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.

![Graph showing average monthly number of children served in CCDBG in the United States (in millions)](chart)

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

In Indiana, 18 percent of children live in families with low incomes. Additionally, two out of three children live in households with all available parents in the workforce and access to high-quality care is essential for working Hoosier families. The historic increase in CCDBG in FY2018 has allowed Indiana to provide child care for additional children and to focus more on providing high-quality child care for children in foster care. Additional funding will help build on these successes and ensure more Hoosier families have access to high-quality early childhood programs.

Unlike many states, Indiana’s regulatory system included many of the requirements created by the 2014 reauthorization. As the expectations grew, Indiana was relatively well-positioned to achieve the federal guidelines. However, those quality-focused rules have a historic cost associated with them. **CCDBG funds remain inadequate** to support the number of working families and their children who meet the qualifications for vouchers.

In addition to expanding access to quality early learning through vouchers, expanded funding gives Indiana the opportunity to bolster the system of quality child care by targeting the competencies of the early childhood workforce. Early childhood programs will be empowered to support families and the early development needs of children. Increasing program quality is essential to keeping pace with the needs of children and families.

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.