

**SECTION 9-CHILD CARE****CONTENTS**

- Introduction**
- Employment and Marital Status of Mothers**
- Child Care Arrangements Used by Working Mothers**
- Child Care Costs**
- Supply and Characteristics of Child Care Providers**
  - Supply of Providers**
  - Wages of Child Care Center Staff**
  - Staff Turnover**
- Child Care Standards and Quality**
  - Regulation and Licensing**
  - Research on Child Care Quality**
- The Federal Role**
  - Background and Overview**
  - Major Child Care Programs**
  - Child Care and Development Block Grant**
- Child Care Tables**
  - Child Care and Development Fund**
  - Families and Children Served, Type of Care, and Payment Type**
  - State Income Eligibility Limits**
  - Trends in Child Care Expenditures**
  - State CCDF Allocations**
- References**

**INTRODUCTION**

Child care is an issue of significant public interest for several reasons. The dramatic increase in the labor force participation of mothers is the most important factor affecting the demand for child care in the last quarter century. Currently, in a majority of American families with children--even those with very young children--the mother is in the paid labor force. Similarly, an increasingly significant trend affecting the demand for child care is the proportion of mothers who are the sole or primary financial supporters of their children, either because of divorce or because they never married. In addition, child care continues to be a significant issue in debates over how to move welfare recipients toward employment and self-sufficiency; mothers on welfare can have difficulty entering the labor force because of child care problems. Finally, the impact of child care on the children themselves is an issue of considerable interest, with ongoing discussion of whether children benefit from participation in programs with an early childhood development focus.

Concerns that child care may be in short supply, not of good enough quality, or too expensive for many families escalated during the late 1980s into a national debate over the nature and extent of the Nation's child care problems and what, if any, Federal interventions would be appropriate. The debate culminated in the enactment of legislation in 1990 that expanded Federal support for child care by establishing two new child care grant programs to States. The programs--the Child Care and Development Block Grant (CCDBG) and the At-Risk Child Care Program--were enacted as part of the Omnibus Budget Reconciliation Act of 1990 (Public Law 101-508). These programs were preceded by enactment of a major welfare reform initiative, the Family Support Act of 1988 (Public Law 100-485), which authorized expanded child care assistance for welfare families and families leaving welfare. In 1996, as part of welfare reform legislation (the Personal Responsibility and Work Opportunity Reconciliation Act, Public Law 104-193), these programs were consolidated into an expanded Child Care and Development Block Grant (sometimes referred to as the Child Care and Development Fund), which provides increased Federal funding and serves both low-income working families and families attempting to transition off welfare through work.

This chapter provides background information on the major indicators of the demand for and supply of child care, the role of standards and quality in child care, a summary description of the major Federal programs that fund child care services, and reported data from the largest of those sources of dedicated funding, the Child Care and Development Fund (CCDF).

### **EMPLOYMENT AND MARITAL STATUS OF MOTHERS**

The dramatic increase in the labor force participation of mothers is commonly regarded as the most significant factor fueling the increased demand for child care services. A person is defined as participating in the labor force if she is working or seeking work. As shown in Table 9-1, in 1947, just following World War II, slightly over one-fourth of all mothers with children between the ages of 6 and 17 were in the labor force. By contrast, in 2002 over three-quarters of such mothers were labor force participants. The increased labor force participation of mothers with younger children also has been dramatic. In 1947, it was unusual to find mothers with a preschool-age child in the labor force--only 12 percent of mothers with children under the age of 6 were in the labor force. But in 2002, over 64 percent of mothers with preschool-age children were in the labor force, a rate more than 5 times higher than in 1947. Women with infant children have become increasingly engaged in the labor market as well. Today, 60 percent of all mothers whose youngest child is under age 2 are in the labor market, while in 1975 approximately one-third of all such mothers were labor force participants.

The rise in the number of female-headed families also has contributed to increased demand for child care services. Single mothers maintain a greater share of all families with children today than in the past. Census data show that

in 1970, 11 percent of families with children were headed by a single mother, compared with 24 percent of families with children in 2003. While the number of two-parent families with children increased only slightly between 1970 and 2003 (25.8 and 27.1 million, respectively), the number of female-headed families with children almost tripled, increasing from 3.4 million families in 1970 to 9.9 million in 2003. These families headed by mothers were a major source of growth in the demand for child care.

Mothers' attachment to the labor force differs depending on the age of their youngest child and marital status, as Tables 9-2 and 9-3 show. Table 9-2 exhibits the labor force participation rates of various demographic groups of mothers with a youngest child over or under age 6. The table provides evidence of the increasing rate of working mothers, especially working mothers with preschool children.

TABLE 9-1--LABOR FORCE PARTICIPATION RATES OF WOMEN,  
BY PRESENCE AND AGE OF YOUNGEST CHILD,  
SELECTED YEARS, 1947-2002

	No Children Under 18	With Children Under Age 18				
		Total	Age 6-17 Only	Under Age 6		
				Total	Under 3	Under 2
April 1947	29.8	18.6	27.3	12.0	NA	NA
April 1950	31.4	21.6	32.8	13.6	NA	NA
April 1955	33.9	27.0	38.4	18.2	NA	NA
March 1960	35.0	30.4	42.5	20.2	NA	NA
March 1965	36.5	35.0	45.7	25.3	21.4	NA
March 1970	42.8	42.4	51.6	32.2	27.3	NA
March 1975	45.1	47.3	54.8	38.8	34.1	31.5
March 1980	48.1	56.6	64.3	46.8	41.9	39.2
March 1985	50.4	62.1	69.9	53.5	49.5	48.0
March 1990	52.3	66.7	74.7	58.2	53.6	52.1
March 1991	52.0	66.6	74.4	58.4	54.5	53.8
March 1992	52.3	67.2	75.9	58.0	54.5	54.3
March 1993	52.1	66.9	75.4	57.9	53.9	54.2
March 1994	53.1	68.4	76.0	60.3	57.1	56.7 <sup>1</sup>
March 1995	52.9	69.7	76.4	62.3	58.7	57.9 <sup>1</sup>
March 1996	53.0	70.2	77.2	62.3	59.0	57.9
March 1997	53.6	72.1	78.1	65.0	61.8	59.9
March 1998	54.1	72.3	78.4	65.2	62.2	62.1
March 1999	54.3	72.1	78.5	64.4	60.7	60.6
March 2000	54.8	72.9	79.0	65.3	61.0	NA
March 2001	54.4	72.7	79.4	64.4	60.7	NA
March 2002	54.0	72.2	78.6	64.1	60.5	NA

<sup>1</sup> Includes mothers in the Armed Forces.

NA-Not available.

Note-Data for 1994 and beyond are not directly comparable with data for 1993 and earlier years because of introduction of a major redesign in the Current Population Survey (household survey) questionnaire and collection methodology and the introduction of 1990 census-based population controls, adjusted for the estimated undercount (Polivka & Rothgeb, 1993).

Source: U.S. Department of Labor, Bureau of Labor Statistics.

TABLE 9-2--LABOR FORCE PARTICIPATION RATES OF WOMEN WITH CHILDREN, BY MARITAL STATUS  
AND AGE OF YOUNGEST CHILD, SELECTED YEARS, 1970-2002

	1970	1980	1990	1992	1994	1996	1997	1998	1999	2000	2001	2002	Percent Increase, 1980-2002
Married women:													
Youngest Under 6	30.3	45.0	58.9	59.9	61.7	62.7	63.3	63.7	61.8	62.8	61.9	60.8	35.1
Youngest 6 or Older	49.2	61.8	73.6	75.4	76.0	76.7	77.6	76.8	77.1	75.2	77.5	76.8	24.3
Separated Women:													
Youngest Under 6	45.4	52.2	59.3	55.7	59.2	63.1	70.2	70.7	75.7	75.0	72.9	77.3	48.1
Youngest 6 or Older	60.6	66.6	75.0	71.6	70.7	73.3	76.1	79.6	78.5	82.2	82.4	81.0	21.6
Divorced Women:													
Youngest Under 6	63.3	68.3	69.8	65.9	67.5	76.5	78.7	74.7	80.5	80.3	79.7	80.2	17.4
Youngest 6 or Older	82.4	82.3	85.9	85.9	84.9	85.5	85.1	85.5	85.0	87.9	89.0	87.5	6.3
Never-Married Women:													
Youngest Under 6	NA	44.1	48.7	45.8	52.2	55.1	65.1	66.3	68.1	70.5	69.2	71.0	61.0
Youngest 6 or Older	NA	67.6	69.7	67.2	67.5	71.8	74.0	81.2	82.7	79.7	80.8	81.7	20.9
All Women	52.9 <sup>1</sup>	56.6	66.7	67.2	68.4	70.2	72.1	72.3	72.1	69.8	72.7	72.2	27.6

<sup>1</sup> Excludes never-married women.

NA-Not available.

Note-Data for 1994 and beyond are not directly comparable with data for 1993 and earlier years because of introduction of a major redesign in the Current Population Survey (household survey) questionnaire and collection methodology and the introduction of 1990 census-based population controls, adjusted for the estimated undercount (Polivka & Rothgeb, 1993).

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Table 9-3 provides a detailed breakdown of the labor force participation of women for March 2002 by marital status and the age of the youngest child. Among those with children under 18, divorced women have the highest labor force participation rate (86 percent), followed by separated women (80 percent). The labor force participation rate for never-married mothers with children under 18 grew to over 75 percent in 2002, a 24 percent increase over the 1996 rate. In 1996, never-married mothers trailed all other marital status groups (with children under 18) in labor force participation, but by 1999 the participation rate for never-married mothers surpassed married women (70 percent) and widowed mothers (63 percent). In 2002, the rates for all three groups remained relatively stable.

TABLE 9-3--LABOR FORCE PARTICIPATION RATES OF WOMEN WITH CHILDREN UNDER 18, BY MARITAL STATUS AND AGE OF YOUNGEST CHILD, MARCH 2002

Marital Status	Age of Youngest Child						
	Under 3	Under 6	Under 18	3-5	6-13	6-17	14-17
Married, Spouse Present	58.0	60.8	69.6	65.0	75.3	76.8	80.5
Divorced	75.8	80.2	85.8	82.8	87.3	87.5	87.7
Separated	72.5	77.3	79.6	81.8	82.2	81.0	77.9
Widowed	67.1	61.5	62.5	56.0	65.0	62.8	59.7
Never Married	66.4	71.0	75.3	78.1	82.4	81.7	78.9
All Women with Children Under 18	60.5	64.1	72.2	69.1	77.7	78.6	80.8

Note--Labor force participation rates include nonworking mothers who are actively looking for work.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

As Table 9-3 illustrates, labor force participation rates tend to increase regardless of the marital status of the mother as the age of the youngest child increases, at least up to the child's teenage years. Among all women with children under 18, 61 percent of those with a child under 3 participate, 69 percent of those whose youngest child is between 3 and 5 participate, and 81 percent of those whose youngest child is between 14 and 17 participate.

In 2002, 72 percent of mothers participated in the labor force. Among these mothers, Table 9-4 shows 50 percent worked full time and 18 percent worked part time (less than 35 hours per week). Forty-one percent of mothers with children under age 6 worked full time, and 18 percent worked part time.

Table 9-4 reveals that how much mothers' work differs according to their marital status and the age of their children. It also indicates that changes have occurred between 1996 and 2002. The 1996 welfare reform law's new emphasis on work is likely to have affected the employment status of the never-married mother subgroup most significantly, and that is reflected in the table. Overall, the percent of all mothers (with children under 18) employed full time grew from 48 percent in 1996 to 50 percent in 2002. Within the subgroup of never-married mothers, the 3 year period was accompanied by a much larger increase

in full-time employment. In 1996, 36 percent of never-married mothers with children under 18 were employed full time. By 2002, the figure had increased to 51 percent. The percent of never-married mothers working full time with children under age 6 had grown comparably, increasing from 29 percent in 1996 to 45 percent in 2002. Within the divorced mothers subgroup, there were increases between the years, but the differences are not nearly as large as within the never-married subgroup. In 2002, the percent of all divorced mothers employed full time with children under 18 remained almost 69 percent, steady since 1999, and a 2 percentage point increase since 1996; for those with children under 6, 61 percent worked full time in 2002. The employment status of married mothers remained generally stable or declined slightly since 1996, depending on full- or part-time status, and age of children.

TABLE 9-4--PERCENT OF MOTHERS BY FULL<sup>1</sup>- OR PART-TIME EMPLOYMENT STATUS, MARCH 1996 AND 2002

Marital and Employment Status	With Children Under 18		With Children Under 6	
	1996	2002	1996	2002
Married, Spouse Present:				
Employed Full Time	46.3	47.2	39.4	38.6
Employed Part Time	21.3	19.6	20.9	19.1
Divorced:				
Employed Full Time	66.2	68.5	56.5	61.3
Employed Part Time	12.6	11.9	12.9	12.2
Never Married:				
Employed Full Time	35.5	51.3	28.8	45.0
Employed Part Time	13.8	14.5	15.1	16.2
All Mothers:				
Employed Full Time	47.5	50.2	39.0	41.3
Employed Part Time	19.0	17.8	19.1	18.1

<sup>1</sup> Full-time workers work 35 hours or more per week.

Source: U.S. Department of Labor, Bureau of Labor Statistics.

### CHILD CARE ARRANGEMENTS USED BY WORKING MOTHERS

Data on the types of child care arrangements used by families with working mothers are collected periodically by the U.S. Census Bureau. The most recent U.S. Census Bureau statistics available on child care arrangements are based on data collected by the Survey of Income and Program Participation (SIPP) for April-July 1999. Because the interview questions obtain information about both paid and unpaid substitute care used while the mother works, it provides information on categories of care that generally are not considered child care, such as care provided by the father, or care by a sibling.

The 1999 data indicate that the types of child care arrangements used by families while the mother works vary depending on the age of the child, as well as the mother's work schedule (full- or part-time), marital status, and family income. Table 9-5 shows the distribution of primary child care arrangements provided for preschoolers (children under age 5), by marital status and mother's

work schedule. In the 1999 SIPP survey, parents were asked to estimate the number of hours a child spends in any of several care arrangements during a week, rather than to identify the child's "primary" care arrangement while the mother worked. In Tables 9-5 and 9-6, the primary child care arrangement is based on the arrangement in which a child spends the most hours in a typical week. In the case of a child who spends equal time between arrangements, the child would have more than one primary arrangement.

Table 9-5 shows that about one third (34 percent) of families of preschoolers with working mothers in 1999 primarily relied on care in another home by a relative, family day care provider, or other nonrelative, compared to almost one quarter (24 percent) of families whose primary arrangement was an organized child care facility. These data resemble the 1995 survey results, but mark a change from the fall 1994 survey results, which revealed that over 30 percent of families used organized child care as their primary arrangement. However, some of the decline in the use of organized child care facilities and increase in care out of another's home may have reflected a change in the 1995 survey, which more clearly defined care types, by asking specifically about family day care providers (providers caring for more than one child outside the child's home), as distinct from organized group day care. Relative care, either in the child's home or the relative's home, was used by almost 30 percent of families of preschool children with employed mothers. Over one-fifth of families with young children did not rely on others for help with child care arrangements while the mother worked, but instead used parental care (21 percent), especially care by fathers (almost 18 percent). Less than 4 percent of families relied on care provided in the child's home by a nonrelative.

Preschool children of part-time employed mothers were much more likely to be cared for by a parent (32 percent), than by an organized child care facility (18 percent), and also more likely to be cared for by a relative, family provider, or nonrelative in another home (28 percent). Mothers employed full time were most likely to use organized day care centers (21 percent), a grandparent (13 percent), or family day care provider (13 percent) than any other form of care.

