

Child care assistance spending and participation in 2012: A record low ^[1]

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AVAILABILITY

Full report in pdf ^[2]

Description:

New analysis from CLASP shows state spending on child care assistance, including funds from two federal programs-the Child Care and Development Block Grant (CCDBG) and the Temporary Assistance for Needy Families (TANF) block grant-at a 10-year low and the number of children receiving CCDBG-funded assistance at a 14-year low. About 263,000 fewer children received child care assistance through CCDBG in 2012 than in 2006, according to newly released data from the U.S. Department of Health and Human Services (HHS).

CCDBG is the primary source of federal funding for child care assistance and helps more than 900,000 low-income families afford the high costs of child care. The Temporary Assistance for Needy Families (TANF) block grant has also been a large source of funds for child care assistance. States do not report the number of children who receive TANF-funded child care.

Child care assistance helps stabilize employment and leads to increased earnings, making a difference in the economic health and security of families. Access to subsidies allows working poor families to use their limited income to meet other basic needs such as food, rent, and household utilities. And it helps children have access to higher-quality child care. Without help, families are forced to choose between work and their children's care. Low-income families with children who don't get help paying for child care are more likely to leave their children in less-safe and lower-quality environments.

Half of families served in CCDBG have incomes below the federal poverty level (about \$19,900 for a family of three in 2012) and another quarter of families have incomes between 100 and 150 percent of poverty. Nearly all (93 percent) received help because they were working or in training or education programs.

Supporters of early learning seem to be everywhere from executive board rooms to Capitol Hill. Congress recently passed an omnibus agreement in which early childhood programs, including CCDBG, made some incredible headway. But a portion of the \$154 million increase for CCDBG went to restoring cuts the program experienced under sequestration the previous year. Therefore, while funding in 2014 is higher than previous years, it continues to fall far short of meeting the need. HHS estimates that only one in six children (18 percent) eligible for child care assistance get help. But even that estimate does not account for the recent plummet in the number of children served.

Support for early learning is important. But dollars are crucial. A major investment in child care and early education would put children on a path to academic success and parents on a path to increased economic opportunity. The link between household income and child well-being is well established. As federal and state governments consider the importance of their investments, increasing the economic security of low-income families and expanding access to quality child care is a good place to start.

- See more at: <http://www.clasp.org/issues/child-care-and-early-education/in-focus/chil...> ^[3]

Region: United States ^[4]

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