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 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 and response planning, among other critical improvements.

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, FY2017 saw the lowest number of children served by the grant in nearly 20 years.

The average monthly number of children served in CCDBG in the United States (in millions) has fluctuated over the years. In 1999, the number reached 1.80 million, while in 2016 it dropped to 1.32 million. This data highlights the importance of adequate funding to ensure that more children receive quality child care.

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

In FY2018, Hawaii received a historic increase of over $7.6 million in CCDBG funding. With over 66,000 children under the age of 6 having both parents in the workforce, these funds have been important for improving Hawaii’s child care system. However, nearly half of these parents still lack access to licensed child care, meaning more can be done in Hawaii to improve equitable access to quality programming.

In Hawaii, child care remains expensive, with the average annual cost of family child care over $7,500 per year and the average annual cost of center-base care well over $10,000 per year, rivaling tuition at a four-year college. On average, single parents pay 45 percent of their income for infant care, while married parents with 2 children at the poverty line must pay 79 percent of their income for center-based care. Without access to the subsidy, many of these families would not be able to afford child care at all.

In addition to the high cost, child care remains difficult to find, with a child care deficit of more than 30,000 slots. Approximately 77 percent of clients looking for care cannot find any. In particular, there remains a severe lack of infant and toddler care in Hawaii. Of the available child care slots, just 11 percent are for infants and toddlers. And currently, there are zero infant programs on the islands of Kauai, Lanai, and Molokai. As a result, many working Hawaiian parents focus on Ohana care, relying on extended families to watch their Keiki so they can continue to work to support a multiple-family unit because the cost of care is too much.

CCDBG funds not only help build the supply of child care, but they are crucial to enabling access for many Hawaiian families.

HOW CONGRESS CAN HELP IN 2019

CCDBG remains underfunded, despite the funding increase in FY 2018 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.