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.
WHY CCDBG MATTERS IN NEBRASKA

In Nebraska, 76 percent of parents work outside the home and nearly 80 percent of Nebraska’s children ages 5 and younger are in paid child care. The majority of Nebraska’s families are working and relying on child care programs to educate and care for their young children.

In 2016, over 29,000 children were utilizing Nebraska’s child care subsidy to help cover the cost of child care. With the annual cost of center-based child care for one child well over $12,000, expanding access to the subsidy is crucial for Nebraska families. More CCDBG funding could expand access to high-quality child care programs by increasing the eligibility rate for families to qualify for subsidy.

Robust CCDBG funding could also be used to raise the subsidy rate paid to providers, which Nebraska has recommended to be set at 60 percent. Unfortunately, this is below the recommended rate of 75 percent. Low subsidy rates mean providers must find ways to cover the cost of care, discouraging them from taking more children on the subsidy.

Early childhood professionals play an incredibly important role in providing infants and young children with essential interactions, opportunities, and experiences that help to grow strong brains. An additional increase in CCDBG funding for Nebraska would provide more, and better, professional development opportunities for early childhood educators. This includes an expansion of T.E.A.C.H. Early Childhood® Nebraska scholarships, increased access to quality improvements for early childhood programs serving infants and toddlers (such as Sixpence and the Infant/Toddler Initiative), support for Nebraska’s Step Up to Quality (Nebraska’s Quality initiative), and increased compensation for the workforce.

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.