Table 9-6 shows the types of afterschool arrangements used in 1999 for school-age children by working mothers, as well as cases in which there were no arrangements specified. In 1999, 27 percent of children age 5-14 were being cared for after school in the child's home, whereas in 1995 this figure was almost 20 percent. Of those children age 5-14 with employed mothers in 1999, 13 percent were cared for by a sibling (4 percent by a sibling under age 15). Afterschool care by fathers continues to increase. In 1999, 23 percent of children were primarily cared for by fathers during afterschool time, compared to 21 percent in 1995, and 11 percent in 1993. Children reported to be in self-care or to be unsupervised by an adult for some time while their mothers

TABLE 9-5--PRIMARY CHILD CARE ARRANGEMENTS OF CHILDREN UNDER 5, 1999  
 [In Percent Unless Otherwise Noted]

Type of Arrangement	Mothers with Children Under 5 Years									
	All Marital Statuses			Married, Husband Present			All Other Marital Statuses			
	Total	Employed Full Time	Employed Part Time	Total	Employed Full Time	Employed Part Time	Total	Employed Full Time	Employed Part Time	Total
Care in Child's Home:										
By Grandparent	8.0	8.2	7.7	6.3	6.2	6.3	12.7	12.9	12.3	12.3
By Sibling Age 15 or Older	1.6	1.5	1.6	1.1	1.1	1.1	2.9	2.7	3.4	3.4
By Sibling Under Age 15	0.4	0.5	0.2	0.3	0.3	0.1	0.8	1.0	0.4	0.4
By Other Relative	2.5	2.7	1.9	2.0	2.4	1.2	3.7	3.6	4.2	4.2
By Nonrelative	3.4	3.1	3.8	3.5	3.4	3.6	2.9	2.4	4.3	4.3
Total	15.8	16.1	15.2	13.1	13.5	12.5	23.1	22.5	24.6	24.6
Care in Another Home:										
By Grandparent	13.2	13.1	13.4	11.7	12.0	11.0	17.3	15.7	21.6	21.6
By Other Relative	3.8	4.1	3.1	3.4	3.8	2.6	4.9	4.9	5.0	5.0
By Family Day Care Provider <sup>1</sup>	10.9	13.0	6.6	11.6	13.9	7.3	9.0	10.7	4.5	4.5
By Nonrelative	6.1	6.8	4.8	6.2	6.9	4.8	6.1	6.7	4.5	4.5
Total	34.0	37.0	27.9	32.8	36.5	25.7	37.4	38.0	35.6	35.6
Organized Child Care Facility:										
Day/Group Care Center	17.5	20.5	11.3	17.3	20.8	10.6	18.0	19.5	13.9	13.9
Nursery School/Preschool	3.9	4.2	3.3	4.2	4.5	3.5	3.1	3.4	2.3	2.3
Kindergarten/Grade School	2.8	2.9	2.6	2.5	2.6	2.3	3.7	3.8	3.6	3.6

Head Start Program	0.3	0.2	0.3	0.2	0.3	0.1	0.4	0.2	0.9
Total	24.4	27.8	17.5	24.1	28.2	16.6	25.2	26.9	20.7
Parental Care:									
By Father	17.9	13.9	26.2	21.0	16.0	30.4	9.5	8.8	11.6
By Mother at Work <sup>2</sup>	3.3	2.0	6.0	3.7	2.2	6.3	2.4	1.6	4.7
Total	21.3	16.0	32.2	24.7	18.3	36.7	11.9	10.3	16.2
Other:									
Child Cares for Self	0.2	0.2	0.0	0.2	0.4	0.0	0.0	0.0	0.0
Other, no specified arrangements	1.7	1.2	2.5	1.8	1.3	2.6	1.4	1.1	2.2
No arrangement specified	2.7	1.6	4.8	3.3	1.9	6.0	1.0	1.1	0.7
Total	4.5	3.1	7.3	5.3	3.5	8.6	2.4	2.2	2.8
Total (all arrangements)	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
Number of arrangements (in thousands)	11,200	7,531	3,669	8,185	5,332	2,854	3,015	2,200	815
Number of children (in thousands)	10,347	6,962	3,385	7,602	4,960	2,642	2,745	2,002	743

Source: Table prepared by the Congressional Research Service based on analysis of U.S. Census Bureau data from the Survey of Income and Program Participation, 1999, panel, wave 10.

were working represented 18 percent of the children. It is not known if the children in the "no arrangement specified" category were unsupervised, or if other factors may account for their not being reported in a child care arrangement, such as travel time from school.

Table 9-7 shows the types of child care arrangements used in 1999 for children under 5 by the economic well-being of the family. The 19 percent of poor children being cared for in the child's home by a relative or nonrelative in 1999 represents a marked increase from 9 percent reported in 1995. The percent of nonpoor children in this category remained unchanged at roughly 15 percent. Nonpoor children in 1999 were slightly more likely than poor children to be cared for in another home. Poor families were slightly more likely than nonpoor families to not specify any regular arrangement.

TABLE 9-6-- CHILD CARE ARRANGEMENTS USED BY EMPLOYED MOTHERS FOR CHILDREN 5-14, SPRING 1999

Type of Arrangement	Percent
Care in Child's Home:	
By Grandparent	7.6
By Sibling Age 15 or Older	9.5
By Sibling Under Age 15	3.5
By Other Relative	2.6
By Nonrelative	3.6
Total	26.8
Care In Another Home:	
By Grandparent	10.7
By Other Relative	3.9
By Family Day Care Provider <sup>1</sup>	4.0
By Nonrelative	5.4
Total	24.0
Organized Child Care Facility:	
Day/Group Care Center	6.9
Nursery School/Preschool	1.3
After/Before School Program	13.7
Total	21.9
Parental care:	
By Father	22.8
By Mother at Work <sup>2</sup>	4.4
Total	27.2
Child Cares for Self:	
Age 5-8	3.0
Age 9-11	14.1
Age 12-14	39.4
Total	17.6
No arrangement specified	3.3

<sup>1</sup> Family day care providers provide care outside the child's home for more than one child.

<sup>2</sup> Includes women working at home or away from home.

Note: Total of 24,394,000 children in 49,186 arrangements. Totals add to over 100 percent due to some children participating in more than one type of arrangement.

Source: Table prepared by the Congressional Research Service based on data from the Survey of Income and Program Participation, U.S. Census Bureau, U.S. Department of Commerce.

TABLE 9-7--PRIMARY CHILD CARE ARRANGEMENTS USED BY  
EMPLOYED MOTHERS FOR CHILDREN UNDER 5, BY POVERTY  
STATUS OF THE MOTHER, SPRING 1999

[In percent unless otherwise noted]

Type of Arrangement	Total <sup>1</sup>	Poor <sup>2</sup>	Not Poor
Care in Child's Home:			
By Grandparent	8.0	9.4	7.8
By Sibling Age 15 or Older	1.6	3.2	1.4
By Sibling Under Age 15	0.4	0.0	0.5
By Other Relative	2.5	2.6	2.4
By Nonrelative	3.4	3.7	3.3
<b>Total</b>	<b>15.8</b>	<b>18.9</b>	<b>15.4</b>
Care in Another Home:			
By Grandparent	13.2	14.0	13.1
By Other Relative	3.8	4.7	3.7
By Family Day Care Provider <sup>3</sup>	10.9	6.2	11.5
By Nonrelative	6.1	6.3	6.1
<b>Total</b>	<b>34.0</b>	<b>31.2</b>	<b>34.4</b>
Organized Child Care Facility:			
Day/Group Care Center	17.5	15.1	17.8
Nursery School/Preschool	3.9	1.9	4.1
Kindergarten/Grade School	2.8	3.7	2.7
Head Start Program	0.3	0.3	0.3
<b>Total</b>	<b>24.4</b>	<b>21.0</b>	<b>24.9</b>
Parental care:			
By Father	17.9	16.8	18.1
By Mother at Work <sup>4</sup>	3.3	4.9	3.1
Child Cares for Self	0.2	0.0	0.2
Other, non-specified arrangement	1.7	2.8	1.5
No arrangement specified	2.7	4.3	2.5
<b>Total Children of Employed Mothers (in thousands)</b>	<b>10,347</b>	<b>1,174</b>	<b>9,172</b>
<b>Number of arrangements</b>	<b>11,200</b>	<b>1,263</b>	<b>9,937</b>

<sup>1</sup> Includes children for whom no poverty estimates were available.

<sup>2</sup> Below the poverty threshold, which was \$17,029 annually or \$1,419 monthly in 1999 for a family of four.

<sup>3</sup> Family day care providers provide care outside the child's home for more than one child.

<sup>4</sup> Includes women working at home or away from home.

Source: Table prepared by the Congressional Research Service based on data from the Survey of Income and Program Participation, U.S. Census Bureau, U.S. Department of Commerce.

Table 9-8 shows the primary arrangements used by working mothers for their preschool-aged children from for selected years from 1977 through 1999. In general, the table does not show dramatic changes in the arrangements used during this time period. However, there is a noteworthy rise in the share of children of single mothers who were cared for by fathers, from 1 percent in 1977 to more than 10 percent in 1999.

TABLE 9-8--PERCENT OF CHILDREN UNDER 5 IN SELECTED  
CHILD CARE ARRANGEMENTS, SELECTED YEARS 1977-99

Family Status and Date of Survey	Percent of Children Cared For By				
	Father	Mother <sup>1</sup>	Grandparent	Family Day Care <sup>2</sup>	Day Care Center/Nursery School
All Families:					
Spring 1999	18.5	3.1	20.8	16.9	21.7
Spring 1997	19.0	3.3	18.3	18.5	20.7
Fall 1995	16.6	5.4	15.9	23.6 <sup>3</sup>	23.6
Fall 1993	15.9	6.2	16.5	16.6	29.9
Fall 1991	20.0	8.7	15.8	17.9	23.0
Winter 1985	15.7	8.1	15.9	22.3	23.1
June 1977	14.4	11.4	NA	22.4	13.0
Married Couples:					
Spring 1999	21.5	3.5	17.3	17.8	21.7
Spring 1997	22.2	3.8	15.5	19.4	20.3
Fall 1995	18.5	6.2	14.4	23.6	22.8
Fall 1993	19.3	6.9	14.4	16.4	30.0
Fall 1991	22.9	9.8	13.7	17.1	22.7
Winter 1985	18.8	9.2	13.9	21.8	22.3
June 1977	17.1	12.9	NA	22.6	11.6
Single Mothers:					
Spring 1999	10.3	1.9	29.8	14.9	21.8
Spring 1997	9.2	1.7	26.9	15.5	21.8
Fall 1995	11.0	2.7	20.6	23.6	26.3
Fall 1993	3.4	3.5	24.6	17.3	29.5
Fall 1991	7.0	3.7	24.8	21.3	24.5
Winter 1985	2.2	3.5	24.5	24.4	26.7
June 1977	0.8	4.4	NA	21.8	19.1

<sup>1</sup> Includes mothers working at home or away from home.

<sup>2</sup> Children cared for in another home by nonrelatives.

<sup>3</sup> The 1995 survey asked specifically about "family day care providers," caring for more than one child. This figure includes these providers as well as nonrelatives caring for one child outside the child's home.

NA-Not available.

Note-Data are the principal arrangement used by mothers during most of their hours at work.

Single mothers include women never married, widowed, divorced, and separated.

Source: Survey of Income and Program Participation and the June 1977 Current Population Survey and Casper et al. (1994).

In addition to data available from the U.S. Census Bureau, data from the 1999 National Survey of America's Families (NSAF), collected by the Urban Institute, can be used to examine primary child care arrangements used by children under 5 with employed mothers nationally, and across 12 individual States. Table 9-9 shows that nationwide, 39 percent of preschool children with employed mothers in 1999 were in care for 35 or more hours per week (Urban Institute, 2002). Almost one-quarter were in care for 15-34 hours per week, 15 percent for 1-14 hours per week, and 22 percent spent no hours in nonparental child care.

For preschool children with mothers employed full time, the number of children in full-time care (35 or more hours) increases to 48 percent. Children ages 3 and 4 were slightly more likely to be in full-time care than younger preschoolers (45 percent versus 36 percent). Children in higher-income families were almost equally as likely to spend 35 or more hours a week in child care as lower-income children (40 percent versus 38 percent), although higher-income children are more likely than lower-income children to be in part-time care (41 percent versus 34 percent). Twenty-seven percent of low-income children are reported to spend no hours in nonparental care, compared to 19 percent of higher-income children.

TABLE 9-9--PERCENT OF CHILDREN UNDER FIVE WITH EMPLOYED MOTHERS IN DIFFERENT HOURS OF NONPARENTAL CARE, BY SELECTED CHARACTERISTICS, 1999

	Hours in Care			
	None	1-14	15-34	35+
All Children	22	15	24	39
Mothers Working Full Time	21	12	18	48
Child's Age:				
Under 3 Years	27	15	23	36
3-4 Years	14	16	26	45
Family Income:				
200 Percent of Poverty and Below	27	15	19	38
Above 200 Percent of Poverty	19	15	26	40

Source: Urban Institute calculations from the 1999 National Survey of America's Families.

According to the 1999 NSAF (Table 9-10), 28 percent of preschool children use center-based child care as their primary arrangement, while half that number (14 percent) are in family child care (Urban Institute, 2002). About 4 percent are primarily cared for in the child's home by a babysitter or nanny. More than a quarter (27 percent) of children under 5 are cared for primarily by a relative, either inside or outside the child's home, which is the same share of children in the care of a parent. The analysis of individual States revealed that there is considerable State variation in the use of specific primary child care arrangements.

The Urban Institute's analysis also examined how child care arrangements vary according to both age of child and family income. The survey data indicate that nationally infants and toddlers are more likely to be cared for by relatives (30 percent) and parents (33 percent) than to be in center-based care (18 percent) or family child care (15 percent). As preschoolers grow older (age 3 and 4), use of relative and parent care decreases (23 and 19 percent respectively), and center-based care becomes the most commonly used primary arrangement (42 percent). Use of family child care remains relatively steady at 12 percent for 3- and 4-year-olds.

TABLE 9-10--PRIMARY CHILD CARE ARRANGEMENTS FOR  
CHILDREN UNDER FIVE WITH EMPLOYED MOTHERS,  
BY SELECTED CHARACTERISTICS, 1999

	[In Percent]				
	Center- Based Care	Family Child Care	Relative Care	Parent Care <sup>1</sup>	Nanny/ Babysitter
All Children	28	14	27	27	4
Child's Age:					
Under 3 Years	18	15	30	33	5
3-4 Years	42	12	23	19	3
Family Income:					
200 Percent of Poverty and Below	23	12	29	33	3
Above 200 Percent of Poverty	30	15	26	24	5

<sup>1</sup> The NSAF's questions focused on nonparental arrangements and did not include questions about care provided by another parent, care for the child while the parent was at work, or care for the child at home by a self-employed parent. Those respondents not reporting a child care arrangement are assumed to be in one of these forms of care and are coded into the parent care category.

Source: Urban Institute calculations from the 1999 National Survey of America's Families.

At the national level, children under age 5 in families below 200 percent of poverty are less likely than higher-income children to use center-based care as a primary arrangement (23 percent versus 30 percent). Relative care and parent care are used most frequently by lower-income families (29 and 33 percent respectively), and more often than by higher-income families, of which 26 percent use relative care and 24 percent parent care. Lower- and higher-income families are almost equally likely to use family child care as their primary arrangement (12 and 15 percent respectively).

