



# Child Care and Development Block Grant Participation in 2013

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By Christina Walker and Rhiannon Reeves\*

The Child Care and Development Block Grant (CCDBG) is the primary funding source for federal child care subsidies to low-income working families. CCDBG is also the primary support in most states for the child care system and infrastructure, as well initiatives for improving child care quality. Based on state-reported data from the federal Office of Child Care, this fact sheet provides a snapshot of CCDBG program participation in 2013.<sup>1</sup>

Use CLASP's easy-to-use DataFinder to create customized tables on state and national trends in CCDBG and other programs at [www.clasp.org/data](http://www.clasp.org/data).

## Number of children receiving CCDBG-funded child care at 15-year low.

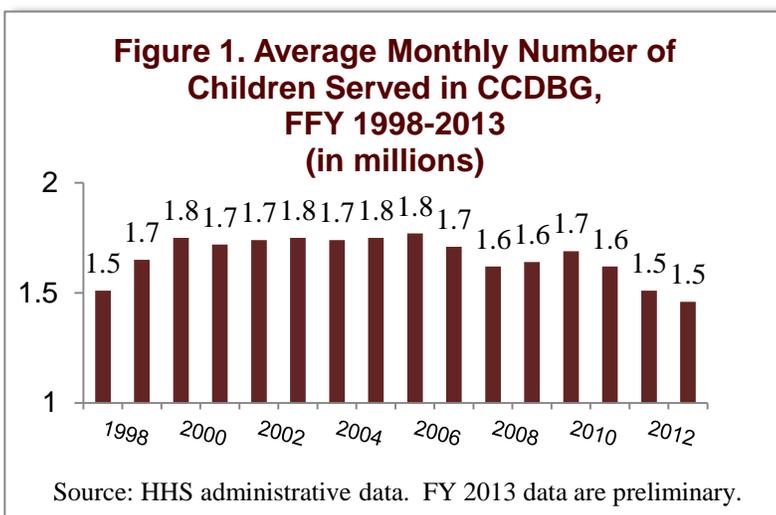
According to preliminary data, the number of children served by CCDBG fell by 52,200 children from 2012, with fewer than 1.46 million children served on average each month in 2013 (see Figure 1). This represents the fewest children served since 1998. Thirty-two states served fewer children in 2013 as compared to the previous year, while 17 states served more children.<sup>2</sup> Since 2006, the average monthly number of children receiving CCDBG-funded child care has fallen by approximately 315,000.

Several states reported large decreases in children served between 2012 and 2013:

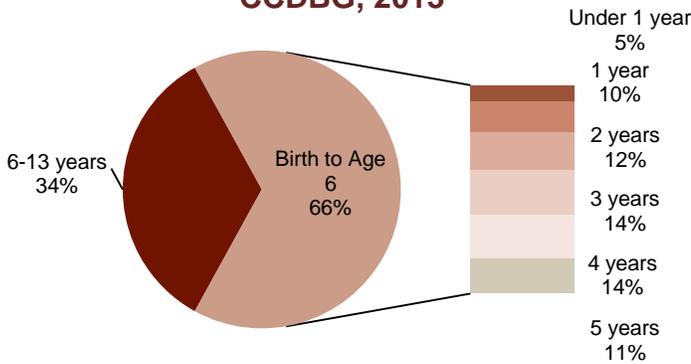
- Maine served 1,200 fewer children (80 percent drop).
- Kentucky served 6,900 fewer children (36 percent drop).
- Missouri served 12,300 fewer children (35 percent drop).

While fewer children are being served, it's not for lack of need. State data show that there is a high need for assistance in many states where not all eligible families can access subsidies. According to the National Women's Law Center, 18 states had waiting lists or had frozen intake for child care assistance as of 2014. Waiting lists were as high as 40,047 children or families in Massachusetts and 37,867 children or families in Florida.<sup>3</sup>

According to the U.S. Department of Health and Human Services, 17 percent of children eligible to receive assistance under federal rules were served in 2011.<sup>4</sup> And given declining investments, child care assistance may be reaching an even smaller share of the eligible population today.<sup>5</sup>



**Figure 2. Ages of Children Served in CCDBG, 2013**



**CCDBG serves children from birth to age 13.** In 2013, 27 percent of children served were under age 3, while the 3 to 5 and 6 to 13 age groups each comprised more than one-third 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 (46 percent), Arkansas (45 percent), and Louisiana (40 percent). Preschool children, ages 3 to 5, comprised a large portion of children served in California (47 percent), New Hampshire (47 percent), and Florida (44 percent). School-age children, ages 6 to 13, comprised a large portion of children served in North Carolina (43 percent), Oregon (41 percent), Rhode Island (40 percent), and Illinois (40 percent).

