

Child Care and Development Fund



Highlights
July 13, 2002

Recent Federal Child Care Policy

- Family Support Act - 1988
- Child Care and Development Block Grant - 1990
- Personal Responsibility and Work Opportunity Reconciliation Act of 1996
creation of the Child Care and Development Fund (CCDF) and Temporary Assistance for Needy Families (TANF)



Recent Federal Policy (continued)

- TANF and CCDF up for reauthorization in FY 2002
- Bill passed House in June (HB 4737); Senate Finance Committee passed on 6/26; Senate HELP Committee expected to do mark-up in July; likely to go to Senate floor in September
- Major issues: TANF work requirements and CCDF funding levels

Estimated FY 2002 Funding Levels (current year)

- CCDF - \$4.8 billion
- TANF Direct & Transfers - \$3.4 billion
- State MOE & Match - \$2.2 billion
- SSBG - \$158 million



And...

- An estimated 2.7 million children will receive child care services with CCDF and TANF-related funds and SSBG...

Services provided in FY 00:

- **Children:** 27% infants and toddlers (to 36 months); 38% preschoolers (36-59 months); 35% school-age (5-12 years)
- **Family income:** \$1,057 per month (median)
- **Family composition:** 84.7% single-headed households
- **Family co-pays:** four percent of family income (average)
- **Reason for care:** 92% of families needed child care for employment purposes

Services Provided (continued)

- **Settings:** 58% of children were in centers; 34% in child care homes; 8% in the child's home
- **Regulatory status:** 74% of children were in regulated settings; the remainder were in legal unregulated care
- **Type of payments:** 83% of payments were through vouchers

Grantees include:

- 50 States and
- The District of Columbia
- Five Territories
- 262 Tribal Grantees (representing approximately 500 Tribes and Alaska Native Villages)



CCDF Goals

- Allow State flexibility
- Promote parental choice
- Provide consumer education
- Help parents trying to achieve independence from welfare
- Assist States in implementing health, safety, licensing and registration standards



States must use funds for:

- Child care services on a sliding fee scale basis.
- Activities that improve the quality or availability of services.
- Other activities that achieve the goals of the act.



Major Provisions



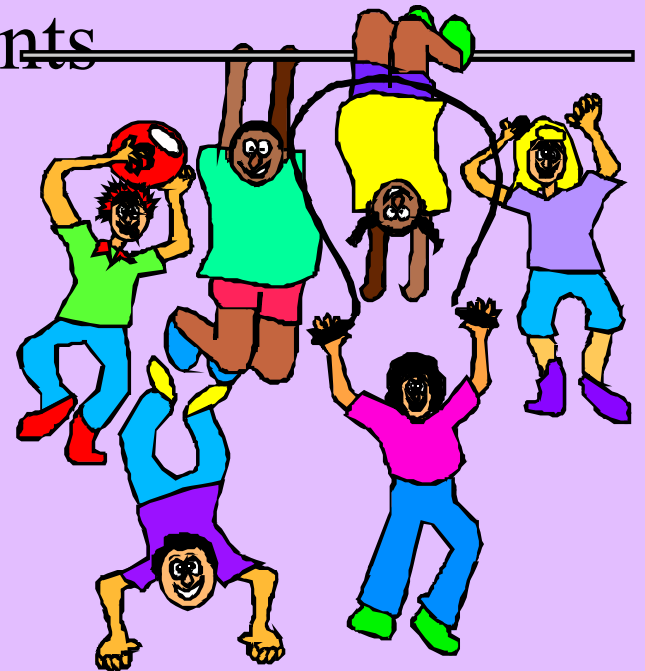
Eligible Child

- Under age 13
- Living with family with income below 85% State's median income
- Has parents who need child care in order to work or receive training or education
- Child in protective services may be served

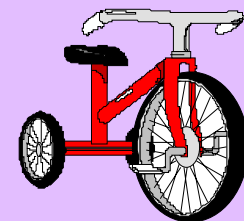


Other Requirements

- Sliding fee scale
- Choice
- Health and safety requirements
- Minimum of 4% for quality
- Earmarks
- Market rates provide access

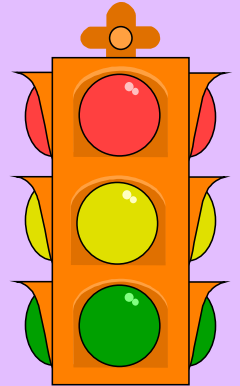


Among other requirements, States must indicate in their plans:



- Services to children over age 13?
- How priority will be given to very low income and children with special needs
- Definition of special needs child
- Provider reimbursement rates--do these rates vary for children with special needs?
- How quality set-aside and earmarked funds will be used.

Relevant TANF Provisions



- Transfer authority and ability to spend TANF dollars on child care
- Assurance that TANF families with a child under six will not be penalized for failure to work if child care not available
- Ability to exempt caregivers of infants from work requirements

Some Ways States Promote Inclusive Child Care

- Enhanced reimbursement rates
- Training
- Collaboration with health professionals
- Mini-grants
- Earmarked vouchers
- Enhanced resource and referral services
- Interagency agreements

Technical Assistance Resources

- **Center on the Social and Emotional Foundations for Early Learning (<http://csefel.uiuc.edu>):** a collaborative initiative of the Child Care and Head Start Bureaus to develop and disseminate evidence-based user-friendly information to assist early childhood educators in meeting the needs of children with challenging behaviors and mental health needs in early childhood programs

TA Resources (continued)

- **National Child Care Information Center:** 800-616-2242 or <http://nccic.org>. Disseminates child care information; website includes State profiles that provide State-level child care contacts.
- **Child Care Aware:** 800-424-2246 or <http://www.childcareaware.org>. Offers toll-free child care consumer hotline that links families to their local resource and referral program.
- **Healthy Child Care America:** 888-227-5409 or <http://www.nccic.org/hcca>.

TA Resources (continued)

- **Tribal Child Care Technical Assistance Center (TriTAC):** 800-388-7670 or tritac2@aol.com. Provides targeted technical assistance to tribes supported through CCDF. Includes toll-free information and referral line, web-site, an annual national tribal child care conference and cluster training.

Other Federal Resources for Early Care and Education (FY 2002)

- Early Learning Opportunities Act (\$25M)
- Head Start (\$6.5B)
- 21st Century Community Learning Centers (\$1B)
- Early Reading First (\$75M)
- Early Childhood Educator Professional Development (\$15M)
- Even Start (\$250M)

Other Resources (continued)

- Title 1 Grants to School Districts (\$1.6B additional in FY 2002)
- Special Education Grants for Infants and Families-Part C (\$417M)
- Special Education Preschool Grants-Part B (\$390M)
- Social Services Block Grant (Title XX) (\$1.7B)
- Child and Adult Care Food Program

For more information:

- Karen Tvedt, Director, Child Care Bureau Policy Division: ktvedt@acf.hhs.gov or 202-401-5130