

HOUSE PROPOSED LEVEL FUNDING FOR CCDBG WOULD MEAN NEARLY 50,000 CHILDREN LOSE ACCESS SINCE LAST INCREASE

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As Congress negotiates the fiscal year (FY) 2026 appropriations package, another year of level funding for the Child Care and Development Block Grant (CCDBG), which has been proposed in the House Labor, Health and Human Services, Education, and Related Agencies bill marked up this week, would result in more children losing access to child care. CLASP estimates that the impact of level funding will mean approximately **24,000 fewer children** will have access to child care through CCDBG in FY26. The compounded impact of two years of stagnant funding would mean **nearly 50,000 fewer children** have access to child care assistance.

CCDBG is a critical support for families with low incomes who, without access to assistance, would likely be unable to afford their current child care arrangements. However, due to limited federal funding, child care assistance funded through CCDBG and other federal sources was only able to serve 15 percent of eligible children in 2021, the most recent year that data is available.¹ The annual appropriations process is an important opportunity to increase federal investments in programs that respond to greater need and ensure funding keeps up with rising inflation.

Following the passage of the harmful budget reconciliation package, millions of children and families are set to lose access to health care, food assistance, and other vital services to pay for harsh immigration policies and tax cuts for billionaires and corporations. As families prepare to make difficult decisions like taking a third job or switching to the night shift to be able to put food on the table or get treatment when they are sick, significant and sustained increases in annual discretionary funding remain a critical support. The reconciliation package included provisions that benefit high earners through tax credits and set-asides that can only be accessed by families and businesses who can already afford to set aside money for care. It does nothing to mitigate the child care crisis for families who are struggling to make ends meet, and it threatens the already fragile child care workforce by limiting benefits, like Medicaid and SNAP, that many child care providers rely on due to low wages.

As Congress works toward finalizing the FY26 appropriations process, it is essential that they protect programs families rely on and fight for investments that align with need, like **long-term and sustainable increases** to child care to preserve and improve access to assistance.

The following table provides each state's estimated distribution of grant year² (GY) 2026 annual discretionary funds³ if the program is level-funded, and the estimated number of children that will lose access to CCDBG-funded child care from the failure to keep child care assistance at pace with inflation. The table also shows the impact that stagnant funding in FY25 had on the program and the total impact of two back-to-back years without increases.

We urge Congress to stop this decline in child care assistance and increase investments in CCDBG in the FY26 appropriations process.

For questions, please contact Stephanie Schmit at sschmit@clasp.org.

State	Estimates of GY2026 Discretionary Funds ⁴	Number of children who lose access to CCDBG-funded child care with FY26 level funding ⁵	Number of children who lose access to CCDBG-funded child care with FY25 level funding	Total number of children who lose access to care FY25 & FY26
Alabama	\$156,190,404	647	655	1,302
Alaska	\$14,341,607	26	26	52
Arizona	\$201,548,011	578	585	1,163
Arkansas	\$109,006,199	310	313	623
California	\$811,192,986	3,105	3,140	6,245
Colorado	\$92,010,245	227	229	456
Connecticut	\$60,484,850	128	130	258
Delaware	\$21,916,713	83	84	167
District of Columbia	\$12,770,063	21	21	42
Florida	\$485,081,260	1643	1,661	3,304
Georgia	\$348,271,393	918	928	1,846
Hawaii	\$28,895,588	44	44	88
Idaho	\$48,913,009	167	168	335
Illinois	\$251,602,062	758	767	1,525
Indiana	\$187,551,337	503	509	1,011
Iowa	\$79,517,219	299	303	602
Kansas	\$73,275,885	278	281	558
Kentucky	\$153,102,972	556	562	1,118
Louisiana	\$154,029,643	498	503	1,001
Maine	\$23,423,042	65	66	132
Maryland	\$107,027,069	208	211	419
Massachusetts	\$109,222,723	238	241	479
Michigan	\$230,973,545	716	724	1,441

