CHILD CARE AND DEVELOPMENT BLOCK GRANT

We ask that Congress increase CCDBG funding by an additional $5 billion in FY2020, in order to help states meet the 2014 requirements and increase the number of children served by the grant.

2019 Agenda

THE HISTORY OF CCDBG

Established in 1991, the Child Care and Development Block Grant (CCDBG) is the primary federal grant program that provides child care assistance for families in need. CCDBG is administered to states in block grants. States use the program to subsidize child care for working families with low incomes. Most of this assistance is administered through vouchers or certificates, which can be used by parents to select the high-quality provider or program that works best for their family.

Congress reauthorized CCDBG in 2014 with overwhelming bipartisan support. The CCDBG Act of 2014 improved child care health and safety standards, and provided funding to help make quality child care available to more families with low incomes. The 2014 law also mandated that states meet new requirements on comprehensive criminal background checks and disaster preparedness/response planning, among other critical improvements.

A JOB NOT FINISHED

Despite the reauthorization, Congress failed to provide sufficient funding to help states make quality child care available to millions of families that need it. Today, states use resources from other federal funding streams, including Temporary Assistance for Needy Families (TANF), to ensure families don’t lose critical access to child care.

The lack of adequate funding has hampered states’ ability to provide quality child care to working families. Currently, only 1 in 6 families who qualify for child care assistance receive it.

States continue to request and receive waivers from the Administration for Children and Families (ACF) to delay implementation of the new requirements, particularly background checks. Additionally, FY2016 saw the lowest number of children served by the grant in nearly 20 years.

![Average Monthly Number of Children Served in CCDBG in the United States (In millions)](chart_image)

Source: HHS administrative data.

Fewer than 1 out of 6 children eligible for CCDF are being served.
WHY CCDBG MATTERS IN NORTH DAKOTA

In FY2018, North Dakota received a historic $3.7 million increase in CCDBG funding. This funding has allowed the state to increase access to child care assistance from 70-75 percent of state median income.

Unfortunately, there remains a large unmet demand for child care in North Dakota. A staggering 70.4 percent of children in North Dakota ages 0-5 have all parents in the labor force. However, the current supply of state-licensed child care programs only meets 36 percent of potential demand, resulting in a large gap for access. These “child care deserts” make it difficult for working parents to support their families, especially in rural areas. Increasing CCDBG funding will help North Dakota address these deserts.

In addition, North Dakota's child care infrastructure remains underdeveloped. For example, North Dakota still lacks a licensing database and a system of tiered reimbursement for child care providers. This makes it difficult for families to select child care programs that best suits their needs. More CCDBG funding could help North Dakota develop the infrastructure to better support families and providers.

Finally, North Dakota continues to require a waiver on implementing background checks. The 2014 reauthorization of CCDBG requires full implementation of background checks by 2021. Without an increase in funding, it is unlikely North Dakota will be able to fully implement the background check requirement.

HOW CONGRESS CAN HELP IN 2019

CCDBG remains underfunded, despite the funding increase in FY 2019 of $2.4 billion. While this funding allowed states to begin the intense work of revising their child care systems to help thousands of children and families gain access to high-quality care, it did not fully meet the critical need for high-quality child care.

In fact, even with CCDBG's historic increase, federal funding for child care is still $1 billion less than FY2001 levels, when adjusted for inflation.

Given the population growth since 2001, it is clear that states still do not have enough funding to meet the needs of families.

For this reason, we ask that Congress increase CCDBG funding by an additional $5 billion in FY2020. This will help states meet the 2014 requirements and increase the number of children served.