

## Build Back Better Immediately Increases Eligibility for Child Care Assistance

The child care provisions in the Build Back Better (BBB) Act will **guarantee child care assistance for over 90 percent of working families** once it is fully enacted. Under current law, the Child Care and Development Block Grant (CCDBG) allows families with incomes up to 85 percent of state median income (SMI) to access assistance. However, with limited resources, states often set their initial income eligibility far below that threshold. Moreover, even families that meet the income criteria are not guaranteed assistance because of under investment in the system.

The BBB Act would expand eligibility from day one, significantly increasing access for families with children under 5. At 100 percent SMI, which is the BBB Act’s FY 2022 income eligibility threshold, the maximum amount a family can earn and still receive assistance would increase by thousands of dollars. The income eligibility in the first year of the program would allow increases in maximum family incomes ranging from \$9,000 in additional earnings in California to over \$75,000 in New Jersey. After the first year, the income eligibility threshold continues to increase through the fourth year of the program when all families under 250 percent SMI who participate in eligible activities will be guaranteed access to care if they choose to apply.

The table below details the current CCDBG initial annual income eligibility threshold set by policy in all 50 states as well as Puerto Rico and the District of Columbia and the income eligibility threshold for the first year of the BBB’s act child care program.<sup>1</sup> The table also shows a comparison between the two and details the increase BBB would provide.

*(Note: The CCDBG income limits below may **reflect a recent increase supported by federal COVID relief funding**. Income limits could revert to previous lower levels, if new and permanent funding is not provided. State names contain hyperlinks to lead agencies websites or CCDF State plans that contain the income information. In addition, endnotes were included to explain other details relating to eligibility on specific state programs and other relevant information.)*

State	Child Care Development Block Grant Eligibility		Build Back Better Eligibility in First Year	Difference Between CCDBG and BBB Income Eligibility	
	Current Initial Income Eligibility <sup>2</sup>	Income Limit as Percentage of SMI <sup>3</sup>	Initial Annual Income Limit <sup>4</sup>	Dollar Amount Increase	Percentage Increase
<a href="#">Alabama</a>	\$47,160	58%	\$ 80,762	\$33,602	71%
<a href="#">Alaska</a>	\$85,140	82%	\$ 104,070	\$18,930	22%

<b>Arizona</b>	\$42,492	52%	\$ 82,227	\$39,735	94%
<b>Arkansas</b>	\$59,002	83%	\$ 71,485	\$12,483	21%
<b>California</b>	\$89,297 <sup>5</sup>	91%	\$ 98,644	\$ 9,347	10%
<b>Colorado</b>	\$59,616 <sup>6</sup>	56%	\$ 106,120	\$46,504	78%
<b>Connecticut</b>	\$75,052	60%	\$ 125,087	\$50,035	67%
<b>Delaware</b>	\$49,044	47%	\$ 103,900	\$54,856	112%
<b>District of Columbia</b>	\$66,250	48%	\$ 137,563	\$71,313	108%
<b>Florida</b>	\$52,404 <sup>7</sup>	65%	\$ 81,077	\$28,673	55%
<b>Georgia</b>	\$72,124 <sup>8</sup>	85%	\$ 84,851	\$12,727	18%
<b>Hawaii</b>	\$83,820	77%	\$ 108,498	\$24,678	29%
<b>Idaho</b>	\$38,436	48%	\$ 79,820	\$41,384	108%
<b>Illinois</b>	\$53,004	52%	\$ 102,167	\$49,163	93%
<b>Indiana</b>	\$33,660	39%	\$ 86,578	\$52,918	157%
<b>Iowa</b>	\$38,425 <sup>9</sup>	41%	\$ 94,221	\$55,796	145%
<b>Kansas</b>	\$66,240	73%	\$ 90,284	\$24,044	36%
<b>Kentucky</b>	\$53,000 <sup>10</sup>	66%	\$ 80,407	\$27,407	52%
<b>Louisiana</b>	\$69,516	85%	\$ 81,779	\$12,263	18%
<b>Maine</b>	\$76,643	82%	\$ 93,560	\$16,917	22%
<b>Maryland</b>	\$71,525	57%	\$ 124,807	\$53,282	74%
<b>Massachusetts</b>	\$65,628 <sup>11</sup>	50%	\$ 131,252	\$65,624	100%
<b>Michigan</b>	\$49,020	52%	\$ 93,492	\$44,472	91%
<b>Minnesota</b>	\$51,095	45%	\$ 112,942	\$61,847	121%
<b>Mississippi</b>	\$56,641 <sup>12</sup>	82%	\$ 68,871	\$12,230	22%
<b>Missouri</b>	\$39,744	45%	\$ 88,519	\$48,775	123%
<b>Montana</b>	\$49,020	56%	\$ 87,442	\$38,422	78%
<b>Nebraska</b>	\$48,480	52%	\$ 93,660	\$45,180	93%