State	Estimates of GY2026 Discretionary Funds ⁴	Number of children who lose access to CCDBG-funded child care with FY26 level funding ⁵	Number of children who lose access to CCDBG-funded child care with FY25 level funding	Total number of children who lose access to care FY25 & FY26
Minnesota	\$109,140,580	247	250	497
Mississippi	\$102,911,556	458	463	920
Missouri	\$163,886,552	630	637	1,268
Montana	\$21,841,526	29	29	58
Nebraska	\$47,686,663	121	123	244
Nevada	\$71,120,659	145	147	292
New Hampshire	\$18,019,950	58	59	117
New Jersey	\$162,059,252	370	374	744
New Mexico	\$71,671,146	191	193	384
New York	\$385,062,274	627	634	1,261
North Carolina	\$260,833,234	510	516	1,026
North Dakota	\$15,420,486	44	44	88
Ohio	\$296,757,020	935	946	1,881
Oklahoma	\$132,140,890	396	400	795
Oregon	\$78,119,679	193	195	388
Pennsylvania	\$265,137,530	1,077	1,090	2,167
Rhode Island	\$19,301,003	43	43	86
South Carolina	\$155,138,529	358	362	719
South Dakota	\$23,681,998	84	85	170
Tennessee	\$232,981,446	738	746	1,484
Texas	\$942,632,997	3,168	3,204	6,372
Utah	\$104,395,321	275	278	554
Vermont	\$9,744,684	17	18	35
Virginia	\$168,365,236	324	327	651
Washington	\$126,796,603	290	293	583
West Virginia	\$53,755,061	195	197	392
Wisconsin	\$121,943,216	216	218	434
Wyoming	\$9,637,814	38	39	77
United States	\$8,658,923,130⁶	23,794⁷	24,062⁸	47,856

ENDNOTES

¹ Nina Chien, “Estimates of Child Care Eligibility & Receipt for Fiscal Year 2021,” Office of the Assistant Secretary for Planning and Evaluation, U.S. Department of Health and Human Services, September 2024,

<https://aspe.hhs.gov/sites/default/files/documents/a91fd97aa80b53fa52a52d38cd323509/cy2021-child-care-subsidy-eligibility.pdf>.

² Fiscal Year (FY) refers to the period from October 1 through September 30 during which states and territories may spend funds awarded in the current and prior years. Grant Year (GY) refers to the year the funds were awarded, although states and territories may liquidate some Child Care Development Fund (CCDF) funding streams in later fiscal years. **Note:** CCDF refers to the federal funding sources for child care and is used interchangeably with CCDBG in this fact sheet.

³ CCDBG annual discretionary funds are distributed based on three main factors. The first two factors compare the ratio of the number of children in a state to the number of children in the country within the following categories: the number of children under five and the number of children who receive free or reduced priced lunch. The other factor makes a comparison of the three-year national per capita income with the three-year average state per capital income.

⁴ The state discretionary funding distributions are derived from “GY2024 CCDF Allocations (Based on Appropriations),” U.S. Department of Health and Human Services, Administration for Children and Families, current as of April 10, 2024, <https://www.acf.hhs.gov/occ/data/gy-2024-ccdf-allocations-based-appropriations>. Actual amounts may differ due to the Health & Human Services Secretary’s authority and discretion in set-aside funding and re-allocation of previous year’s resources. In fact, CLASP understands that allocations may have shifted in 2025 due to the use of updated National School Lunch Program statistics to calculate GY2025 state allocations, but actual allocations are not yet publicly available. This updated data may change the allocations and impacts for individual states, but it will not have an effect on the overarching national impact.

⁵ CLASP’s estimates are based on the Congressional Budget Office’s *The Budget and Economic Outlook 2025-2035*, published in January 2025. CLASP takes an average of the inflation rates looking at the change from year to year for both the Consumer Price Index for all urban consumers (CPI-u) and the Employment Cost Index (ECI) to conduct our estimate. These rates can be found in “Table C-1: CBO’s Economic Projections for Calendar Years 2025 to 2035,” Congressional Budget Office, January 2025, <https://www.cbo.gov/system/files/2025-01/60870-Outlook-2025.pdf>.

⁶ This total includes funding for tribes and territories, as well as research, technical assistance, administration, hotline, and website in addition to the state funding outlined in the table. As a result, this total exceeds the sum of the state distribution. This total does not reflect a \$80,213,870 transfer based on the Consolidated Appropriations Act of 2018 provision giving the Health & Human Services Secretary authority to transfer discretionary funding between appropriations. In addition, the total does not include any funds available through the American Rescue Plan Act.

⁷ This total inflationary impact includes inflationary impacts to all aspects of the program including tribes and territories, as well as research, technical assistance, administration, hotline, and website in addition to states.

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