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.

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 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.

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, 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).

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

In Illinois, compensation for the early care and education workforce is at a crisis point. The median hourly wage for teachers in licensed centers is $12.50. While degree attainment leads to higher wages, those teachers with bachelor’s degrees still only earn an average of $13.64 per hour. Low wages mean high staff turnover, which prevents continuity of care and lowers quality. Low wages also make it increasingly difficult for programs to recruit and retain well-qualified teachers. Increased CCDBG funding would allow the state to increase provider reimbursement rates so as to raise teacher pay.

Illinois made great progress in its Quality Rating and Improvement Systems (QRIS) among early care and education providers through Race to the Top Early Learning Challenge funds, with 45 percent of licensed providers achieving levels of quality beyond licensing. However, the number of providers meeting higher levels of quality has stagnated since the depletion of those funds. More CCDBG funding would allow the state to renew supports that help programs get better and thereby increase the number of children experiencing high quality early learning.

Many areas in Illinois lack infant and toddler care. In these “child care deserts,” working parents have to piece together informal and often unreliable care arrangements. As lack of dependable child care is a leading cause of workplace absenteeism. This issue has a real economic impact. Increased CCDBG funding would allow the state to raise subsidy reimbursement rates to more accurately reflect the cost of care.

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.