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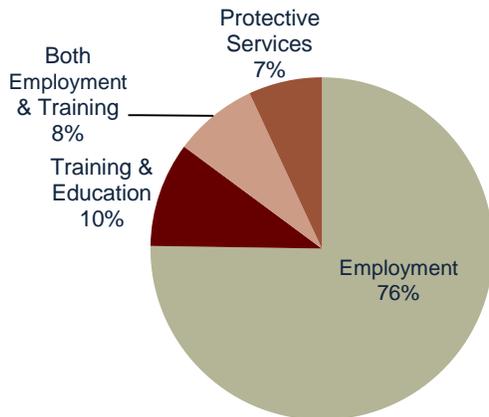
**CCDBG serves children from diverse backgrounds.** In 2013, whites comprised 43 percent and African Americans 42 percent of all children served in CCDBG. Twenty two percent of children served were Latino (regardless of race). Native Americans/Alaskan Natives and Asians each comprised 1 percent of children served, while Native Hawaiians/Pacific Islanders comprised 2 percent of children served. Three percent of children served were multi-racial; a race was not reported for 9 percent of children. 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 2013, 70 percent of children were cared for in center-based settings, 19 percent in family child care homes, 6 percent in group homes, and 4 percent in their own homes.<sup>6</sup> Eighty four percent of children were cared for in licensed or regulated settings, 7 percent were in license-exempt, home-based care with a relative, 4 percent were in license-exempt, home-based care with a non-relative, and 3 percent were in license-exempt center-based care. Virtually all (99-100 percent) children in Arkansas, the District of Columbia, Georgia, Massachusetts, North Carolina, Ohio, Oklahoma, Rhode Island, and Texas are cared for in licensed settings. In contrast, 74 percent of children served in Hawaii are in license-exempt care.

**Vouchers are the most common type of payment for care in CCDBG.** In 2013, 90 percent of children received CCDBG assistance through vouchers or certificates. Seven percent of children were served

Note: The data in this fact sheet are based on children who received CCDBG-funded child care assistance in 2013; 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 3. Percentages of Families by Reason for Receiving CCDBG Assistance 2013**



through grants or contracts, and 3 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 has occurred despite evidence that contracts increase the supply and quality of child care, especially for underserved populations like infants and toddlers.<sup>7</sup> While most states do not currently use contracts or grants at all to deliver subsidies, California (43 percent), Massachusetts (40 percent), New York (25 percent), and Nevada (24 percent) serve a significant portion of their CCDBG children using this approach.<sup>8</sup>

**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; 94 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 and 150 percent of poverty.<sup>9</sup> Sixty four percent of CCDBG families paid co-payments for child care; for those families with a co-payment, the mean amount was 7 percent of family income.

Even though a large proportion of families receiving assistance through CCDBG are at or below the poverty line, few received support through the TANF program. In 2013, 16 percent of CCDBG families received assistance from TANF.

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<sup>1</sup> Information in this fact sheet is based on Office of Child Care, *FFY 2013 CCDF Data Tables (Final Estimates)*, <http://www.acf.hhs.gov/programs/occ/resource/fy-2013-ccdf-data-tables-final>.

<sup>2</sup> Connecticut and Minnesota served the same number of children. In this analysis, we count the District of Columbia as a state.

<sup>3</sup> Karen Schulman and Helen Blank, *Turning the Corner: State Child Care Assistance Policies 2014*, National Women's Law Center, 2014, [http://www.nwlc.org/sites/default/files/pdfs/nwlc\\_2014statechildcareassistancereport-final.pdf](http://www.nwlc.org/sites/default/files/pdfs/nwlc_2014statechildcareassistancereport-final.pdf).

<sup>4</sup> U.S. Department of Health and Human Services, Office of Human Services Policy, Office of the Assistant Secretary for Planning and Evaluation, *ASPE Issue Brief: Estimates of Child Care Eligibility and Receipt for Fiscal Year 2011, 2015*, [http://aspe.hhs.gov/hsp/15/ChildCareEligibility/ib\\_ChildCareEligibility.pdf](http://aspe.hhs.gov/hsp/15/ChildCareEligibility/ib_ChildCareEligibility.pdf).

<sup>5</sup> Stephanie Schmit and Rhiannon Reeves, *Child Care Assistance in 2013*, CLASP, 2015, <http://www.clasp.org/resources-and-publications/publication-1/Spending-and-Participation-Final.pdf>.

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<sup>6</sup> According to the Office of Child Care, some children are reported to have multiple settings for the same month. Children in more than one setting category within the same month were counted in each setting in proportion to the number of hours of service received in each setting. Note: This data includes both licensed and licensed-exempt care.

<sup>7</sup> 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>.

<sup>8</sup> According to the Office of Child Care data, Delaware serves 100% of children in CCDF through contracts and grants, however the state's corresponding CCDF State Plan indicates that all children are served through vouchers. Each of the states listed as serving a significant percentage of children through contracts and grants may target those mechanisms differently, including increasing the capacity of infant, toddler, preschool, or school-age care, or to extend Head Start or state pre-kindergarten capacity.

<sup>9</sup> 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](http://www.acf.hhs.gov/sites/default/files/occ/ccdf_report_to_congress_2008_2011.pdf).