



Child Care and Development Block Grant Participation in 2008

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The Child Care Bureau released preliminary federal fiscal year 2008 administrative data for the Child Care and Development Block Grant (CCDBG).¹ This fact sheet provides a snapshot of CCDBG program participation in 2008, noting the great variability in child care assistance programs among states. Comparable information on state child care spending in 2008 are not yet available. Participation is one of several significant variations among state child care programs. Policymakers and advocates are encouraged to obtain the most recent information about their state—including data on participation, expenditures, income eligibility criteria, and provider reimbursement rates—to evaluate the full range of child care assistance policies.

State-by-state profiles of CCDBG participation are available at www.clasp.org/in_the_states/. In addition, custom tables including state and national CCDBG participation data can be created and downloaded using CLASP's custom DataFinder tool at www.clasp.org/data/.

A snapshot of CCDBG participation in 2008:

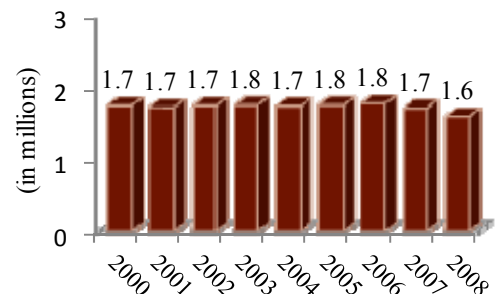
The number of children receiving CCDBG assistance decreased in 2008. CCDBG served a monthly average of 1.6 million children in 2008, a decline of 106,300 children from 2007.² This was the smallest number of children served by CCDBG this decade (see Figure 1). State data on children served vary. A majority of states (29) served fewer children in 2008 than in 2007, while 19 states served more children.³

Several states reported large decreases in numbers of children served in 2008:

- California served 39,600 fewer children, a 27 percent decrease.
- Texas served 11,500 fewer children, a 9 percent decrease.
- Illinois and Florida both served 7,900 fewer children, 10 percent and 7 percent respective decreases.
- North Carolina served 6,200 fewer children, a 10 percent decrease.

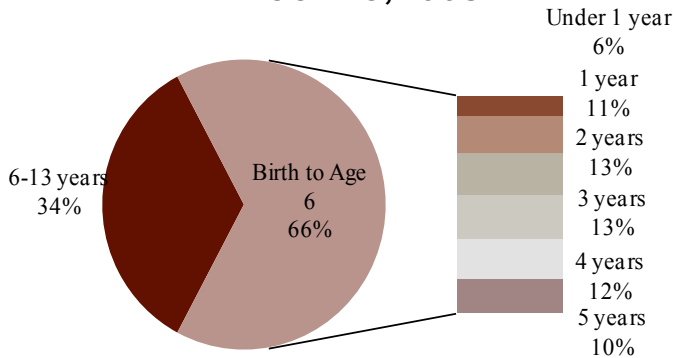
All families that qualify for child care assistance cannot access subsidies. According to research from the National Women's

Figure 1. CCDBG Average Monthly Number of Children Served, 2000-2008



Note: The data in this fact sheet are based on children who received CCDBG-funded child care assistance in 2008. Participation data on children who received assistance through other sources of funding, including the Temporary Assistance for Needy Families (TANF) block grant, are not available.

Figure 2. Ages of Children Served in CCDBG, 2008



Law Center, as of early 2009, 19 states had waiting lists or had frozen intake for child care assistance. Waiting lists were as high as 220,069 children in California and 57,671 children in Florida.⁴

In FY 2009, states received an additional \$2 billion in CCDBG funding through the American Recovery and Reinvestment Act (ARRA).⁵ Congress anticipated that these funds would provide child care for an additional 300,000 children over two years.⁶

CCDBG serves children from birth to age 13. Fewer than a third of children served in 2008

were under age 3, while the 3 to 5 and 6 to 13 age groups each comprised more than one-third of children served (see Figure 2). This national breakdown has been fairly consistent over time. Infants and toddlers, under age 3, comprised a large portion of children served in Arkansas (55 percent), the District of Columbia (44 percent), Louisiana (43 percent), and North Dakota (40 percent). Preschool aged children, ages 3 to 5, comprised a large portion of children served in Arkansas (45 percent), Maine (43 percent), Hawaii (43 percent), California (42 percent), and Wyoming (40 percent).

