40 percent), and Michigan and Rhode Island (39 percent).

CCDBG serves children from diverse backgrounds. In 2012, whites comprised 43 percent and African Americans 42 percent of all children served in CCDBG. Native Americans/Alaskan Natives, Asians, and Native Hawaiians/Pacific Islanders each comprised 1 percent of children served. Three percent of children served were multi-racial; a race was not reported for 8 percent of children. Twenty one percent of children served were Latino (regardless of race). While some states collect language data, there is no federal data available on the languages spoken by CCDBG children.

Over three-quarters of children in CCDBG are cared for in licensed settings, and more than half are cared for in center-based settings. CCDBG allows families to select the child care provider of their choice. In 2012, 68 percent of children were cared for in center-based settings, 21 percent in family child care homes, 6 percent in group homes, and 4 percent in their own homes. Eighty three percent of children were cared for in licensed or regulated settings, 8 percent were in license-exempt care with a relative, and 8 percent were in license-exempt care with a non-relative. Nearly all (98-100 percent) children in Arkansas, the District of Columbia, Georgia, Massachusetts, North Carolina, Ohio, Oklahoma, Rhode Island, and Texas are cared for in licensed settings. Half or more of children served in Hawaii (73 percent) and Oregon (50 percent) are in license-exempt care.

Vouchers are the most common type of payment for care in CCDBG. In 2012, 89 percent of children received CCDBG assistance through vouchers or certificates. Eight percent of children were served through grants or contracts, and 2 percent were served through cash payments. The share of children served through contracts (formal agreements between a state and provider to serve a set number of children) has declined in recent years. This is despite evidence that contracts increase the supply and quality of child care.⁶

Figure 3. Percentages of Families by Reason for Receiving CCDBG Assistance 2012



While most states do not use contracts, California (42 percent) and Massachusetts (40 percent) serve a plurality of their CCDBG children using this approach.

Most families receiving CCDBG are working, low-income, and contributing to child care costs. The majority of families receive CCDBG assistance because they are working; 93 percent are employed and/or in education or training programs (see Figure 3).

While most families work, they are very low income. In 2010, the latest year for which income data are available, the median monthly income of families receiving CCDBG-funded assistance was \$1,449 (\$17,388 annualized). Nearly half (49 percent) of families had incomes below the federal poverty level and an

additional 26 percent of families had incomes between 100-150 percent of poverty.⁷

In 2012, 17 percent of CCDBG families received assistance from TANF. Sixty-three percent of CCDBG families paid co-payments for child care; the mean co-payment amount was 7 percent of family income.

¹ Information in this fact sheet is based on Office of Child Care, *FFY 2012 CCDF Data Tables (Preliminary Estimates)*, <http://www.acf.hhs.gov/programs/occ/resource/fy-2012-ccdf-data-tables-preliminary>.

² Alaska, the District of Columbia and Vermont served the same number of children. In this analysis, we count the District of Columbia as a state.

³ Karen Schulman and Helen Blank, *Pivot Point: State Child Care Assistance Policies 2013*, National Women's Law Center, 2013, http://www.nwlc.org/sites/default/files/pdfs/final_nwlc_2013statechildcareassistancereport.pdf.

⁴ Office of the Assistant Secretary of Research and Evaluation. "Estimates of Child Care Eligibility and Receipt for Fiscal Year 2009." 2012, <http://aspe.hhs.gov/hsp/12/childcareeligibility/ib.cfm>.

⁵ Hannah Matthews and Stephanie Schmit, *Child Care Assistance Spending and Participation in 2012*, CLASP, 2014, <http://www.clasp.org/resources-and-publications/publication-1/ccspending2012-Final.pdf>.

⁶ 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>.

⁷ Administration for Children and Families Office of Child Care. *Child Care and Development Fund Report to Congress for FY 2008 – FY 2011*, http://www.acf.hhs.gov/sites/default/files/occ/ccdf_report_to_congress_2008_2011.pdf.