In addition to looking at the primary child care arrangements for children under 5, Urban Institute researchers used the 1999 NSAF to examine the number of nonparental arrangements used to care for a child, and the hours that are spent in each type of arrangement. As shown in Table 9-11, nationally, 40 percent of such children under 5 combine more than one child care arrangement each week (Urban Institute, 2002). Of those, 9 percent combine three or more arrangements. The remaining 60 percent have only one child care arrangement. Children under age 3 are less likely to have multiple child care arrangements than 3- and 4-year-olds (34 percent versus 47 percent). Children aged 3 and 4 are more than twice as likely to be in three or more care arrangements. Of the children in multiple arrangements, most use a combination of formal and informal care, regardless of age or income. Children from lower- and higher-income families are almost equally likely to be in multiple child care arrangements (41 and 39 percent respectively). As seen with primary arrangements, there is considerable State variation in the use of multiple arrangements.

TABLE 9-11--NUMBER OF NONPARENTAL CHILD CARE  
ARRANGEMENTS USED BY CHILDREN UNDER FIVE WITH  
EMPLOYED MOTHERS, BY SELECTED CHARACTERISTICS, 1999  
[In Percent]

	One Arrangement	Two Arrangements	Three or More Arrangements
All Children	60	31	9
Child's Age:			
Under 3 Years	66	29	5
3-4 Years	53	34	13
Family Income:			
200 Percent of Poverty and Below	58	33	8
Above 200 Percent of Poverty	61	30	9

Source: Urban Institute calculations from the 1999 National Survey of America's Families.

### CHILD CARE COSTS

Research studies have found that the majority of families with working mothers and preschool children purchase child care services. The tendency to purchase care and the amount spent on care, both in absolute terms and as a percent of family income, generally varies by the type of child care used, family type (married or single mothers), and the family's economic status.

The most recent data on child care expenditures by families are from the Survey of Income and Program Participation for the spring of 1999. These data show that 54 percent of families with employed mothers paid for child care for their preschool-aged children. And, as shown in Table 9-12, families with higher incomes were more likely to purchase care than families with lower incomes. For example, 63 percent of families with monthly incomes of \$4,500 or more purchased child care in the spring of 1999, while only 42 percent of families with monthly incomes of less than \$1,200 purchased care.

The median weekly cost per family for all preschool-aged children was \$69 in 1999 for those families that purchased care (Table 9-12). Married-couple families in which a husband is present devoted a smaller percentage of their income to child care (6 percent) than single-parent families (including married, without a present spouse) (12 percent), but their child care expenditures were nonetheless greater (\$75 per week) than those of single-parent families (about \$60 per week).

Table 9-12 also shows that, while poor families spend fewer dollars for child care than higher income families, they spend a much greater percentage of their family income for child care. Thus, poor families spent only \$55 per week, but this amount represented almost 29 percent of their income. By contrast, half of nonpoor families spent at least \$70 per week on care, but this amount was only about 7 percent of their income. A Spring 2000 survey of the cost of child care for a 4-year-old in urban child care centers across the country, conducted by the Children's Defense Fund (Schulman, 2000) found that in every State, the

average child care tuition exceeds \$3,300 per child, and is over \$5,000 per child in 20 States (with 11 States over \$6,000).

TABLE 9-12--USE OF PAID CHILD CARE ARRANGEMENTS FOR CHILDREN UNDER AGE 5 AMONG FAMILIES WITH WORKING MOTHERS, MEDIAN WEEKLY CHILD CARE EXPENDITURES, AND PERCENT OF FAMILY INCOME SPENT ON CARE, BY POVERTY STATUS AND FAMILY INCOME, SPRING 1999

	Percent Paying for Care	Median Weekly Cost of Care	Percent of Family Income Spent on Care
All Families:			
Poverty Status:			
Below Poverty	38	\$55	28.5
Above Poverty	56	70	6.6
Monthly Family Income:			
Less Than \$1,200	42	50	25.2
\$1,200-\$2,999	44	60	11.5
\$3,000-\$4,499	54	60	7.4
\$4,500 and Over	63	81	5.2
Total	54	69	7.0
Married, husband present			
Poverty Status:			
Below Poverty	33	NA	NA
Above Poverty	57	75	6.2
Monthly Family Income:			
Less Than \$1,200	NA	NA	NA
\$1,200-\$2,999	40	60	10.8
\$3,000-\$4,499	54	60	7.2
\$4,500 and Over	64	84	5.3
Total	56	75	6.3
All other marital statuses			
Poverty Status:			
Below Poverty	40	55	29.1
Above Poverty	51	60	10.2
Monthly Family Income:			
Less Than \$1,200	42	50	23.7
\$1,200-\$2,999	49	60	12.1
\$3,000-\$4,499	56	NA	NA
\$4,500 and Over	53	NA	NA
Total	48	60	11.6

NA- Base less than 200,000 is too small to show derived statistic.

Note-Data are for all child care arrangements used by working mothers.

Source: Table prepared by the Congressional Research Service based on an analysis of U.S. Census Bureau data from the Survey of Income and Program Participation, 1996 panel, wave 10.

**SUPPLY AND CHARACTERISTICS OF CHILD CARE PROVIDERS****SUPPLY OF PROVIDERS**

The variety of child care arrangements used by families has been discussed above. However, the studies of arrangements do not include estimates of the number of available providers. A comprehensive study of licensed centers, early education programs, center-based programs exempt from State or local licensing (such as programs sponsored by religious organizations or schools), and licensed family day care providers has not been conducted since the U.S. Department of Education's Profile of Child Care Settings Study was released in 1991. That study reported that approximately 80,000 center-based early education and care programs were providing services in the United States at the beginning of 1990 (Kisker, Hofferth, Phillips, & Farquhar, 1991).

A less extensive, but more recent study, focusing only on regulated child care centers, was released by the Children's Foundation in February 2002. The study reported that the number of regulated child care centers in the 50 States, the District of Columbia, Puerto Rico, and the Virgin Islands totals 113,298 (Children's Foundation, 2002). This is a 2 percent increase from the Foundation's 2001 study total, and nearly a 24 percent increase from the total published by the Children's Foundation's first study of centers in 1991. The 2002 study notes that the definition of regulated child care center varies by State or territory. In 29 States, the number of regulated child care centers includes nursery schools, preschools, prekindergartens and religiously affiliated centers. In the remaining States and territories, the definition is less inclusive. For example, some States exclude nursery schools or religiously affiliated centers in their count.

The Children's Foundation also conducts studies on family child care providers (as opposed to centers). Their 2000 report indicates that there are 304,958 regulated family child care homes, of which 266,798 are family day care homes (caring for up to 6 children) and 38,160 are large group child care homes (in which providers generally care for 7-12 children). It is assumed by child care researchers that the number of unregulated family day care providers far exceeds the number of regulated family providers, though it is difficult to determine by how much. At the time of the aforementioned Profile of Child Care Settings Study of 1991, the number of regulated family day care homes represented an estimated 10-18 percent of the total number of family day care providers.

The U.S. Census Bureau also collects data on the number of child care businesses in the United States. For a historical look at child care businesses in the early 1990s, a 1998 report used Census of Service Industries (CSI) data to provide information on the number and characteristics of child care businesses in 1992 (Casper & O'Connell, 1998). "Child care businesses" are defined as organized establishments engaged primarily in the care of infants or children, or providing prekindergarten education, where medical care or delinquency

correction is not a major component. Not included in this definition are babysitting services or Head Start Programs that are coordinated with elementary schools. Based on the Census of Service Industries data, the number of incorporated child care centers grew from 51,000 in 1992 to 62,054 in 1997.

#### WAGES OF CHILD CARE CENTER STAFF

No single data source provides comprehensive information on wages of child care workers. However, occupational data collected by the Department of Labor, when complemented by survey information gathered by organizations interested in child care issues, begin to paint a picture of the status of child care wages in the United States.

The Bureau of Labor Statistics (BLS) collects wage data for 764 occupations, as surveyed by the Occupational Employment Statistics (OES) Program. However, readers should be aware that the occupational categories create a misleading division in the child care work force. Center-based child care staff are described by the OES survey as either "preschool teacher" or "child care worker," distinguishing the former as an individual who instructs children up to age 5 in developmental activities within a day care center, child development facility, or preschool, and the latter as a person who performs tasks such as dressing, feeding, bathing, and overseeing play of children. This division of tasks does not necessarily occur in actual child care settings, and therefore the survey's occupational group assignments, and wage distinctions made between those groups, should be interpreted with some caution. Nevertheless, the OES survey provides a general sense of wages within the child care field. Based on BLS data and OES survey results from 2000, the median hourly wage of a center-based "child care worker" was \$7.43, and for a "preschool teacher," \$8.56. The average, or mean wages, for center-based "child care workers" and "preschool teachers" in 2000 were slightly higher, at \$7.86 and \$9.66 respectively.

Table 9-13 shows the average wages for childcare workers and preschool teachers by State in 2000, based on State Occupational Employment and Wage data from the Bureau of Labor Statistics.

TABLE 9-13--AVERAGE WAGES FOR CHILD CARE WORKERS AND PRESCHOOL TEACHERS, 2000

State	Child Care Workers	Preschool Teachers
Alabama	\$7.10	\$7.01
Alaska	8.51	11.20
Arizona	7.12	9.34
Arkansas	6.35	8.31
California	9.06	11.19
Colorado	7.76	9.47
Connecticut	9.59	11.10
Delaware	7.84	8.66

TABLE 9-13--AVERAGE WAGES FOR CHILD CARE WORKERS AND  
PRESCHOOL TEACHERS, 2000--continued

State	Child Care Workers	Preschool Teachers
District of Columbia	9.17	12.61
Florida	7.07	9.33
Georgia	6.69	8.42
Hawaii	7.18	9.99
Idaho	7.56	7.06
Illinois	8.19	9.69
Indiana	7.34	8.19
Iowa	6.68	7.93
Kansas	7.22	9.40
Kentucky	7.27	8.84
Louisiana	6.25	8.99
Maine	7.47	9.77
Maryland	8.51	11.00
Massachusetts	10.12	10.49
Michigan	8.29	10.65
Minnesota	7.89	11.09
Mississippi	6.79	8.60
Missouri	7.58	9.22
Montana	6.74	8.20
Nebraska	7.12	9.10
Nevada	7.62	8.26
New Hampshire	8.29	8.93
New Jersey	7.90	11.60
New Mexico	6.46	7.87
New York	8.99	11.30
North Carolina	7.27	8.25
North Dakota	7.26	7.82
Ohio	7.90	8.94
Oklahoma	6.52	8.55
Oregon	7.94	10.03
Pennsylvania	7.76	9.32
Rhode Island	8.54	10.21
South Carolina	6.76	8.88
South Dakota	7.11	9.60
Tennessee	7.07	7.36
Texas	6.89	9.25
Utah	7.85	8.95
Vermont	8.00	11.37
Virginia	7.78	9.57
Washington	8.41	10.00
West Virginia	6.88	8.72
Wisconsin	7.45	9.20
Wyoming	7.01	7.57

Source: Bureau of Labor Statistics, 2000 State Occupational Employment and Wage Data.

9-20  
STAFF TURNOVER

Like many low-wage industries, turnover among the child care work force has been historically high. The National Child Care Staffing Study (NCCSS), most recently updated in 1997, has tracked worker turnover and stability beginning with its initial study in 1988. In 1988, center directors in the sample reported a 41 percent average rate of annual turnover of teaching staff. In 1992, they reported average annual turnover of 26 percent for the year prior to the survey interview. By 1997, the rate had risen to 31 percent for all teaching staff, and one-fifth of centers reported losing half or more of their teaching staff in the previous year. The 10 percentage point decrease in turnover rates between 1988 and 1997 should be analyzed with caution, however, as the sample size of the NCCSS study dropped from 227 to 158. According to the study directors, a disproportionate number of the centers reporting the highest turnover in 1988 had closed by the time of the 1997 survey, leaving a sample of centers with potentially lower than average turnover rates for their areas. The issue of stability among centers themselves is not specifically addressed in the NCCSS study, however its authors do mention increasing reports of centers closing due to an insufficient supply of trained teachers. Better job opportunities and higher wages in other fields have been identified as recent major causes of turnover. Ninety-three percent of directors reported taking more than 2 weeks to find replacements for departing teaching staff and over one-third (37 percent) reported taking over a month to do so. The effect of staff turnover on children is one of several topics that continue to receive attention during discussions of how to measure child care quality.

**CHILD CARE STANDARDS AND QUALITY**

**REGULATION AND LICENSING**

Regulation and licensing of child care providers is conducted primarily at the State and local levels, although the extent to which the Federal Government should play a role in this area has been a topic of debate for many years (see below). Licensing and regulation serves as a means of defining and enforcing minimum requirements for the legal operation of child care environments in which children will be safe from harm. There is no uniform way in which States and/or territories regulate child care centers, preschools, nursery schools, prekindergartens, and/or religiously affiliated child care centers. All States and territories do, however, require these center-based types of care (as opposed to family child care providers) to be regulated through licensing or registration. In the case of family day care providers, most States exempt certain providers--typically those serving smaller numbers of children from licensing or regulation. As mentioned in the earlier discussion of child care supply, the Children's Foundation survey found that there were 304,958 regulated family child care

providers in the States and territories in 2000. If estimates from the 1990 child care settings study are applied, this number may represent only 10-18 percent of all family child care providers, with the remaining facilities being unregulated. The count of centers that are regulated (meaning licensed or certified) totals 113,298 according to the Children's Foundation 2002 study.

Table 9-14 presents information on State licensing standards for child care centers, as collected by the Children's Foundation (2002). The table shows the number of States for which a select requirement or standard for child care centers applies, and in turn, how licensing standards vary across States. Note that all State variations in policy are not reflected in the table, and therefore totals by category will vary. Licensing standards are just one area that researchers continue to focus on when examining child care quality to determine whether higher licensing standards are associated with higher quality child care and better child outcomes.

**TABLE 9-14--NUMBER OF STATES WITH SELECTED CHILD CARE LICENSING REQUIREMENTS FOR REGULATED CHILD CARE CENTERS, 2002**

Item	Number of States
Fee for Licensing:	
No Fee	23
Fixed Fee	9
Assessed Fee Based on Number of Children Cared for by Provider	20
Frequency of Required License Renewal:	
Annually	22
Every 2 Years	18
Every 3 Years or Nonexpiring	13
Required Testing for Asbestos, Lead, Radon, or Other Material:	
Yes	21
No	29
Inspection Visits:	
All Unannounced	9
Unannounced, Annually (At Minimum), and Upon Complaint	20
Unannounced, 2-6 Per Year	10
Unannounced Upon Complaint; Other Visits Announced	5
Unannounced; Policy Varies	8
All Announced	1
Staff/Child Ratios:	
Infants, Birth to 1 Year:	
1:3 <sup>1</sup>	4
1:4	33
Young Toddlers, Age 1-2:	
1:3 <sup>1</sup>	1
1:4	15
Older Toddlers, Age 2-3:	
1:4-5 <sup>1</sup>	7
Preschoolers, Age 3-5:	
1:6-7 <sup>1</sup>	1

TABLE 9-14--NUMBER OF STATES WITH SELECTED CHILD CARE LICENSING REQUIREMENTS FOR REGULATED CHILD CARE CENTERS, 2002-continued

Item	Number of States
Group Size Definitions:	
Yes	34
No	19
Regulation of "Drop-In" Child care	37
"Evening or Overnight" child care centers	46
Smoking Policy:	
Prohibited	40
Permitted in Designated Areas and with Restrictions	12
Permitted	1
Required Preservice Training:	
CPR/First Aid	23
Combined Education and Experience Required:	
Head/Lead Teacher	42
Other Teaching Staff	30
None:	
Head/Lead Teacher	10
Other Teaching Staff	21
Inservice Training Requirements for All Teaching Staff:	
4-6 Hours (Annually)	6
7-13 Hours (Annually)	19
15-30 Hours (Annually)	16
None	5

<sup>1</sup> National Health and Safety Standard recommended ratios, developed by American Public Health Association and American Academy of Pediatrics.

