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.

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

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

In FY 2018, Pennsylvania received a historic $66.5 million increase in discretionary funding, resulting in a subsidy rate increase across all care levels by 2.5 percent and elimination of a rate freeze. A pilot program was created to contract for subsidized, high-quality slots specifically for infants and toddlers. Funding was also allocated to support professional development for child care providers and to implement CCDBG background check requirements. Governor Wolf also proposed using remaining funds to serve 970 infants and toddlers on the waiting list in high-quality programs, increase quality add-on rates for infant and toddler care, and support apprenticeships for infant and toddler providers to achieve associate degrees.

However, there is still a great unmet need in Pennsylvania. Too many children do not have access to affordable, high-quality care. Only 37 percent of subsidized children under age five and 34 percent of subsidized infants and toddlers are in high-quality programs. Only 43 percent of available child care in the state currently meets high-quality standards. The subsidy waitlist is at 5,795 children, with an average wait of about 110 days as of May 2019. In addition, 73 percent of eligible children under age five and 77 percent of eligible infants and toddlers are not enrolled in the subsidy program.

Pennsylvania’s payment rates fall far short of supporting high-quality care and further investments are needed to appropriately compensate the workforce and support providers in earning higher degrees and credentials. Increased CCDBG funding would help address these gaps so that all Pennsylvania children can get a strong start.

(Unmet need data is provided by KIDS COUNT: Pennsylvania Partnerships for Children, with the exception of the waiting list data, which is provided by the Pennsylvania Office of Child Development and Early Learning.)

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.