<b>Nevada</b>	\$60,852 <sup>13</sup>	74%	\$ 82,509	\$21,657	36%
<b>New Hampshire</b>	\$58,300	48%	\$ 120,821	\$62,521	107%
<b>New Jersey</b>	\$53,000	41%	\$ 128,786	\$75,786	143%
<b>New Mexico</b>	\$53,000	78%	\$ 67,949	\$14,949	28%
<b>New York</b>	\$53,004 <sup>14</sup>	50%	\$ 104,972	\$51,968	98%
<b>North Carolina</b>	\$53,004 <sup>15</sup>	63%	\$ 84,549	\$31,545	60%
<b>North Dakota</b>	\$88,476	85%	\$ 104,087	\$15,611	18%
<b>Ohio</b>	\$37,632	41%	\$ 91,185	\$53,553	142%
<b>Oklahoma</b>	\$57,984	76%	\$ 76,142	\$18,158	31%
<b>Oregon</b>	\$53,004	56%	\$ 94,050	\$41,046	77%
<b>Pennsylvania</b>	\$53,000	52%	\$ 100,995	\$47,995	91%
<b>Puerto Rico</b>	\$21,888	67%	\$ 32,843	\$10,956	50%
<b>Rhode Island</b>	\$47,700	44%	\$ 107,837	\$60,137	126%
<b>South Carolina</b>	\$44,532 <sup>16</sup>	55%	\$ 80,973	\$36,441	82%
<b>South Dakota</b>	\$55,380	62%	\$ 88,721	\$33,341	60%
<b>Tennessee</b>	\$68,652	85%	\$ 80,773	\$12,121	18%
<b>Texas</b>	\$53,004 <sup>17</sup>	62%	\$ 85,391	\$32,387	61%
<b>Utah</b>	\$72,828 <sup>18</sup>	80%	\$ 90,542	\$17,714	24%
<b>Vermont</b>	\$78,600	79%	\$ 99,184	\$20,584	26%
<b>Virginia</b>	\$88,944	82%	\$ 108,955	\$20,011	22%
<b>Washington</b>	\$61,056	57%	\$ 107,085	\$46,029	75%
<b>West Virginia</b>	\$38,628	50%	\$ 77,096	\$38,468	100%
<b>Wisconsin</b>	\$51,336	51%	\$ 99,688	\$48,352	94%
<b>Wyoming</b>	\$46,380	48%	\$ 95,814	\$49,434	107%