Note-All State variations in policy are not reflected in the table, and therefore totals by category will vary.

Source: The Children's Foundation, 2002 Child Care Center Licensing Study, Washington, DC, February, 2002.

## RESEARCH ON CHILD CARE QUALITY

As women's labor force participation has grown over the past several decades, concerns about child care quality have increased. Highly publicized research on early brain development in infants and young children (under age 3) has drawn attention to what role child care may play in children's cognitive and social development. The relationship between quality of child care and outcomes for children is of increasing interest to parents, researchers, and policymakers. A growing body of research examines questions such as how to define the elements that correspond to quality child care, how to measure those elements, and ultimately, their effects on children both in the short- and long-term.

One comprehensive longitudinal study of connections between child care and early childhood development is part of an ongoing project conducted by a team of researchers supported by the National Institute of Child Health and Human Development (NICHD, 1999 and 2002), of the National Institutes of Health. The broad goal of the NICHD study, started in 1991, is to collect data on

an ongoing basis from a sample of children and their families (located in 10 areas across the United States) to answer a range of questions about the relationship between child care characteristics and experiences, and children's developmental outcomes. The children and families in the study's sample vary in socioeconomic background, race, family structure, and type of child care used. The study design takes into account characteristics of the family and its environment to gain a more complete picture of the contribution that child care characteristics and experiences themselves make to children's development, above and beyond the contribution of the family environment. Even so, not all characteristics are observed, and completely disentangling all of the characteristics (both of the parents and the child) is difficult, if not impossible, in such a study. Children in the study are not randomly assigned to child care settings of varying degrees of quality, but are instead placed in settings of their parents' selection. The selection of care in and of itself may reflect contributing variables--characteristics of the parents, children, and environment--that are not fully observed in the study. Likewise, a child's developmental outcomes in a particular setting may reflect the child's characteristics as much as the setting's quality. Although the NICHD study attempts to distinguish among some of these factors, the ability to interpret the results is somewhat constrained by selection bias.

In general, family characteristics and the quality of the mother's relationship with her child were shown to be stronger predictors of the child's development than were the characteristics of child care in the NICHD study. Family characteristics such as income and mother's education were strong predictors of children's outcomes, for both children cared for solely by their mothers and children in extensive nonparental child care. The study did find a modest but consistent association between quality of nonparental child care over the first 3 – 4½ years of life and children's cognitive and language development, regardless of family background. In this case, quality child care was defined as positive care giving and language stimulation; i.e., how often providers spoke to children, asked questions, and responded to children's questions.

The NICHD researchers also analyzed to varying degrees the more structural elements of child care in centers--elements that are generally regulated to varying degrees by the States (see Table 9-14), such as child-staff ratio, group size, and teacher training and education. The researchers used recommended guidelines developed jointly by the American Public Health Association and the American Academy of Pediatrics to evaluate the degree to which standards were being met by centers used by families in the study. Twelve percent of the study's children were enrolled in child care centers at 6 months, and 38 percent at age 3. Findings indicate that the children in the centers that met some or all of the guidelines had better language comprehension and school readiness than the children who were in centers that did not meet the guidelines. There were also fewer behavioral problems for children age 2 and 3 in the centers that met the guidelines.

The researchers have continued to follow the children in the sample, assessing the children at 54 months (4½ years) of age, with further plans to do so again in first grade. Like other studies that examine the relationship between child care and developmental outcomes, the NICHD research aims to determine not just whether there are concurrent and short-term effects of child care on children's development, but long-term effects as well. According to the NICHD study, results from a 2002 analysis indicate that "early child care is associated with both developmental risks and developmental benefits for children's functioning prior to school entry, even after controlling for a host of factors including gender, ethnicity, family socioeconomic status, maternal psychological adjustment, and parenting quality. The risk is that more hours in child care across the first 4 ½ years of life is related to elevated levels of problem behavior at 4 ½ years. The developmental benefit is that higher-quality child care, quality that improves over time, and more experience in centers predicts better performance on measures of cognitive and linguistic functioning."(NICHD, 2002)

A 2003 article on the NICHD study findings indicates that the more time children spent in child care between birth and age 4 ½, the more adults had a tendency to rate them (both at age 4 ½ and at kindergarten) as less likely to get along with others, as more assertive, as disobedient, and as aggressive. However, the researchers noted that for the vast majority of children, the levels of the behaviors reported were well within the normal range. The researchers also did not find a threshold of child care hours above which the aforementioned problem behaviors were more likely to occur. (NICHD, 2003)

The NICHD study has not focused specifically on distinctions between the quality of care offered by family child care providers or relatives and that of center-based care. The most recent indepth observational study of quality of family child care and relative care was published in 1994 by the Families and Work Institute. The study examined the care offered by 226 providers in 3 different communities in California, Texas, and North Carolina (Galinsky et al., 1994). Nonregulated family care providers may be nonregulated because they care for few enough children to be exempt from State regulation requirements, or, as the 1994 study found in their sample, 81 percent of the 54 nonregulated providers were illegally nonregulated, due to the fact that they were actually providing care for a number of children over their State's limit. The quality of all types of family and relative care was determined according to measurements such as the setting's safety and the sensitivity and responsiveness of providers to the children. The study found that only 9 percent of the homes in the study sample were rated as good quality, 56 percent were rated as adequate, and 35 percent rated as inadequate. The researchers found that quality appeared to be higher when providers were trained and when they were caring for three to six children rather than one or two. As important, if not more so, in determining quality was whether the provider was committed to taking care of children, and had a sense that their work was important; participated in family child care training; thought ahead about the children's activities; was regulated; and

followed standard business and safety practices. In the case of relative care, an important factor in the quality of the child's experience was whether the relative caring for the children did so out of desire, necessity, or both.

The Cost, Quality, and Child Outcomes (1995, 1999) in Child Care Centers study conducted by researchers from four universities beginning in 1993, analyzes the influence of "typical" center-based child care on children's development during their preschool years and into elementary school. The "typical" centers were represented by a random sample of 401 full-day child care centers, half of them for-profit, half nonprofit, in regions of 4 States: California, Colorado, Connecticut, and North Carolina. Data on the quality and cost of services were collected, as well as data on the developmental progress of a sample of children in the selected centers.

Findings from the first phase of the study were released in 1995, and indicated that the quality of child care offered in over three-quarters of these "typical" centers in the United States did not meet "high standards" according to the Early Childhood Environment Rating Scale, which ranges from 1 ("low quality") to 7 ("high quality"). Eleven percent of centers in the sample scored below 3 ("minimally acceptable"). The researchers found that the quality of child care is primarily related to higher staff-to-child ratios, staff education, and administrators' previous experience. Teacher wages and education were also generally higher in higher quality centers. Like the NICHD study, the study also found that centers meeting higher licensing standards provided higher quality care.

In addition to examining the status of quality in the centers, the researchers wanted to determine what effects, if any, the quality of care had on children's development. The study's initial findings in 1995 indicated that children's cognitive and social development are positively related to the quality of their child care experience. This proved to be the case even after taking into account factors related to family background and associated with children's development (such as maternal education); the children in the low-quality care still scored lower on measures of cognitive and social development.

The findings from the second phase of the study, released in 1999, indicate that there are long-term effects of child care quality on children's development. Similar to the NICHD results, this study indicated that the impact of child care quality on children's development was modest, but consistent, and applied even after taking into account child and family characteristics.

The extent to which the effects of quality child care and other early childhood program experiences "fade out" over time has long been an area of interest for researchers studying the connection between child care programs and children's development. One of the longest-running research studies in this area is known as the Abecedarian Project, which began in the early 1970s. The project design consisted of a controlled study in which 57 infants, all from low-income families in North Carolina, were randomly assigned to an experimental group that would receive year-round, all-day educational child care/preschool emphasizing cognitive, language, and adaptive behavior skills (Burchinal et al.,

1997; Campbell & Ramey, 1995). The control group of 54 infants received nutritional supplements and supportive social services (as did the experimental group), but did not receive the educational intervention emphasizing language, cognitive, and social development. The Abecedarian Project began in early infancy, and the children received the educational “treatment” for 5 years, a longer period than other programs. This study also differs from those discussed earlier in that it focuses solely on low-income children.

Early findings of the project in the 1970s showed that from the age of 18 months through age 5 (the end of the program), children in the treatment group had higher scores on mental tests than children in the control group. In the primary grades through middle adolescence, children from the treatment group scored significantly higher on reading and math tests. Through age 15, the treatment group continued to score higher on mental tests, although the gap between the two groups had narrowed.

More recently, the project's researchers completed a followup study of the project's participants (104 of the original 111) at age 21 (Campbell, 1999). Results showed that the 21-year-olds who had been in the treatment group had significantly higher mental test scores than those from the control group. Likewise, reading and math scores were higher for the treatment group, as had been the case since toddlerhood. Due to the longevity of the project, researchers also were able to look for differences in areas such as college enrollment and employment rates. The followup interviews revealed that about 35 percent of the young adults in the treatment group either had graduated from or were attending a 4-year college or university at the time of the assessment, compared to 14 percent of the control group.

A team of researchers from RAND evaluated the results of nine early childhood intervention programs, including the Abecedarian Project (Karoly et al., 1998). The RAND team determined that the nine early intervention programs evaluated in their study provided benefits for the participating disadvantaged children and their families. However, the Rand team pointed out that expanding model, resource-intensive programs like the Abecedarian Project to a larger scale may not necessarily result in the same developmental benefits.

## **THE FEDERAL ROLE**

### **BACKGROUND AND OVERVIEW**

The Federal Government entered the child care business during the New Deal of the 1930s when federally funded nursery schools were established for poor children. The motivation for creating these nursery schools was not specifically to provide child care for working families. Rather, the schools were designed primarily to create jobs for unemployed teachers, nurses, and others, and also to provide a wholesome environment for children in poverty. However, when mothers began to enter the work force in large numbers during World War II, many of these nursery schools were continued and expanded. Federal funding

for child care and other community facilities was available during the war years under the Lanham Act, which financed child care for an estimated 550,000-600,000 children before it was terminated in 1946.

The end of the war brought the expectation that mothers would return home to care for their children. However, many women chose to remain at work and the labor force participation of women has increased steadily ever since. The appropriate Federal role in supporting child care, including the extent to which the Federal Government should establish standards for federally funded child care, has been an ongoing topic of debate. In 1988 and 1990, four Federal child care programs were enacted providing child care for families receiving Aid to Families with Dependent Children (AFDC), families that formerly received AFDC, low-income working families at risk of becoming dependent on AFDC, and low-income working families generally.

The establishment of these programs was the culmination of a lengthy and often contentious debate about what role the Federal Government should play in child care. Lasting nearly 4 years, the debate centered on questions about the type of Federal subsidies that should be made available and for whom, whether the Federal Government should set national child care standards, conditions under which religious child care providers could receive Federal funds, and how best to assure optimal choice for parents in selecting child care arrangements for their children, including options that would allow a mother to stay home. Differences stemming from philosophical and partisan views, as well as jurisdictional concerns, were reflected throughout the debate.

Though the programs created in 1988 and 1990 represented a significant expansion of Federal support for child care, they joined a large number of existing Federal programs providing early childhood services, administered by numerous Federal agencies and overseen by several congressional committees. The U.S. General Accounting Office (GAO; 1994) estimated that in fiscal year 1992 and fiscal year 1993 more than 90 early childhood programs were funded by the Federal Government, administered through 11 Federal agencies and 20 offices. Of these programs, GAO identified 34 as having education or child care as key to their mission. The Congressional Research Service (CRS), in a memo to the House Committee on Ways and Means (Forman, 1994), identified 46 Federal programs related to child care operating in fiscal year 1994, administered by 10 different Federal agencies. However, CRS noted that some of these programs were not primarily child care programs; rather, they were designed for some other major purpose but included some type of child care or related assistance. Moreover, a majority of the programs were small, with 32 of the 46 providing less than \$50 million in annual funding. A 1998 GAO report (1998a) identified 22 key child care programs, of which 5 accounted for more than 80 percent of total child care spending in fiscal year 1997.

In 1996, the 104th Congress passed a major restructuring of Federal welfare programs (Public Law 104-193), including a consolidation of major Federal child care programs (child care for recipients of Aid to Families with Dependent Children, Transitional Child Care Assistance, and the At-Risk Child

Care Program) into an expanded Child Care and Development Block Grant (CCDBG). The child care provisions in the 1996 welfare reform law were developed to achieve several purposes. As a component of welfare reform, the child care provisions were intended to support the overall goal of promoting self-sufficiency through work. However, separate from the context of welfare reform, the legislation aimed to address concerns about the effectiveness and efficiency of child care programs. The four separate child care programs that were enacted in 1988 and 1990 had different rules regarding eligibility, time limits on the receipt of assistance, and work requirements. Consistent with other block grant proposals considered in the 104th Congress, the child care provisions in Public Law 104-193 were intended to streamline the Federal role, reduce the number of Federal programs and conflicting rules, and increase the flexibility provided to States.

The expanded CCDBG became the primary child care subsidy grant program operated by the Federal Government. The welfare reform law of 1996 made available to States almost \$20 billion over a 6-year period (1997-2002) in a combination of entitlement and discretionary funding specifically dedicated for child care, which was approximately \$4 billion above the level that would have been available under the previous programs. The expectation was that the work requirements for welfare recipients (many being single mothers) would create a greater demand for child care services. Since passage of that law, States have spent increasing amounts of both Federal and State money on child care. Fiscal year 2003 funding for child care (and welfare) was extended at the 2002 level, without a reauthorization bill being approved by Congress. (Reauthorization bills passed the House, but not in the Senate in 2002 and 2003.)

Although the CCDBG is considered the primary source of Federal funding for child care subsidies for low-income working and welfare families, two other Federal block grants have been contributing significantly to overall child care funding since passage of the 1996 welfare law: the Temporary Assistance for Needy Families (TANF) block grant, and the Social Services Block Grant (SSBG). Despite the increase in Federal resources for child care since 1996, concerns persist about the adequacy and quality of child care in the era of welfare reform. The number of eligible children receiving CCDBG subsidies was estimated by HHS to be as low as 15 percent in 1999. However, the saliency of that figure is diminished somewhat due its lack of currency, and the fact that it does not encompass child care subsidies provided directly in TANF or SSBG. Moreover, estimates of the number of eligible children served do not contend to reflect consumer demand for child care, leaving the issue of whether adequate child care funding exists open to debate.

Not at issue, however, is the fact that TANF contributions to child care, both in direct spending and in the form of transfers to the CCDBG, grew steadily from 1997 to 2000, and have remained significant but level in the years since (\$3.7 billion in FY2002). Child care spending from the Child Care and Development Fund (the term used for both the mandatory and discretionary

funding that supports the CCDBG) has been increasing every year (as shown in detail in Tables 9-26 through 9-29).

Throughout reauthorization discussions in 2002 and 2003, the funding level for child care has been one of the major points of debate. Welfare caseloads have declined since 1996, thus “freeing up” funds previously used for cash assistance for other services such as child care. However, advocates for increased child care funding contend that the decline in the welfare caseload has not translated into a decline in the low-income population that the Child Care and Development Block Grant was created to serve, regardless of welfare status.

With respect to the welfare population, the reauthorization debates of 2002 and 2003 also have focused on the effect that proposed increases in required hours of work and other activities by welfare recipients would have on the need for child care. If, as is being debated as part of reauthorization, the hours of work and other entities required of welfare recipients are to be increased, child care funding will remain a key issue, as many argue that increased child care funding will be necessary to compensate. This issue is compounded by the aforementioned argument that former welfare recipients in low-wage jobs have not necessarily lost their need for child care subsidies.

