CHILD CARE AND DEVELOPMENT BLOCK GRANT

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.

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

West Virginia has a population of 1.8 million people, nearly one-fifth of whom are living in poverty. The state continues to struggle under difficult economic conditions and the opioid epidemic. Child removals and foster placements are at an all-time high and resources for healthy recovery and family reunification are in short supply.

There is also limited state funding available to refer to supportive family services such as child care assistance. West Virginia’s child care program does not maintain a waitlist and serves all families who are eligible based on incoming and activity. However, due to limited funds, West Virginia cannot currently serve all populations who could benefit from child care assistance. Additional CCDBG funding could assist the state in providing child care to parents who do not meet current eligibility requirements.

Subsidy reimbursement rates for providers directly impact access for families with low incomes. In West Virginia, child care reimbursement rates range from the 50th to the 75th percentile of the March 2018 Market Rate Survey. Rates were last raised to the 75th percentile in March 2016. Additional CCDBG funding would permit West Virginia to increase rates back to the 75th percentile to ensure that children have equal access to 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.