

INDIANA

IMPACT OF MURRAY-KAINE CHILD CARE & EARLY EDUCATION PROPOSAL

CLASP
The Center for Law and Social Policy

The child care sector is in crisis. Child care is unaffordable for many families, and the low wages paid to care workers are exacerbating supply issues. A thriving child care sector is crucial for children, families, and the economy.

Senators Patty Murray (D-WA) and Tim Kaine (D-VA) recently released a child care and early education proposal for inclusion in a federal budget reconciliation package. The proposal would lower families' costs, expand the supply and quality of child care and preschool, and raise wages for the child care and early education workforce.

Central to the proposal is a \$72 billion investment in the Child Care and Development Block Grant (CCDBG), the primary federal source of child care assistance for families with low incomes. Currently, CCDBG reaches only 1 in 7 eligible children due to insufficient funding.¹ CLASP analysis shows an estimated 1 million+ children nationally could benefit from the CCDBG investment. Even more would be reached through investments in preschool and Head Start.²

The Murray-Kaine proposal will allow more of Indiana's children access to quality child care, help reduce the high costs of child care, and raise wages for the child care workforce.



\$259,602,055³

In new funding could be **allocated to Indiana** with the proposal



80%⁴

estimated **increase in children served through CCDBG** with proposed funding



30,700

children are currently **served through CCDBG**



24,413⁶

estimated **additional children with access to CCDBG** through the proposal



\$13,241⁷

average annual **cost of child care for infants**



\$9,589⁸

average annual **cost of child care for a 4-year-old**



\$86,578⁹

median annual **income for a family of 4**



\$23,010¹⁰

median annual **child care worker salary**

ENDNOTES

- ¹ Nina Chen, Office of the Assistant Secretary for Planning and Evaluation, U.S. Department of Health and Human Services. Factsheet: Estimates of Child Care Eligibility & Receipt for Fiscal Year 2018. August 2021, <https://aspe.hhs.gov/sites/default/files/2021-08/cy-2018-child-care-subsidy-eligibility.pdf>.
- ² Stephanie Schmit and Alycia Hardy. Child Care & Early Education Reconciliation Proposal Could Reach 1 Million+ Children. CLASP, May 2022, <https://www.clasp.org/publications/fact-sheet/child-care-early-education-reconciliation-proposal-could-reach-1-million-children/>.
- ³ Stephanie Schmit and Alycia Hardy. Child Care & Early Education Reconciliation Proposal Could Reach 1 Million+ Children. CLASP, May 2022, <https://www.clasp.org/publications/fact-sheet/child-care-early-education-reconciliation-proposal-could-reach-1-million-children/>.
- ⁴ CLASP calculation based on the difference in the number of children served through CCDBG, FY 2020 Preliminary Data Table 1 – Average Monthly Adjusted Number of Families and Children Served <https://www.acf.hhs.gov/occ/data/fy-2020-preliminary-data-table-1> and CLASP estimates of the number of children potentially served in CCDBG based on the Murray-Kaine Child Care proposal, Child Care & Early Education Reconciliation Proposal Could Reach 1 Million+ Children, <https://www.clasp.org/publications/fact-sheet/child-care-early-education-reconciliation-proposal-could-reach-1-million-children/>.
- ⁵ Office of Child Care, Administration for Children and Families, U.S. Department of Health and Human Services, FY 2020 Preliminary Data Table 1 – Average Monthly Adjusted Number of Families and Children Served, May 2022, <https://www.acf.hhs.gov/occ/data/fy-2020-preliminary-data-table-1>.
- ⁶ Stephanie Schmit and Alycia Hardy. Child Care & Early Education Reconciliation Proposal Could Reach 1 Million+ Children. CLASP, May 2022, <https://www.clasp.org/publications/fact-sheet/child-care-early-education-reconciliation-proposal-could-reach-1-million-children/>.
- ⁶ Stephanie Schmit and Alycia Hardy. Child Care & Early Education Reconciliation Proposal Could Reach 1 Million+ Children. CLASP, May 2022, <https://www.clasp.org/publications/fact-sheet/child-care-early-education-reconciliation-proposal-could-reach-1-million-children/>.
- ⁷ Child Care Aware of America, Demanding Change: Repairing our Child Care System, Appendix I: 2020 Average Annual Price of Full-Time Center-Based Child Care by State, March 2022, [https://info.childcareaware.org/hubfs/2022-03-FallReport-FINAL%20\(1\).pdf?utm_campaign=Budget%20Reconciliation%20Fall%202021&utm_source=website&utm_content=22_demandingchange_pdf_update332022](https://info.childcareaware.org/hubfs/2022-03-FallReport-FINAL%20(1).pdf?utm_campaign=Budget%20Reconciliation%20Fall%202021&utm_source=website&utm_content=22_demandingchange_pdf_update332022).
- ⁸ Child Care Aware of America, Demanding Change: Repairing our Child Care System, Appendix I: 2020 Average Annual Price of Full-Time Center-Based Child Care by State, March 2022, [https://info.childcareaware.org/hubfs/2022-03-FallReport-FINAL%20\(1\).pdf?utm_campaign=Budget%20Reconciliation%20Fall%202021&utm_source=website&utm_content=22_demandingchange_pdf_update332022](https://info.childcareaware.org/hubfs/2022-03-FallReport-FINAL%20(1).pdf?utm_campaign=Budget%20Reconciliation%20Fall%202021&utm_source=website&utm_content=22_demandingchange_pdf_update332022).
- ⁹ United States Census Bureau, American Community Survey, 2019: ACS 5-Year Estimate Detailed Tables, B19119 – Median Family Income in the Past 12 Months (In 2020 Inflation-Adjusted Dollars) By Family Size, 2019: ACS 5-Year Estimate Detailed Tables, <https://data.census.gov/cedsci/table?text=B19119&g=0100000US%240400000&tid=ACSDT5Y2019.B19119&moe=false&tp=true>.
- ¹⁰ U.S. Bureau of Labor Statistics, Occupational Employment and Wages, Childcare Workers (SOC Code399011), May 2021, [https://www.bls.gov/oes/current/oes399011.htm#\(2\)](https://www.bls.gov/oes/current/oes399011.htm#(2)).