#### MAJOR CHILD CARE PROGRAMS

Table 9-15 provides a brief description of the major Federal programs that currently support child care and related activities. One of the largest Federal sources of child care assistance is provided indirectly through the Tax Code, in the form of a nonrefundable tax credit for taxpayers who work or are seeking work. Other major sources of Federal child care assistance include the CCDBG, the SSBG under title XX of the Social Security Act, the TANF Block Grant, and the Child Care Food Program, which subsidizes meals for children in child care. Head Start, the early childhood development program targeted to poor preschool children, also can be characterized as a child care program. Although Head Start primarily operates on a part-day, part-year basis, programs increasingly are being linked to other all-day child care providers to better meet the needs of full-time working parents. Table 9-15 shows the most recent available funding or spending data for each of these programs. In some cases, the available data are not for comparable years. Moreover, it should be noted that programs such as the Child Care and Development Block Grant, Head Start, and the Child and Adult Care Food Program provide funding specifically dedicated for child care and/or development, whereas TANF and SSBG funding are used for child care at each State’s option. In recent years, States have chosen to use a significant portion of their flexible funds for the purpose of supporting child care services. In fiscal year 2002, \$3.7 billion in Federal TANF funding was spent either directly on child care or transferred to the CCDBG for use under that program. In fiscal year 2001, over \$200 million in SSBG spending supported child day care.

## CHILD CARE AND DEVELOPMENT BLOCK GRANT

The Child Care and Development Block Grant (CCDBG) was originally authorized as an amendment to the Omnibus Budget Reconciliation Act of 1990, and in 1996 was reauthorized (through 2002) and amended by the Personal Responsibility and Work Opportunity Reconciliation Act (Public Law 104-193). The program provides funding for child care services for low-income families, as well as for activities intended to improve the overall quality and supply of child care for families in general.

*Financing*

Under the original CCDBG Act, discretionary funds were authorized, subject to the annual appropriations process. As amended by the 1996 welfare reform law, the program is funded by a combination of discretionary and entitlement amounts. The combined total of funds is sometimes referred to as the Child Care and Development Fund. The discretionary funds are authorized at \$1 billion annually. However, appropriations have surpassed the authorized level beginning in fiscal year 1999. Most recently, \$2.1 billion was appropriated for fiscal year 2003. These funds are allocated among States according to the same formula contained in the original CCDBG Act, which is based on each State's share of children under age 5, the State's share of children receiving free or reduced-price lunches, and State per capita income. Half of 1 percent of appropriated funds is reserved for the territories, and between 1 and 2 percent is reserved for payments to Indian tribes and tribal organizations. States are not required to match these discretionary funds. Funds must be obligated in the year they are received or in the subsequent fiscal year, and the law authorizes the Secretary to reallocate unused funds.

The welfare reform law also provided entitlement funding to States for child care under the CCDBG. The annual amounts of entitlement funding were \$1.967 billion in fiscal year 1997; \$2.067 billion in fiscal year 1998; \$2.167 billion in fiscal year 1999; \$2.367 billion in fiscal year 2000; \$2.567 billion in fiscal year 2001; and \$2.717 billion in fiscal year 2002. Further legislative action was taken (in lieu of a reauthorization bill) to extend fiscal year 2003 funding at the same level as provided in fiscal year 2002.

The Secretary must reserve between 1 and 2 percent of entitlement funds for payments to Indian tribes and tribal organizations. After this amount is reserved, remaining entitlement funds are allocated to States in two components. First, each State receives a fixed amount each year, equal to the funding received by the State under the three child care programs previously authorized under AFDC in fiscal year 1994 or fiscal year 1995, or the average of fiscal years 1992-94, whichever is greater. This amount, which totals approximately \$1.2 billion each year, is sometimes referred to as "mandatory" funds. No State

TABLE 9-15-OVERVIEW OF FEDERAL PROGRAMS THAT SUPPORT CHILD CARE

Budgetary classification	Dependent Care Credit	Child Care and Development Block Grant		Child and Adult Care Food Program	Title XX Social Services Block Grant	Head Start	TANF
		Nonrefundable tax credit	Discretionary authorization and authorized entitlement				
Statutory authority	Internal Revenue Code		Omnibus Budget Reconciliation Act of 1990 and Personal Responsibility and Work Opportunity Reconciliation Act of 1996	Richard B. Russell National School Lunch Act	Social Security Act	Omnibus Budget Reconciliation Act of 1981	Personal Responsibility and Work Opportunity Reconciliation Act of 1996
Federal administration	USDOT, IRS	DHHS, ACF	DHHS, ACF	USDA, FNS	DHHS, ACF	DHHS, ACF	DHHS, ACF
Federal funding support	NA	Funding ceiling, 100 percent Federal funding for discretionary and part of entitlement funding; balance at Medicaid match rate	Funding ceiling, 100 percent Federal funding	Open ended, 100 percent Federal funding	Funding ceiling, 100 percent Federal funding	Funding ceiling, 80 percent Federal funding	TANF block grant, 100 percent Federal funding (with State MOE requirements)
Fiscal year 2003 funding (in millions) <sup>1</sup>	\$2,800 <sup>2</sup>	\$1,183 - Discretionary, \$2,717 - Mandatory	\$1,925 <sup>3</sup>		Total is \$1,770 <sup>4</sup>	\$6,668 <sup>5</sup>	Total is \$16,500 <sup>6</sup>

TABLE 9-15-OVERVIEW OF FEDERAL PROGRAMS THAT SUPPORT CHILD CARE-continued

	Dependent Care Credit	Child Care and Development Block Grant	Child and Adult Care Food Program	Title XX Social Services Block Grant	Head Start	TANF
Target population	Taxpayers who need dependent care in order to accept or maintain employment	Families with incomes at or below 85 percent of State median income, with parents engaged in work or education/training	Children, particularly children from low-income families, in child care centers, day care homes, and afterschool programs	State discretion	Low-income children and families	Needy families with minor children; needy pregnant women
Eligible children	Children under age 13	Children under age 13 (unless incapable of self-care or under court supervision)	Children younger than 13 (through Age 18 in the afterschool programs); migrant children younger than 16; disabled children	State discretion	Children from poor families who have not reached the age of compulsory school attendance	Needy children as determined by the State
Provider requirements	Centers only must meet applicable State and local standards	Must meet applicable State and local standards (including relatives); exception of relatives, must also meet certain health and safety standards	Must meet Federal nutrition standards; must meet applicable State/local licensing approval standards (or, certain alternate approval standards if licensing/approval not required)	Must meet applicable State and local standards	Federally established standards with respect to health, education, parental involvement, nutrition, and social services	NA (However, any transferred funds are subject to CCDBG rules)

Reimbursement rates to providers	NA	No limit	Providers receive inflation-indexed per meal subsidies that are fixed by law and varied by children's family income; provider sponsors receive limited administrative payments for administrative costs	No limit	NA (However, any transferred funds are subject to CCDBG rules)
----------------------------------	----	----------	---	----------	--

<sup>1</sup> Amounts reflect appropriation levels except where noted otherwise.

<sup>2</sup> Revenue loss for calendar year 2001. Internal Revenue Service, Statistics of Income Bulletin, Spring 2003.

<sup>3</sup> Estimated obligations.

<sup>4</sup> In 2001, States spent approximately \$200 million of SSBG funds on child day care services.

<sup>5</sup> Of the \$6.668 billion, \$5.268 billion is available for fiscal year 2003, and \$1.4 billion is available for fiscal year 2004.

<sup>6</sup> The 1996 welfare reform law allows States to use TANF funds for child care associated with the TANF Program, and also allows States to transfer a maximum of 30 percent of TANF funds to the CCDBG for use under the CCDBG's program rules. In fiscal year 2002 alone, States expended \$1.6 billion on child care from Federal TANF funds. The fiscal year 2002 transfer from the fiscal year 2002 TANF allotment to the CCDBG totaled \$2.1 billion (representing 12 percent of the FY2002 TANF allotment).

NA-Not applicable.

USDOT, IRS - U.S. Department of Treasury, Internal Revenue Service.

DHHS, ACF - U.S. Department of Health and Human Services, Administration for Children and Families.

USDA, FNS - U.S. Department of Agriculture, Food and Nutrition Service.

Source: Table prepared by the Congressional Research Service.

match is required for these funds, which may remain available for expenditure by States with no fiscal year limitation. Although no State match is required, to receive their full TANF allotment, States must maintain at least 75 percent of their previous welfare expenditures (referred to as their “maintenance-of-effort” requirements), including previous expenditures for welfare-related child care, in fiscal year 1994.

After the guaranteed amount is distributed, remaining entitlement funds are distributed to States according to each State's share of children under age 13. States must meet maintenance-of-effort and matching requirements to receive these funds. Specifically, States must spend all of their “guaranteed” Federal entitlement funds for child care, plus 100 percent of the amount they spent of their own funds in fiscal year 1994 or fiscal year 1995, whichever is higher, under the previous AFDC-related child care programs. Further, States must provide matching funds at the fiscal year 1995 Medicaid matching rate to receive these additional entitlement funds for child care. If the Secretary determines that a State will not spend its entire allotment for a given fiscal year, then the unused amounts may be redistributed among other States according to those State's share of children under age 13.

In addition to amounts provided to States for child care, States may transfer up to 30 percent of their TANF Block Grant into their CCDBG or SSBG Programs. Funds transferred into child care must be spent according to the CCDBG rules. However, States also may use TANF funds for child care without formally transferring them to the CCDBG.

#### *Eligibility and Target Population Groups*

Children eligible for services under the revised CCDBG are those whose family income does not exceed 85 percent of the State median. States may adopt income eligibility limits below those in Federal law. Because child care funding is not an entitlement for individuals, States are not required to aid families even if their incomes fall below the State-determined eligibility threshold. Federal law does require States to give priority to families defined in their plans as “very low income.” Table 9-25 provides the CCDF income eligibility limits across the States and territories for families of three. To be eligible for CCDBG funds, children must be less than 13 years old and be living with parents who are working or enrolled in school or training, or be in need of protective services. States must use at least 70 percent of their total entitlement funds for child care services for families trying to become independent of TANF through work activities and families at risk of becoming dependent on public assistance. In their State plans, States must explain how they will meet the specific child care needs of these families. Of remaining child care funds (including discretionary amounts), States must ensure that a substantial portion is used for child care services to eligible families other than welfare recipients or families at risk of welfare dependency.

*Use of Funds*

CCDBG funds may be used for child care services provided on a sliding fee scale basis; however, Federal regulations allow States to waive child care fees for families with incomes at or below the poverty line. Funds also may be used for activities to improve the quality or availability of child care. States are required to spend no less than 4 percent of their child care allotments (discretionary and entitlement) for activities to provide comprehensive consumer education to parents and the public, activities that increase parental choice, and activities designed to improve the quality and availability of child care (such as resource and referral services).

Child care providers receiving Federal assistance must meet all licensing or regulatory requirements applicable under State or local law. States must have in effect licensing requirements applicable to child care; however, Federal law does not dictate what these licensing requirements should be or what types of providers they should cover. States must establish minimum health and safety standards that cover prevention and control of infectious diseases (including immunizations); building and physical premises safety; and health and safety training; and that apply to child care providers receiving block grant assistance (except relative providers).

Parents of children eligible to receive subsidized child care must be given maximum choice in selecting a child care provider. Parents must be offered the option to enroll their child with a provider that has a grant or contract with the State to provide such services, or parents may receive a certificate (also sometimes referred to as a voucher) that can be used to purchase child care from a provider of the parents' choice. Child care certificates can be used only to pay for child care services from eligible providers, which can include sectarian child care providers. Eligible providers also can include individuals age 18 or older who provide child care for their grandchildren, great grandchildren, nieces or nephews, or siblings (if the provider lives in a separate residence). Table 9-24 shows the percent of CCDF recipient children served by each form of payment type, by State, in fiscal year 2001. Certificates were overwhelmingly the form of payment most used, serving over 84 percent of CCDF children nationally. States must establish payment rates for child care services that are sufficient to ensure equal access for eligible children to comparable services provided to children whose parents are not eligible for subsidies.

The CCDBG contains specific requirements with regard to the use of funds for religious activities. Under the program, a provider that receives operating assistance through a direct grant or contract with a government agency may not use these funds for any sectarian purpose or activity, including religious worship and instruction. However, a sectarian provider that receives a child care certificate from an eligible parent is not so restricted in the use of funds.

*Administration and Data Collection*

At the Federal level, the CCDBG is administered by the Administration for Children and Families of the U.S. Department of Health and Human Services

(DHHS). The Secretary is required to coordinate all child care activities within the agency and with similar activities in other Federal agencies. States are required to designate a lead agency to administer the CCDBG, and may use no more than 5 percent of their Federal child care allotment for administrative costs. States must submit disaggregated data on children and families receiving subsidized child care to DHHS every quarter, and aggregate data twice a year. The Secretary is required to submit a report to Congress once every 2 years. The most recent available data from DHHS as submitted by the States is from fiscal year 2001.

## CHILD CARE TABLES

### CHILD CARE AND DEVELOPMENT FUND

Tables 9-16 through 9-30 provide extensive information about the Child Care and Development Fund (CCDF) as reported by States to DHHS. Because the tables reflect funding from both the discretionary and mandatory portions of the child care funding pool, the term CCDF is used in the titles of the tables. The reader should note, however, that as mentioned in earlier parts of this chapter, all discretionary and mandatory child care funding referenced here is subject to the rules of the CCDBG.

#### FAMILIES AND CHILDREN SERVED, TYPE OF CARE, AND PAYMENT TYPE

The average monthly number of families and children served by the CCDF in the last half of fiscal year 2001 is shown, by State, in Table 9-16. Tables 9-17 and 9-18 reveal the percentage of children served nationwide by reason for care and by age of child respectively. The number of providers, by State and type, are displayed in Table 9-19. The percentage of CCDF children served by each type of care, by State, follows in Table 9-20. Tables 9-21 through 9-23 reveal State-by-State information on the breakdowns between type of care used by CCDF recipients, regulated and nonregulated care used, and relative and nonrelative care used. Table 9-24 shows the percentage of CCDF children served by each form of payment type.

