



Investing in Child Care

High-quality child care fulfills two important national goals: keeping children safe while their parents work, and nurturing and developing children in ways that prepare them for success in school and life. In November 2014, Child Care and Development Block Grants (CCDBG) were reauthorized for the first time in nearly two decades. The new law (PL 113-186), is designed to improve the health and safety of child care settings, improve continuity of care for children receiving a child care subsidy, and expand access to high-quality child care, especially for infants and toddlers, children with disabilities, and those in underserved communities.

The law includes the following new requirements for states that will take effect during the next few years:

- Unannounced annual inspections for licensed providers serving children receiving a subsidy.
- Annual inspection for non-relative license exempt providers.
- Criminal background checks for providers serving children receiving a subsidy.
- Pre- and in-service requirements in several content areas, including early learning guidelines and health and safety for providers serving children receiving subsidies.
- Annual redetermination for families receiving a subsidy.
- An emphasis on continuity of care for families.
- Encouraging states to improve payment practices to cover child absences and holidays.

In addition, the new law increases the quality set-aside over time from 4 percent to 9 percent (after 5 years) and increasing the infant and toddler set-aside to 3 percent over time. The quality set-aside allows states to invest in a variety of activities that can improve the quality of child care in the state, including training and professional development for providers, developing and implementing early learning guidelines, developing and implementing tiered quality rating systems, improve access to and quality of programs for infant and toddlers, develop statewide resource and referral systems, facilitate compliance with licensing, support providers seeking voluntary accreditation, as well as other state-determined activities.

While the new law takes many steps to improve quality and access, in order to fulfill the promise of reauthorization states and the federal government will need to provide additional resources. According to the Administration for Children and Families, "Access to CCDF-funded child care assistance fell to an all-time low in FY 2013 due to funding constraints, with an average of 1.4 million children served each month, and many states have waiting lists for assistance as a result of funding shortfalls. In addition,

CCDF funding levels have not kept pace with the rising cost of child care and the value of the child care subsidy has decreased in real dollars by about 20 percent since 2003."¹

In addition to the historic reauthorization of CCDBG, the President has proposed significant new investments in his FY 2016 budget to increase access to child care for low-income working families. This includes new resources for the Child Care and Development Block Grant to implement the new requirements (\$266 million increase) and foster innovation (\$100 million). The President's budget also proposes \$82 million over 10 years to help more than a million low-income working families pay for child care for their infants and toddlers. The President has also proposed changes to the Dependent Care Tax Credit to help more middle- and low-income families afford quality child care. Full implementation of the CCDBG is critical because decades of research have proven there is a small window of time when children are learning to talk, play, and get along with others. During these critical early learning years, high-quality programs and qualified early childhood professionals accelerate how our children learn, develop, and build the skills necessary to get along with others and succeed in school and life.

That's why the National Association for the Education of Young Children (NAEYC) is an enthusiastic participant in the conversation about investment in quality childcare. Since 1926, NAEYC has been the voice of young children, its members, affiliates and early childhood stakeholders around the world. NAEYC combines the association's evidence-based practices (supported by data and shown to have positive, significant difference in outcomes) and on the ground expertise with strategic advocacy efforts that promote high-quality, well-funded early childhood programs and practice. NAEYC is at the forefront of informing policy discussions through sharing formal public position papers, direct lobbying, and being partners in a variety of early childhood coalitions to help advance issues that support our youngest children.

Recommendations

NAEYC has the following recommendations related to CCDBG.

- Invest an additional \$1 billion in CCDBG to help states implement new requirements in the reauthorized CCDBG law.
- Pass the Strong Start for America's Children Act in order to create high-quality early learning environments for children from birth through age 8.
- Expand the Dependent Care Tax Credit to help more families pay for high-quality child care.

¹ Department of Health and Human Services. (2015) *FY 2016 Administration for Children and Families Justification for Estimates for Appropriations Committees*. Washington, DC.