

Federal Programs that Provide Childcare Assistance

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As advocates for children and families, First Focus understands the importance of affordable, high quality childcare. Quality childcare provides children with a safe place to learn and socialize with others in developmentally appropriate ways. Quality childcare provides children with a stimulating environment, which fosters their ability to thrive in school and in life. Childcare also allows families to maintain gainful employment and/or attend school, thus improving their economic stability. Unfortunately, childcare isn't cheap —



in fact, <u>childcare costs more than public college in 31 states and Washington</u>, <u>DC</u>. The following federal programs help families access quality childcare services:

The **Childcare and Development Block Grant (CCDBG)** provides formula block grants to states, territories, and tribes to subsidize childcare for low-income working families. Most assistance provided by the CCDBG is administered through vouchers or certificates, which can be used by parents for the provider or program of their choice. The CCDBG is <u>funded</u> at \$2.917 billion for mandatory spending, and \$2.435 billion for discretionary spending. Approximately <u>1.5 million</u> are served by the CCDBG each month.

The **Child and Dependent Care Tax Credit** supports parents who are working or going to school by providing a <u>non-refundable credit</u> of 20 percent to 35 petcent of up to \$3,000 in eligible child care expenses per child. This credit, however, is not refundable so families without tax liability do not receive the benefit of the credit.

Head Start is a federal grant program that provides comprehensive child development services for economically disadvantaged 3 and 4-year-old children to prepare them to succeed in school. Head Start served 1.1 million children in fiscal year 2014, with over half of children served in Early Head Start programs for children from birth to 3 years of age. Head Start is funded at \$8.598 billion.

The **Child Care Access Means Parents in School program** supports the participation of low-income parents in post-secondary education through the provision of campus-based childcare services. Approximately <u>86</u> colleges use these funds to support students, with each campus center serving nearly <u>100</u> children. This program is funded at <u>\$15.1 million</u> dollars annually.

Temporary Assistance for Needy Families (TANF) supports struggling families through direct cash payments and work supports, like childcare assistance. Almost <u>20 percent</u> of TANF funds are spent on subsidizing and providing childcare services to allow parents to work. Nearly <u>1.7 million</u> families benefit from this program that is funded at \$17.675 billion.

Federal Funding is Not Adequate to Assist Families in Securing Childcare

However, current federal support simply isn't enough. Over the past 30 years, average weekly childcare expenses rose more than 70 percent and federal support has not come close to matching the increase in costs. Families have to shell out more money than ever for childcare. Low-income families bear the heaviest burden, with many paying nearly half of their income on childcare services. Even worse, federal programs serve only a fraction of eligible families, leaving many without any support at all.

The lack of affordable childcare means that parents are forced to has left a stain on our economy. Due to the difficulties of juggling parenting and a career, women are also choosing simply <u>not to have kids</u> at all, thus reducing the number of potential future wage earners. Women are forced to <u>leave work</u> to tend for kids, and employee absenteeism from lack of child care costs U.S. businesses \$3 billion a year.

You can help change this. Please contact your member of Congress and let them know that childcare is a national economic and family issue. Urge them to support increased funding for childcare.