TABLE 9-16-- CHILD CARE AND DEVELOPMENT FUND--AVERAGE  
MONTHLY NUMBER OF FAMILIES AND CHILDREN SERVED,  
FISCAL YEAR 2001

State/Territory	Average Number of Families	Average Number of Children
Alabama	19,400	34,000
Alaska	3,800	6,300
American Samoa	-	-
Arizona	16,400	28,100
Arkansas	5,500	9,300
California	132,100	202,000

TABLE 9-16-- CHILD CARE AND DEVELOPMENT FUND--AVERAGE  
MONTHLY NUMBER OF FAMILIES AND CHILDREN SERVED,  
FISCAL YEAR 2001-continued

State/Territory	Average Number of Families	Average Number of Children
Colorado	13,800	24,500
Connecticut	7,800	13,700
Delaware	4,500	7,500
District of Columbia	6,100	13,500
Florida	45,900	80,500
Georgia	32,800	57,800
Guam	700	1,200
Hawaii	5,600	8,900
Idaho	5,600	9,700
Illinois	51,700	103,000
Indiana	20,600	38,100
Iowa	9,300	15,300
Kansas	8,200	14,900
Kentucky	22,000	37,700
Louisiana	22,900	38,700
Maine	1,400	2,100
Maryland	12,500	21,200
Massachusetts	22,700	32,700
Michigan	25,800	50,100
Minnesota	14,800	26,400
Mississippi	7,000	8,400
Missouri	22,700	35,900
Montana	4,200	7,200
Nebraska	7,500	12,800
Nevada	4,100	7,000
New Hampshire	4,500	6,600
New Jersey	29,800	44,200
New Mexico	13,200	22,800
New York	112,900	180,800
North Carolina	52,400	81,700
North Dakota	3,000	4,700
Northern Marianas	100	200
Ohio	49,000	84,000
Oklahoma	23,800	38,700
Oregon	13,800	25,600
Pennsylvania	36,700	65,100
Puerto Rico	-	-
Rhode Island	2,700	4,300
South Carolina	11,900	20,300
South Dakota	2,100	3,400
Tennessee	31,000	59,600
Texas	56,200	105,500
Utah	5,200	9,900
Vermont	2,300	3,500
Virgin Islands	-	-
Virginia	9,800	15,900
Washington	30,500	51,200

TABLE 9-16-- CHILD CARE AND DEVELOPMENT FUND--AVERAGE  
MONTHLY NUMBER OF FAMILIES AND CHILDREN SERVED,  
FISCAL YEAR 2001-continued

State/Territory	Average Number of Families	Average Number of Children
West Virginia	4,700	7,800
Wisconsin	14,700	26,300
Wyoming	1,900	3,200
Total	1,069,600	1,813,800

Note - This table reflects FFY 2001 monthly averages rounded to the nearest hundred. The number of families and children served is the average number reported by each State on the monthly ACF-801 submission, adjusted in those States that report on all families and children (across multiple funding sources) to show an estimate of the number of families and children served only by CCDF. The adjustment is based on the "polling factor" reported on the ACF-800 form except for six States (District of Columbia, Kansas, Nebraska, New Jersey, North Carolina, and Tennessee) that provided a separate pooling for the ACF-801 data. States provide an actual count of families served. However, the number of children served is not a direct count based on the fact that some States elect to submit sample data versus full population data. For all States, the ratio of children-to-families is determined and then multiplied by the number of families served to obtain an estimate of the number of children served. American Samoa, Puerto Rico, and the Virgin Islands were unable to report ACF-801 case-level data in FFY 2001 at the time of report preparation.

Source: U.S. Department of Health and Human Services.

TABLE 9-17 --CHILD CARE AND DEVELOPMENT FUND--PERCENT  
OF CHILDREN SERVED BY REASON FOR CARE,  
FISCAL YEAR 2001

Reason for care	Percent of children served
Employment	80
Training/education	9
Both employment and training/education	4
Protective services	3
Other	4

Source: U.S. Department of Health and Human Services.

TABLE 9-18--CHILD CARE AND DEVELOPMENT FUND--PERCENT  
OF CHILDREN SERVED BY AGE GROUP, FISCAL YEAR 2001

Age group	Percent of children served
0-11 months	6
12-23 months	10
24-35 months	12
36-47 months	13
48-59 months	13
60-71 months	10
6-12 years	36
13+ years	1

Note - Total may not sum to 100 due to rounding.

Source: U.S. Department of Health and Human Services.

TABLE 9-19-- CHILD CARE AND DEVELOPMENT FUND--NUMBER  
OF CHILD CARE PROVIDERS RECEIVING CCDF FUNDS,  
FISCAL YEAR 2001

State	Child's Home	Family Home	Group Home	Center
Alabama	55	2,695	381	1,717
Alaska	404	2,230	50	286
American Samoa	0	0	0	19
Arizona	860	4,560	239	1,200
Arkansas	33	484	0	703
California	10,310	56,058	9,280	16,334
Colorado	2,305	7,231	0	1,378
Connecticut	16,677	1,481	63	1,447
Delaware	380	1,459	32	342
District of Columbia	9	130	0	354
Florida	367	6,382	0	7,209
Georgia	1,306	6,270	288	5,702
Guam	74	569	3	64
Hawaii	64	8,344	0	1,401
Idaho	157	4,133	440	462
Illinois	52,358	42,788	335	3,177
Indiana	1,670	17,530	0	1,962
Iowa	274	7,205	873	677
Kansas	802	1,734	2,065	705
Kentucky	545	7,395	109	1,637
Louisiana	3,996	3,149	0	1,791
Maine	180	2,368	0	380
Maryland	3,787	7,360	0	1,547
Massachusetts	4,338	3,046	1,666	1,180
Michigan	37,341	45,274	2,641	2,501
Minnesota	4,069	18,708	0	13,014
Mississippi	2,261	2,579	74	1,268
Missouri	498	12,933	193	1,784
Montana	88	1,609	507	257
Nebraska	495	4,573	349	486
Nevada	171	728	8	491
New Hampshire	1	1	1	1
New Jersey	1,173	10,606	0	2,471
New Mexico	14	8,835	193	457
New York	11,601	36,162	1,628	4,161
North Carolina	410	6,624	102	4,126
North Dakota	0	2,034	853	89
Northern Mariana Islands	0	101	0	8
Ohio	17	14,984	88	3,325
Oklahoma	56	3,261	0	4,034
Oregon	44	15,958	121	940
Pennsylvania	4,812	21,984	556	3,515
Puerto Rico	310	6,797	0	1,086
Rhode Island	574	1,655	8	272
South Carolina	305	3,067	219	1,421
South Dakota	118	1,376	66	158
Tennessee	228	3,192	438	1,629

TABLE 9-19-- CHILD CARE AND DEVELOPMENT FUND--  
NUMBER OF CHILD CARE PROVIDERS RECEIVING CCDF  
FUNDS, FISCAL YEAR 2001- continued

State	Child's Home	Family Home	Group Home	Center
Texas	8,757	14,505	951	5,691
Utah	535	9,795	572	1,962
Vermont	400	2,155	0	361
Virgin Islands	0	37	21	103
Virginia	1	1	1	1
Washington	20,083	16,411	0	1,957
West Virginia	44	5,146	58	394
Wisconsin	64	6,313	0	1,804
Wyoming	502	1,375	222	131
Total	195,913	473,369	25,649	111,547

<sup>1</sup> New Hampshire and Virginia did not report the number of providers by setting type.

Source: U.S. Department of Health and Human Services.

TABLE 9-20-- CHILD CARE AND DEVELOPMENT FUND--PERCENT  
OF CHILDREN SERVED, BY TYPES OF CARE, FISCAL YEAR 2001

State	Child's Home	Family Home	Group Home	Center	Total
Alabama	0	14	6	81	59,968
Alaska	7	45	3	44	13,924
American Samoa	0	0	0	100	912
Arizona	3	20	5	72	53,028
Arkansas	1	23	0	76	17,641
California	5	33	7	54	302,212
Colorado	8	34	0	58	51,639
Connecticut	46	6	0	47	28,731
Delaware	4	38	2	56	13,146
District of Columbia	0	2	0	98	4,046
Florida	0	12	0	87	136,005
Georgia	2	14	2	82	121,035
Guam	7	51	1	40	2,636
Hawaii	5	45	0	50	30,464
Idaho	1	43	13	42	18,862
Illinois	29	35	1	35	188,213
Indiana	4	58	0	38	66,373
Iowa	1	50	14	35	29,711
Kansas	7	17	40	36	29,494
Kentucky	2	27	1	69	75,756
Louisiana	15	16	0	69	77,429
Maine	7	47	0	46	6,282
Maryland	15	45	0	40	48,436
Massachusetts	7	9	17	67	72,213
Michigan	32	44	8	16	81,582
Minnesota	11	52	0	36	50,304
Mississippi	9	11	2	78	52,330
Missouri	2	48	3	48	67,507
Montana	1	29	34	35	12,589

TABLE 9-20-- CHILD CARE AND DEVELOPMENT FUND--PERCENT  
OF CHILDREN SERVED, BY TYPES OF CARE, FISCAL YEAR 2001-  
continued

State	Child's Home	Family Home	Group Home	Center	Total
Nebraska	2	49	9	40	25,577
Nevada	1	13	0	86	17,583
New Hampshire	1	1	1	1	11,948
New Jersey	3	28	0	69	83,312
New Mexico	0	52	6	42	35,363
New York	16	46	5	33	186,481
North Carolina	1	16	1	83	118,947
North Dakota	0	43	29	28	9,535
Northern Mariana Islands	0	75	0	25	383
Ohio	0	39	1	61	130,387
Oklahoma	0	18	0	82	77,295
Oregon	0	76	2	21	52,596
Pennsylvania	8	36	3	53	110,931
Puerto Rico	2	49	0	49	19,712
Rhode Island	6	30	0	64	6,611
South Carolina	3	16	4	77	40,828
South Dakota	2	53	10	35	6,968
Tennessee	1	18	5	76	87,131
Texas	7	14	3	76	208,706
Utah	3	57	5	35	19,667
Vermont	6	50	0	43	7,249
Virgin Islands	0	6	6	88	1,278
Virginia	1	38	0	61	48,258
Washington	20	39	0	41	96,697
West Virginia	0	49	2	48	14,461
Wisconsin	0	38	0	61	43,331
Wyoming	13	39	18	30	6,299
Total	8	31	4	58	3,180,003

<sup>1</sup>New Hampshire did not submit data for setting type.

Note-A "0" indication often means the value is less than 0.5 percent rather than actually zero. In a few instances, the sum of the categories may not appear to add up to exactly 100 percent because of rounding.

Source: U.S. Department of Health and Human Services.

TABLE 9-21--CHILD CARE AND DEVELOPMENT FUND--PERCENT  
OF CHILDREN SERVED IN REGULATED SETTINGS AND SETTINGS  
LEGALLY OPERATING WITHOUT REGULATION, FISCAL YEAR  
2001

State	Licensed/ Regulated	Legally Operating Without Regulation	Total
Alabama	77	23	59,968
Alaska	56	44	13,924
American Samoa	100	0	912
Arizona	87	13	53,028

TABLE 9-21--CHILD CARE AND DEVELOPMENT FUND--PERCENT  
OF CHILDREN SERVED IN REGULATED SETTINGS AND SETTINGS  
LEGALLY OPERATING WITHOUT REGULATION, FISCAL YEAR  
2001-continued

State	Licensed/ Regulated	Legally Operating Without Regulation	Total
Arkansas	100	0	17,641
California	73	27	302,212
Colorado	78	22	51,639
Connecticut	53	47	28,731
Delaware	79	21	13,146
District of Columbia	48	52	4,046
Florida	90	10	136,005
Georgia	93	7	121,035
Guam	36	64	2,636
Hawaii	15	85	30,464
Idaho	55	45	18,862
Illinois	47	53	188,213
Indiana	44	56	66,373
Iowa	76	24	29,711
Kansas	84	16	29,494
Kentucky	77	23	75,756
Louisiana	69	31	77,429
Maine	78	22	6,282
Maryland	75	25	48,436
Massachusetts	90	10	72,213
Michigan	34	66	81,582
Minnesota	63	37	50,304
Mississippi	80	20	52,330
Missouri	59	41	67,507
Montana	88	12	12,589
Nebraska	72	28	25,577
Nevada	76	24	17,583
New Hampshire	1	1	11,948
New Jersey	83	17	83,312
New Mexico	49	51	35,363
New York	51	49	186,481
North Carolina	97	3	118,947
North Dakota	94	6	9,535
Northern Mariana Islands	100	0	383
Ohio	100	0	130,387
Oklahoma	100	0	77,295
Oregon	45	55	52,596
Puerto Rico	50	50	19,712
Rhode Island	84	16	6,611
South Carolina	85	15	40,828
South Dakota	85	15	6,968
Tennessee	88	12	87,131
Texas	82	18	208,706
Utah	52	48	19,667
Vermont	77	23	7,249

TABLE 9-21--CHILD CARE AND DEVELOPMENT FUND--PERCENT OF CHILDREN SERVED IN REGULATED SETTINGS AND SETTINGS LEGALLY OPERATING WITHOUT REGULATION, FISCAL YEAR 2001-continued

State	Licensed/ Regulated	Legally Operating Without Regulation	Total
Virgin Islands	95	5	1,278
Virginia	87	13	48,258
Washington	68	32	96,697
West Virginia	92	8	14,461
Wisconsin	100	0	43,331
Wyoming	61	39	6,299
Total	73	27	3,180,003

<sup>1</sup>New Hampshire did not report the number of children by setting type.

Note - A "0" indication often means the value is less than 0.5 percent rather than actually zero. In a few instances, the sum of the categories may not appear to add up to exactly 100 percent because of rounding.

Source: U.S. Department of Health and Human Services.

TABLE 9-22--CHILD CARE AND DEVELOPMENT FUND--PERCENT OF CHILDREN SERVED IN SETTINGS LEGALLY OPERATING WITHOUT REGULATION, BY RELATIVES AND NONRELATIVES, FISCAL YEAR 2001

State	Relative	Non-Relative	Total
Alabama	28	72	14,008
Alaska	32	68	6,144
American Samoa	1	1	0
Arizona	100	0	6,825
Arkansas	1	1	0
California	67	33	82,127
Colorado	46	54	11,334
Connecticut	74	26	13,613
Delaware	47	53	2,707
District of Columbia	1	99	2,114
Florida	11	89	13,167
Georgia	60	40	9,005
Guam	91	9	1,674
Hawaii	46	54	25,940
Idaho	52	48	8,454
Illinois	56	44	99,491
Indiana	35	65	37,436
Iowa	28	72	7,084
Kansas	81	19	4,653
Kentucky	68	32	17,732
Louisiana	27	73	23,793
Maine	34	66	1,354
Maryland	81	19	12,088
Massachusetts	62	38	6,878
Michigan	75	25	54,244
Minnesota	33	67	18,850

TABLE 9-22--CHILD CARE AND DEVELOPMENT FUND--PERCENT  
OF CHILDREN SERVED IN SETTINGS LEGALLY OPERATING  
WITHOUT REGULATION, BY RELATIVES AND NONRELATIVES,  
FISCAL YEAR 2001-continued

States	Relative	Non-Relative	Total
Mississippi	62	38	10,634
Missouri	17	83	27,467
Montana	13	87	1,524
Nebraska	0	100	7,267
Nevada	9	91	4,236
New Hampshire	<sup>2</sup>	<sup>2</sup>	<sup>2</sup>
New Jersey	26	74	14,523
New Mexico	69	31	18,090
New York	42	58	90,915
North Carolina	80	20	4,082
North Dakota	100	0	610
Northern Mariana Islands	<sup>1</sup>	<sup>1</sup>	0
Ohio	<sup>1</sup>	<sup>1</sup>	0
Oklahoma	<sup>1</sup>	<sup>1</sup>	0
Oregon	22	78	29,099
Pennsylvania	19	81	41,116
Puerto Rico	29	71	9,840
Rhode Island	75	25	1,090
South Carolina	1	99	5,954
South Dakota	72	28	1,063
Tennessee	20	80	10,688
Texas	100	0	37,731
Utah	72	28	9,516
Vermont	5	95	1,698
Virgin Islands	79	21	66
Virginia	66	34	6,376
Washington	70	30	30,821
West Virginia	74	26	1,088
Wisconsin	<sup>1</sup>	<sup>1</sup>	0
Wyoming	62	38	2,468
Total	50	50	848,674

<sup>1</sup> American Samoa, Arkansas, Northern Marianas, Ohio, Oklahoma, and Wisconsin did not report having children served in settings legally operating without regulation.

<sup>2</sup> New Hampshire did not report the number of children by setting type.

Note- A "0" indication often means the value is less than 0.5 percent rather than actually zero. In a few instances, the sum of the categories may not appear to add up to exactly 100 percent because of rounding.

Source: U.S. Department of Health and Human Services.