CCDBG serves children from different backgrounds. African American children comprised 44 percent and white children comprised 43 percent of children served in CCDBG in 2008. Native American or Alaskan Native, Asian, and Native Hawaiian or Pacific children each comprised 1 percent of children served. Two percent of children served were multi-racial; a race was not reported for 7 percent of children. Nineteen percent of children served were Latino (regardless of race). Information on the languages spoken or country of origin of children or families served in CCDBG is not available.⁷

Three-quarters of children are in licensed settings and more than half are in center-based care. CCDBG allows families to select the child care provider of their choice. In 2008, 61 percent of children were cared for in center-based settings, 27 percent in family child care homes, 6 percent in their own homes, and 5 percent in group homes. Seventy-six percent of children were cared for in licensed or regulated settings; 13 percent were in license-exempt care with a relative, and 9 percent were in license-exempt care with a non-relative. Nearly all children served in Arkansas, the District of Columbia, Oklahoma, North Carolina, and Rhode Island are in licensed care, while more than half of children served in Hawaii, Michigan, and Oregon are in license-exempt care.

Vouchers are the most common type of payment for care. In 2008, 87 percent of children received CCDBG assistance through vouchers or certificates. Ten percent of children were served through grants or contracts, and 3 percent were served through cash payments. Contracts, which are formal agreements between a state and a provider to serve a set number of children, can be a way to guarantee that families can successfully find the care they need—particularly in communities without an adequate supply of child care.⁸ While most

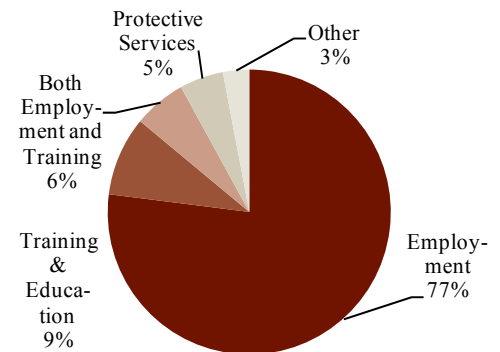
states do not use contracts, California, Florida, Hawaii, Maine, and Massachusetts serve a third or more of children through contracts.

Most families receiving CCDBG are working, low-income, and providing co-payments. The vast majority of families receive CCDBG assistance because they are working; 92 percent are working and/or in education or training programs (see Figure 3).

Though most families work, they are very low-income. In 2005, the latest year income data are available, the median monthly income of families receiving CCDBG-funded assistance was \$1,283 or \$15,396 when annualized; nearly 15 percent of families had incomes greater than \$2,000 a month. Nearly half (49 percent) of families had incomes below the federal poverty level and an additional 27 percent of families had incomes between 100-150 percent of poverty. Most (86 percent) of these families were single parent households.⁹

In 2008, 16 percent of CCDBG families received TANF assistance. Sixty-four percent of CCDBG families paid co-payments for care. The mean co-payment amount was 6 percent of family income.

Figure 3. Percentages of Families by Reason for Receiving CCDBG Assistance 2008



¹ Information in this fact sheet is based on Child Care Bureau, *FFY 2008 CCDF Data Tables (Preliminary Estimates)*, <http://www.acf.hhs.gov/programs/ccb/data/index.htm>.

² CLASP estimates that 2.2 million children received child care assistance from all sources—including CCDBG, TANF, and SSBG—in 2007. Estimates are based on CCDBG and TANF expenditure data and CCDBG participation data for FY 2007.

³ We include the District of Columbia as a state in this analysis.

⁴ Karen Schulman and Helen Blank, *State Child Care Assistance Policies 2009: Most States Hold the Line, but Some Lose Ground in Hard Times*, National Women's Law Center, 2009, <http://www.nwlc.org/pdf/nwlcstatechildcareassistancepolicies2009.pdf>.

⁵ See CLASP's child care and early education resources on the American Recovery and Reinvestment Act at http://www.clasp.org/issues/topic?type=child_care_and_early_education&topic=0015.

⁶ U.S. House Committee on Appropriations, *Summary: American Recovery and Reinvestment*, 2009, <http://appropriations.house.gov/pdf/PressSummary01-15-09.pdf>.

⁷ The U.S. Government Accountability Office (GAO) found that 13 states collect some language data from parents whose children receive subsidies, but language information is not available nationally. GAO, *Report to Congressional Requestors, Child Care and Early Childhood Education: More Information Sharing and Program Review by HHS Could Enhance Access for Families with Limited English Proficiency*, 2006, <http://www.gao.gov/new.items/d06807.pdf>.

⁸ Hannah Matthews and Rachel Schumacher, *Ensuring Quality Care for Low-Income Babies: Contracting Directly with Providers to Expand and Improve Infant and Toddler Care*, CLASP, 2008, http://www.clasp.org/publications/ceee_ensuring_quality_care_contracting.pdf.

⁹ Child Care Bureau, *Child Care and Development Fund Report to Congress for FY 2004 and FY 2005*, 2008, <http://www.acf.hhs.gov/programs/ccb/ccdf/rtrc/rtrc2004/intro.htm>. Income data for 2008 are not available.