## Endnotes

- <sup>1</sup> Based on income eligibility outlined in the most recent version of the bill released on December 11, 2021.
- <sup>2</sup> Current eligibility is based on published information from the lead agency websites, for a 4-person household, retrieved on January 5<sup>th</sup>, 2021.
- <sup>3</sup> CLASP calculation of current CCDBG income eligibility as a percentage of 2022 SMI is based on data retrieved from the lead agencies website and [LIHEAP State Median Income \(SMI\) eligibility for 2022](#).
- <sup>4</sup> Income eligibility thresholds (100% SMI) for the BBB act first year of the child care program as a dollar figure was retrieved from [LIHEAP State Median Income \(SMI\) eligibility for 2022](#), which is based on a 4-person family in the [2019 ACS 5 year estimate data](#).
- <sup>5</sup> California's income eligibility is set at 85% SMI. California uses a different calculation for SMI, which is calculated annually by the California Department of Finance based on the most recent census data and pursuant to a specified formula. This calculation makes California's SMI higher for the CLASP calculation than the allowed federal eligibility guidelines.
- <sup>6</sup> Colorado's income eligibility is set by counties. The current monthly eligibility is set at \$4,085, \$4,968, or \$5,852 depending on the county. This analysis uses the eligibility limit of \$4,968.
- <sup>7</sup> Florida's income eligibility thresholds are set by early learning coalitions, but at no more than 71% SMI according to their draft 2022- 2024 CCDF State plan. Florida used the [2021 LIHEAP calculator to calculate](#) SMI, making their SMI threshold higher than the CLASP calculation which uses the 2022 LIHEAP calculator.
- <sup>8</sup> Effective November 1, 2021, Georgia's initial income eligibility is set at 85% SMI due to funding from the CRRSA and ARPA. This threshold is established by CAPS and is subject to change. Prior to COVID relief funding income eligibility was set to 50% SMI (\$42,425.50 per year based on [2022 LIHEAP SMI](#)).
- <sup>9</sup> As of July 2020, the income limit to qualify for assistance in Iowa was increased to \$38,425 (145% FPL) for standard care and \$53,000 (200% FPL) for special needs care.
- <sup>10</sup> Effective January 1, 2022, Kentucky's income eligibility is set to 200% FPL (\$53,000 per year).
- <sup>11</sup> Massachusetts' income eligibility threshold set at 85% SMI for children with a disability or special needs.
- <sup>12</sup> Mississippi has [4 priority groups](#). This analysis uses the income threshold for the Low-income priority group, which has its eligibility threshold set at 85 SMI.
- <sup>13</sup> Nevada's child care assistance is divided into three groups: Employees of Nevada (NEON) benefits provided to households that are participating in the TANF NEON program; At-Risk –Benefits provided to families with incomes below 130% FPL (\$2,719 per month for a 4-person family); Discretionary – Benefits provided to households that have countable income exceeding 130% FPL but are below 85% SMI (\$5,071 per month for a 4 person family). This analysis uses the Discretionary level funding income limits.
- <sup>14</sup> New York's child care assistance initial income eligibility may differ from county to county because of COVID-19 relief funding. New York also has a program for [essential workers](#) who are eligible to receive child care assistance with incomes up to [\\$79,500](#) per year due to COVID relief funding. [New York's Workforce Development Institute Child Care Program](#) (only for Albany, Erie, Monroe, Oneida, Onondaga, Rensselaer, Saratoga, and Schenectady Counties) has an income limit of \$72,875 per year for a family of 4. This analysis uses income limit from New York's CCDF state plan, 50% SMI or \$4,417 per month for a family of 4.

<sup>15</sup> North Carolina's income eligibility for families with children birth through age five and families with children of any age who have special needs is 200% FPL (\$4,417 per month for a family of 4). Income limits families with children ages six to 13 without special needs is 130% FPL (\$2,937 per month for a family of 4). This analysis uses the limit for children birth through 5 or children with special needs.

<sup>16</sup> Due to COVID relief funding, some families in South Carolina may be eligible to receive child care assistance with incomes up to **300% FPL (\$79,500** per year).

<sup>17</sup> Texas has 28 Boards that set their own income eligibility limits, with 23 Boards setting income eligibility limits at 85% SMI (**\$61,561.50** per year). This analysis uses information from the Gulf Coast Board, which is the area which serves the largest number of children through CCDBG and the one listed on the state plan. The Gulf Coast has established an entry-level eligibility of 200% FPL. The lowest income eligibility limit in the state is set at 185% FPL (\$49,025 per year).

<sup>18</sup> This analysis uses the income limit from group 16 of Table 4. For special needs care, the income limit is set at 85% SMI.