### STATE INCOME ELIGIBILITY LIMITS

States' income eligibility limits for families of three receiving Child Care and Development Fund (CCDF) subsidies, as submitted in the latest available State CCDF plans, are displayed in Table 9-25. Some States use a different limit for entering and exiting the system, as indicated in the table.

### TRENDS IN CHILD CARE EXPENDITURES

Tables 9-26 through 9-29 contain information about trends in child care expenditures under the CCDF and its predecessor programs (i.e., AFDC child care programs). All figures reflect expenditures made in the year indicated, as opposed to expenditures made from a given year's appropriation. Table 9-26 provides a summary of discretionary and mandatory expenditures on child care from fiscal years 1995 through 2001. Table 9-27 gives the mandatory fund expenditure trends by State from fiscal years 1995 through 2001. Total expenditures (mandatory and discretionary) are shown by State in Table 9-28. A detailed breakdown of CCDF expenditures made in fiscal year 2001 (the latest year available) by State is displayed in Table 9-29.

### STATE CCDF ALLOCATIONS

Table 9-30 shows actual State allotments for discretionary and entitlement (mandatory and matching) funding for fiscal year 2002.

TABLE 9-23-- CHILD CARE AND DEVELOPMENT FUND (AND ADDITIONAL STATE EFFORTS)--  
 PERCENT OF CHILDREN SERVED IN ALL TYPES OF CARE, FISCAL YEAR 2001

State	Licensed or Regulated Providers					Providers Legally Operating without Regulation						
	Child's Home	Family Home	Group Home	Center	Total	Child's Home		Family Home		Group Home		Center
						Relative	Non-Relative	Relative	Non-Relative	Relative	Non-Relative	
Alabama	0	7	6	64	0	6	0	6	0	0	0	17
Alaska	0	9	3	44	3	3	4	11	26	0	0	0
American Samoa	0	0	0	100	0	0	0	0	0	0	0	0
Arizona	1	10	5	72	3	5	0	10	0	0	0	0
Arkansas	1	23	0	76	0	0	0	0	0	0	0	0
California	0	12	7	53	4	7	2	14	6	0	0	1
Colorado	0	20	0	58	2	0	7	9	5	0	0	0
Connecticut	0	6	0	46	35	0	11	0	0	0	0	2
Delaware	0	32	2	45	4	2	0	5	0	0	0	11
District of Columbia	0	2	0	46	0	0	0	0	0	0	0	52
Florida	0	9	0	81	0	0	0	1	2	0	0	6
Georgia	0	9	2	82	1	2	1	3	2	0	0	0
Guam	0	0	1	35	7	1	1	51	0	0	0	5
Hawaii	0	4	0	11	3	0	2	36	4	0	0	40
Idaho	0	0	13	42	1	13	1	23	21	0	0	0
Illinois	0	14	1	33	11	1	18	19	3	0	0	3
Indiana	0	24	0	20	2	0	2	17	18	0	0	18
Iowa	0	28	14	35	0	14	1	6	16	0	0	0
Kansas	0	8	40	36	4	40	3	9	0	0	0	0
Kentucky	0	6	1	69	1	1	1	15	7	0	0	0
Louisiana	0	0	0	69	5	0	9	3	13	0	0	0
Maine	0	33	0	46	2	0	5	5	9	0	0	0
Maryland	0	35	0	40	11	0	4	9	0	0	0	1
Massachusetts	0	7	17	67	3	17	4	3	0	0	0	0
Michigan	0	9	8	16	15	8	17	35	0	0	0	0



TABLE 9-23-- CHILD CARE AND DEVELOPMENT FUND (AND ADDITIONAL STATE EFFORTS)--  
 PERCENT OF CHILDREN SERVED IN ALL TYPES OF CARE, FISCAL YEAR 2001--continued

State	Licensed or Regulated Providers				Providers Legally Operating without Regulation						
	Child's Home	Family Home	Group Home	Center	Child's Home		Family Home		Group Home		
					Relative	Non-Relative	Relative	Non-Relative	Relative	Non-Relative	Center
Wyoming	0	13	18	30	9	4	15	11	0	0	0
National	0	14	4	56	4	4	9	8	0	0	2

<sup>1</sup> New Hampshire did not report number of children by setting type.

Note -- A "0" indication often means the value is less than 0.5 percent rather than actually zero. In a few instances, the sum of the categories may not appear to add up to exactly 100 percent because of rounding.

Source: U.S. Department of Health and Human Services.

TABLE 9-24-- CHILD CARE AND DEVELOPMENT FUND--PERCENT  
OF CHILDREN SERVED BY PAYMENT METHOD,  
FISCAL YEAR 2001

State	Grants / Contracts	Certificates	Cash	Total
Alabama	0	100	0	59,968
Alaska	0	100	0	13,924
American Samoa	0	100	0	912
Arizona	0	100	0	53,028
Arkansas	0	100	0	17,641
California	39	61	0	302,212
Colorado	2	96	2	51,639
Connecticut	29	71	0	28,731
Delaware	0	100	0	13,146
District of Columbia	52	48	0	4,046
Florida	68	32	0	136,005
Georgia	4	96	0	121,035
Guam	0	100	0	2,636
Hawaii	31	0	69	30,464
Idaho	0	100	0	18,862
Illinois	11	89	0	188,213
Indiana	1	99	0	66,373
Iowa	0	100	0	29,711
Kansas	0	93	7	29,494
Kentucky	0	100	0	75,756
Louisiana	0	100	0	77,429
Maine	26	74	0	6,282
Maryland	0	100	0	48,436
Massachusetts	48	52	0	72,213
Michigan	0	100	0	81,582
Minnesota	0	100	0	50,304
Mississippi	21	79	0	52,330
Missouri	0	100	0	67,507
Montana	0	100	0	12,589
Nebraska	0	100	0	25,577
Nevada	15	85	0	17,583
New Hampshire	0	100	0	11,948
New Jersey	18	82	0	83,312
New Mexico	0	100	0	35,363
New York	17	83	0	186,481
North Carolina	0	100	0	118,947
North Dakota	0	100	0	9,535
Northern Mariana Islands	0	100	0	383
Ohio	0	100	0	130,387
Oklahoma	0	100	0	77,295
Oregon	7	93	0	52,596
Pennsylvania	0	78	22	110,931
Puerto Rico	32	68	0	19,712
Rhode Island	0	100	0	6,611
South Carolina	13	87	0	40,828
South Dakota	1	99	0	6,968

TABLE 9-24-- CHILD CARE AND DEVELOPMENT FUND--PERCENT  
OF CHILDREN SERVED BY PAYMENT METHOD,  
FISCAL YEAR 2001-continued

State	Grants / Contracts	Certificates	Cash	Total
Tennessee	0	100	0	87,131
Texas	0	79	21	208,706
Utah	0	0	100	19,667
Vermont	4	96	0	7,249
Virgin Islands	4	96	0	1,278
Virginia	0	100	0	48,258
Washington	0	68	32	96,697
West Virginia	0	100	0	14,461
Wisconsin	0	100	0	43,331
Wyoming	0	100	0	6,299
Total	12	84	4	3,180,003

Note- A "0" indication often means the value is less than 0.5 percent rather than actually zero.  
In a few instances, the sum of the categories may not appear to add up to exactly 100 percent  
because of rounding

Source: U.S. Department of Health and Human Services.

TABLE 9-25-- CCDF ELIGIBILITY LIMITS FOR FAMILY OF THREE  
[monthly income]

State/territory	85% of State median income (SMI) for family of three	Actual CCDF general income eligibility limit	Actual CCDF Limit as a percent of SMI
Alabama	\$3,118	\$1,585	(43%) entry
		2,438	(66%) exit
Alaska	4,481	3,244	(62%)
American Samoa	925	925	(85%)
Arizona	3,156	2,013	(54%)
Arkansas	2,777	1,960	(60%)
California	3,315	2,925	(75%)
Colorado <sup>1</sup>	3,774	2,743	(62%)
Connecticut	4,495	3,966	(75%)
Delaware	3,902	2,440	(53%)
District of Columbia	3,706	3,470	(80%)
Florida	3,307	2,439	(63%)
Georgia	3,569	3,569	(85%)
Guam	1,829	1,829	(85%)
Hawaii <sup>2</sup>	3,479	3,069	(75%) entry
		3,274	(80%) exit
Idaho	2,838	1,706	(51%)
Illinois	3,948	1,818	(39%)
Indiana	3,289	1,743	(45%) entry
		2,207	(57%) exit
Iowa	3,455	1,890	(46%)
Kansas	3,874	2,255	(49%)
Kentucky	3,105	2,012	(55%)
Louisiana	2,942	2,077	(60%)

TABLE 9-25-- CCDF ELIGIBILITY LIMITS FOR FAMILY OF THREE--  
continued  
[monthly income]

State/territory	85% of State median income (SMI) for family of three	Actual CCDF general income eligibility limit	Actual CCDF Limit as a percent of SMI
Maine	3,038	3,038	(85%)
Maryland	4,249	2,499	(50%)
Massachusetts <sup>3</sup>	4,104	2,414	(50%) entry
		4,104	(85%) exit
Michigan	3,895	2,172	(47%)
Minnesota	3,967	3,501	(75%)
Mississippi	2,513	2,513	(85%)
Missouri	3,010	1,482	(42%)
Montana	3,032	1,829	(51%)
Nebraska	3,373	2,105	(53%)
Nevada	3,539	3,123	(75%)
New Hampshire	3,630	2,648	(62%)
New Jersey <sup>4</sup>	4,224	2,438	(49%) entry
		3,048	(61%) exit
New Mexico	2,658	2,438	(78%)
New York	3,400	2,438	(61%)
North Carolina	3,232	2,852	(75%)
North Dakota	3,035	2,463	(69%)
Northern Mariana Islands	1,273	1,219	(81%)
Ohio	3,346	2,255	(57%)
Oklahoma	3,110	1,936	(53%)
Oregon	3,208	2,255	(60%)
Pennsylvania	3,543	2,438	(58%)
Puerto Rico	1,279	1,279	(85%)
Rhode Island	3,845	2,743	(61%)
South Carolina	3,330	1,829	(47%) entry
		2,134	(54%) exit
South Dakota	3,504	1,829	(44%)
Tennessee	3,093	2,027	(56%)
Texas <sup>5</sup>	3,171	3,171	(85%)
Utah	3,406	2,244	(56%)
Vermont	2,867	2,586	(77%)
Virginia	3,829	1,829	(41%)
		1,950	(43%)
		2,255	(50%)
Virgin Islands	1,385	1,385	(85%)
Washington	3,670	2,743	(64%)
West Virginia	2,689	2,358	(75%)
Wisconsin	3,774	2,255	(51%) entry
		2,438	(55%) exit
Wyoming	3,310	2,255	(58%)

<sup>1</sup> In Colorado, eligibility limits vary by county, from a low of 137 percent of 2001 FPL to a high of 225 percent.

<sup>2</sup> In Hawaii, the income eligibility limit for applicants is lower than the limit for recipients and those within 12 months of leaving TANF.

TABLE 9-25-- CCDF ELIGIBILITY LIMITS FOR FAMILY OF THREE--  
continued

<sup>3</sup> In Massachusetts, for a family currently without a contracted slot or voucher, their income must be at or below 50 percent of the SMI in order to access the CCDF system. Once a family has a subsidy, it will remain income-eligible until its income reaches 85 percent of SMI.

<sup>4</sup> In New Jersey, the income eligibility limit for families entering the CCDF system is based on 200 percent of the 2001 Federal Poverty Line (FPL) and the universal exit level for families is based on 250 percent of the 2001 FPL.

<sup>5</sup> In Texas, local workforce development boards set their own income eligibility limits, and most (but not all) Boards have established limits that are below 85 percent of SMI (e.g. 55 percent of SMI; 150 percent of FPL). For example, in Dallas the general monthly income eligibility limit is 150 percent of FPL (which for a family of three is \$1,829 (58 percent of SMI)).

Source: Table prepared by the Congressional Research Service, based on information from CCDF State plans submitted by the States to the Department of Health and Human Services (HHS) for fiscal years 2002-2003.

TABLE 9-26--SUMMARY OF DISCRETIONARY AND MANDATORY  
CHILD CARE AND DEVELOPMENT FUND EXPENDITURES, FISCAL  
YEARS 1995-2001

[In thousands of dollars]

Fiscal Year	Discretionary funds (Federal)	Mandatory funds		Total	Percent change in total expenditures from previous year
		Federal	State		
1995	832,009	1,235,233	949,821	3,017,063	--
1996	850,122	1,280,212	994,275	3,124,609	3.6
1997	1,009,498	1,537,796	1,361,481	3,908,775	24.4
1998	1,485,514	2,035,700	1,746,834	5,268,049	33.7
1999	2,725,319	1,999,925	1,648,282	6,373,526	22.7
2000	2,999,135	2,268,997	1,896,933	7,165,065	12.4
2001	3,528,427	2,343,123	2,039,858	7,911,408	10.4

Source: Congressional Research Service and U.S. Department of Health and Human Services.

TABLE 9-27--FEDERAL MANDATORY CHILD CARE EXPENDITURES, BY STATE, FISCAL YEARS 1995-2001  
 [In thousands of dollars]

State	1995	1996	1997	1998	1999	2000	2001	Percent Change	
								1995-2001	1999-2001
Alabama	17,626	17,734	27,539	28,847	30,893	27,586	25,454	44	-18
Alaska	3,983	3,599	5,063	6,324	6,093	6,561	7,366	85	21
Arizona	20,998	24,993	31,034	29,663	35,360	33,434	35,009	67	-1
Arkansas	5,300	4,009	9,360	11,904	12,423	15,693	9,371	77	-25
California	90,347	97,454	101,077	200,974	273,403	230,130	221,456	145	-19
Colorado	10,498	10,486	11,926	29,000	11,709	26,303	22,924	118	96
Connecticut	18,738	25,122	27,298	28,676	29,690	31,900	34,646	85	17
Delaware	5,292	5,217	6,718	6,807	8,146	8,458	8,705	64	7
District of Columbia	4,721	4,455	5,703	6,255	6,043	6,491	6,278	33	4
Florida	48,743	54,008	62,220	102,098	90,427	101,587	84,993	74	-6
Georgia	39,088	49,040	40,876	65,599	60,746	76,759	80,382	106	32
Hawaii	5,221	4,562	8,545	8,786	9,143	9,957	10,587	103	16
Idaho	3,062	2,357	3,809	5,689	8,649	8,410	9,300	204	8
Illinois	60,275	78,690	92,635	95,625	100,124	109,663	118,004	96	18
Indiana	28,640	29,777	32,515	43,371	35,709	37,854	52,006	82	46
Iowa	9,219	7,089	11,182	19,622	15,976	25,647	18,872	105	18
Kansas	10,044	11,632	15,595	18,037	20,128	20,940	22,700	126	13
Kentucky	17,230	17,490	22,112	31,916	23,497	33,236	31,764	84	35
Louisiana	14,539	13,895	15,058	29,497	26,198	22,195	27,632	90	5
Maine	3,036	3,456	6,015	6,801	6,879	7,809	8,247	172	20
Maryland	24,367	23,575	26,356	46,759	32,987	48,761	37,574	54	14
Massachusetts	46,798	52,211	60,350	62,620	60,871	57,557	73,867	58	21
Michigan	32,082	30,340	38,803	65,828	32,082	32,082	70,189	119	119
Minnesota	23,368	26,089	28,796	14,070	42,589	31,057	52,853	126	24
Mississippi	6,682	6,787	4,892	19,032	14,429	19,499	18,577	178	29
Missouri	25,390	26,805	37,505	42,753	43,365	47,278	50,728	100	17
Montana	3,191	3,451	2,968	8,476	6,131	6,636	7,189	125	17

TABLE 9-27--FEDERAL MANDATORY CHILD CARE EXPENDITURES, BY STATE, FISCAL YEARS 1995-2001 - continued  
 [In thousands of dollars]

State	1995	1996	1997	1998	1999	2000	2001	Percent Change	
								1995-2001	1999-2001
Nebraska	10,072	8,786	15,975	15,822	16,406	17,656	18,753	86	14
Nevada	2,873	3,122	2,897	7,571	8,362	8,532	12,625	339	51
New Hampshire	5,139	4,387	7,900	8,383	8,544	9,399	10,236	99	20
New Jersey	40,031	49,494	52,638	51,094	53,256	54,167	49,195	23	-8
New Mexico	4,174	9,174	13,916	14,342	14,955	16,456	17,590	321	18
New York	108,871	71,877	69,409	173,771	91,109	208,974	209,120	92	130
North Carolina	71,708	63,320	84,934	95,048	95,641	101,446	107,255	50	12
North Dakota	2,188	1,895	3,886	2,336	6,469	5,289	5,266	141	-19
Ohio	71,195	66,526	95,211	109,039	107,900	116,009	123,301	73	14
Oklahoma	25,638	26,638	33,905	35,324	25,943	49,199	34,468	34	33
Oregon	20,288	26,515	27,598	28,981	30,091	32,777	34,784	71	16
Pennsylvania	55,355	55,822	85,648	67,106	76,741	120,695	96,988	75	26
Rhode Island	6,695	6,856	8,884	9,794	9,806	10,562	11,235	68	15
South Carolina	9,967	12,457	16,796	22,509	23,282	26,095	25,433	155	9
South Dakota	1,753	1,742	3,125	4,781	4,255	4,861	5,317	203	25
Tennessee	39,566	43,192	51,259	53,621	55,509	59,433	63,150	60	14
Texas	63,995	72,750	64,857	121,168	139,699	130,685	184,361	188	32
Utah	13,019	14,450	19,428	20,605	21,674	23,807	16,727	28	-23
Vermont	3,737	3,841	5,667	5,687	5,847	6,165	6,461	73	11
Virginia	21,364	18,716	34,148	30,333	45,585	44,965	36,483	71	-20
Washington	41,948	43,218	52,091	63,917	61,301	65,702	69,725	66	14
West Virginia	8,834	9,837	12,973	13,561	5,944	23,100	16,087	82	171
Wisconsin	25,715	28,995	35,850	42,447	42,541	45,846	37,097	44	-13
Wyoming	2,631	2,277	2,851	3,431	5,375	3,694	4,793	82	-11
Total	1,235,233	1,280,212	1,537,796	2,035,700	1,999,925	2,268,997	2,343,123	90	17

Source: Congressional Research Service and U.S. Department of Health and Human Services.

TABLE 9-28 --TOTAL CHILD CARE AND DEVELOPMENT FUND EXPENDITURES, BY STATE,  
FISCAL YEARS 1995 - 2001

State	[In thousands of dollars]										Percent Change	
	1995	1996	1997	1998	1999	2000	2001	1995-2001		1999-2001		
Alabama	47,020	48,642	52,411	60,689	74,384	103,057	99,011	111	111	33		
Alaska	9,986	7,227	13,123	17,261	31,719	23,149	32,756	228	228	3		
Arizona	47,123	53,900	61,200	81,923	108,522	104,981	101,654	116	116	-6		
Arkansas	13,769	16,955	23,237	16,466	34,237	44,071	33,501	143	143	-2		
California	285,079	330,793	368,789	586,143	797,734	957,808	1,037,525	264	264	30		
Colorado	32,697	27,153	32,909	51,174	63,773	68,037	97,090	197	197	52		
Connecticut	49,544	59,013	58,668	72,245	136,441	158,475	165,183	233	233	21		
Delaware	12,348	12,161	17,487	24,417	25,664	34,127	32,272	161	161	26		
District of Columbia	10,884	10,564	13,604	20,154	27,564	45,141	40,538	272	272	47		
Florida	129,073	147,388	157,347	232,715	350,009	327,531	351,148	172	172	0		
Georgia	88,245	105,238	132,362	162,139	145,509	175,759	199,412	126	126	37		
Hawaii	13,122	12,799	20,474	30,632	34,608	25,239	33,152	153	153	-4		
Idaho	6,146	5,964	9,127	16,120	24,576	25,685	32,138	423	423	31		
Illinois	164,749	191,870	236,029	300,808	354,779	388,751	340,411	107	107	-4		
Indiana	63,199	66,851	78,288	138,615	140,177	89,964	174,667	176	176	25		
Iowa	23,025	21,520	20,130	49,312	53,551	79,874	70,554	206	206	32		
Kansas	25,154	28,640	35,108	45,722	50,168	61,102	66,769	165	165	33		
Kentucky	41,676	43,616	51,609	60,647	80,258	111,483	125,854	202	202	57		
Louisiana	39,580	40,530	47,367	62,341	120,061	134,010	114,874	190	190	-4		
Maine	5,699	12,325	15,436	19,041	22,094	25,513	20,158	254	254	-9		
Maryland	60,361	58,627	58,365	104,766	101,270	147,894	131,978	119	119	30		
Massachusetts	93,595	116,757	243,113	216,503	244,269	227,866	255,489	173	173	5		
Michigan	86,807	65,126	122,046	295,723	178,870	94,430	191,927	121	121	7		
Minnesota	56,836	62,427	69,624	68,884	103,552	126,957	133,781	135	135	29		
Mississippi	11,389	17,794	48,388	32,494	43,972	65,059	94,947	734	734	116		
Missouri	59,382	62,821	79,879	89,283	114,763	133,161	143,197	141	141	25		

TABLE 9 -28 --TOTAL CHILD CARE AND DEVELOPMENT FUND EXPENDITURES, BY STATE,  
FISCAL YEARS 1995 - 2001--continued

State	[In thousands of dollars]							Percent Change	
	1995	1996	1997	1998	1999	2000	2001	1995-2001	1999 - 2001
Montana	7,108	8,391	8,272	14,114	18,908	20,916	25,040	252	32
Nebraska	21,566	19,287	27,276	40,892	52,233	55,888	56,602	162	8
Nevada	9,397	8,707	13,020	18,411	20,731	22,126	35,860	282	73
New Hampshire	14,064	11,149	16,177	20,532	18,931	24,402	25,810	84	36
New Jersey	111,239	114,302	108,707	134,045	180,829	123,505	243,505	119	35
New Mexico	14,291	21,521	28,819	39,540	46,648	52,849	62,213	335	33
New York	261,452	201,424	236,240	393,075	445,407	658,174	785,681	201	76
North Carolina	136,303	100,133	169,501	224,494	246,731	258,213	282,738	107	15
North Dakota	5,349	4,075	7,485	5,358	10,064	9,102	10,430	95	4
Ohio	143,378	144,794	191,298	226,835	222,298	317,819	401,911	180	81
Oklahoma	50,518	52,804	57,553	71,542	110,494	93,690	134,491	166	22
Oregon	41,587	51,714	53,278	56,312	60,230	64,022	69,307	67	15
Pennsylvania	134,138	139,793	192,772	170,328	281,282	297,343	263,646	97	-6
Rhode Island	14,594	15,273	18,713	25,788	33,840	52,807	48,909	235	45
South Carolina	31,451	38,198	28,466	66,987	59,209	59,699	70,483	124	19
South Dakota	5,950	2,828	6,327	10,676	11,697	13,180	12,781	115	9
Tennessee	77,508	82,777	107,875	136,666	155,666	170,562	170,297	120	9
Texas	191,984	198,620	217,999	274,659	355,378	422,447	439,172	129	24
Utah	25,775	29,723	28,414	39,635	46,202	44,469	40,945	59	-11
Vermont	10,641	10,563	15,508	17,484	19,075	19,832	20,048	88	5
Virginia	56,466	55,842	85,645	79,156	136,456	134,014	132,110	134	-3
Washington	95,050	100,808	116,631	172,423	216,276	279,245	254,139	167	18
West Virginia	17,688	15,869	24,062	41,074	17,558	43,917	38,692	119	120
Wisconsin	56,875	63,293	76,883	123,709	137,302	139,399	155,593	174	13
Wyoming	6,198	6,016	5,735	8,102	7,557	8,321	11,019	78	46
Total	3,017,063	3,124,608	3,908,775	5,268,049	6,373,526	7,165,065	7,911,408	162	24

Source: Congressional Research Service and U.S. Department of Health and Human Services.

TABLE 9-29 -- CHILD CARE AND DEVELOPMENT FUND EXPENDITURES, FISCAL YEAR 2001  
 [In thousands of dollars]

State	Discretionary	Mandatory block grant	Federal share of matching funds	State share of matching funds	Maintenance of effort (MOE)	Total
Alabama	62,975	16,847	8,607	3,686	6,896	99,011
Alaska	18,840	3,545	3,821	3,005	3,545	32,756
Arizona	40,942	19,827	15,182	15,670	10,033	101,654
Arkansas	19,743	2,640	6,731	2,500	1,887	33,501
California	482,698	89,928	131,528	167,030	166,341	1,037,525
Colorado	52,408	10,174	12,750	12,772	8,986	97,090
Connecticut	8,445	18,738	15,908	15,908	106,184	165,183
Delaware	3,518	5,179	3,526	3,526	16,523	32,272
District of Columbia	27,752	4,567	1,711	1,941	4,567	40,538
Florida	196,689	37,941	47,052	36,050	33,416	351,148
Georgia	69,744	40,878	39,504	26,700	22,586	199,412
Hawaii	12,781	4,972	5,615	4,812	4,972	33,152
Idaho	19,004	2,868	6,432	2,658	1,176	32,138
Illinois	104,403	56,874	61,130	61,130	56,874	340,411
Indiana	89,684	23,209	28,797	17,620	15,357	174,667
Iowa	39,151	8,512	10,360	7,310	5,221	70,554
Kansas	28,742	9,812	12,888	8,646	6,681	66,769
Kentucky	79,156	13,556	18,208	7,659	7,275	125,854
Louisiana	77,746	17,490	10,142	4,277	5,219	114,874
Maine	6,553	3,019	5,228	2,679	2,679	20,158
Maryland	56,830	23,301	14,273	14,273	23,301	131,978
Massachusetts	110,256	47,474	26,393	26,393	44,973	255,489
Michigan	66,545	32,082	38,107	30,782	24,411	191,927
Minnesota	36,510	28,229	24,624	24,728	19,690	133,781
Mississippi	71,116	6,851	11,726	3,539	1,715	94,947
Missouri	59,281	24,669	26,059	16,639	16,549	143,197

TABLE 9-29 -- CHILD CARE AND DEVELOPMENT FUND EXPENDITURES, FISCAL YEAR 2001-continued  
 [In thousands of dollars]

State	Discretionary	Mandatory block grant	Federal share of matching funds	State share of matching funds	Maintenance of effort (MOE)	Total
Montana	15,061	3,191	3,998	1,476	1,314	25,040
Nebraska	20,324	10,595	8,158	5,353	12,172	56,602
Nevada	11,458	3,378	9,247	9,197	2,580	35,860
New Hampshire	1,690	4,582	5,654	5,654	8,230	25,810
New Jersey	146,265	27,524	21,671	21,671	26,374	243,505
New Mexico	38,433	8,308	9,282	3,295	2,895	62,213
New York	376,458	112,256	96,864	98,119	101,984	785,681
North Carolina	115,123	69,920	37,335	22,433	37,927	282,738
North Dakota	3,117	2,864	2,402	1,030	1,017	10,430
Ohio	196,299	70,125	53,176	36,907	45,404	401,911
Oklahoma	85,541	24,910	9,558	3,852	10,630	134,491
Oregon	12,558	19,409	15,375	10,250	11,715	69,307
Pennsylvania	68,506	47,648	49,340	51,523	46,629	263,646
Rhode Island	3,498	6,634	4,601	3,953	30,223	48,909
South Carolina	34,429	9,867	15,566	6,536	4,085	70,483
South Dakota	4,988	1,711	3,606	1,673	803	12,781
Tennessee	73,726	37,702	25,448	14,445	18,976	170,297
Texas	162,307	94,671	89,690	57,823	34,681	439,172
Utah	18,090	12,592	4,135	1,653	4,475	40,945
Vermont	9,405	3,945	2,516	1,516	2,666	20,048
Virginia	56,089	17,016	19,467	18,209	21,329	132,110
Washington	118,633	41,883	27,842	27,073	38,708	254,139
West Virginia	17,225	8,727	7,360	2,409	2,971	38,692
Wisconsin	93,405	24,511	12,586	8,642	16,449	155,593
Wyoming	4,287	4,080	713	386	1,553	11,019
Total	3,528,427	1,221,231	1,121,892	937,011	1,102,847	7,911,408

Source: Table prepared by the Department of Health and Human Services.

TABLE 9-30 -- CHILD CARE AND DEVELOPMENT FUND STATE  
ALLOCATIONS - FISCAL YEAR 2002

State	Child care entitlement		CCDBG Discretionary
	Mandatory block grant	Matching fund	
Alabama	\$16,441,707	\$22,803,334	\$42,929,737
Alaska	3,544,811	4,041,917	4,077,745
Arizona	19,827,025	29,867,432	43,481,082
Arkansas	5,300,283	13,918,143	25,553,862
California	85,593,217	202,345,010	243,602,191
Colorado	10,173,800	23,346,084	23,216,949
Connecticut	18,738,357	18,325,536	15,516,200
Delaware	5,179,330	4,194,685	4,425,363
District of Columbia	4,566,974	2,532,376	3,575,717
Florida	43,026,524	74,315,596	105,495,897
Georgia	36,548,223	46,969,407	69,949,985
Hawaii	4,971,633	6,391,035	8,044,428
Idaho	2,867,578	7,687,126	11,558,158
Illinois	56,873,824	70,164,324	78,610,865
Indiana	26,181,999	33,404,663	39,634,316
Iowa	8,507,792	14,671,371	18,910,604
Kansas	9,811,721	14,387,106	18,966,933
Kentucky	16,701,653	21,286,383	37,296,800
Louisiana	13,864,552	24,347,811	51,717,684
Maine	3,018,598	6,220,317	7,952,708
Maryland	23,301,407	29,279,003	27,855,834
Massachusetts	44,973,373	32,528,105	28,623,370
Michigan	32,081,922	53,067,749	60,683,562
Minnesota	23,367,543	27,153,654	27,017,650
Mississippi	6,293,116	15,814,248	34,880,544
Missouri	24,668,568	30,244,097	38,897,572
Montana	3,190,691	4,707,222	6,447,972
Nebraska	10,594,637	9,431,220	11,693,011
Nevada	2,580,422	11,345,185	10,855,892
New Hampshire	4,581,870	6,577,515	5,342,257
New Jersey	26,374,178	45,576,393	39,728,574
New Mexico	8,307,587	10,636,452	19,313,705
New York	101,983,998	101,291,573	117,149,059
North Carolina	69,639,228	42,875,908	59,839,819
North Dakota	2,506,022	3,295,271	4,636,540
Ohio	70,124,656	61,571,001	69,347,042
Oklahoma	24,909,979	11,502,467	32,478,555
Oregon	19,408,790	17,957,396	21,693,453
Pennsylvania	55,336,804	61,888,243	65,737,635

TABLE 9-30 -- CHILD CARE AND DEVELOPMENT FUND STATE ALLOCATIONS - FISCAL YEAR 2002-continued

State	Child care entitlement		CCDBG Discretionary
	Mandatory block grant	Matching fund	
Rhode Island	6,633,774	5,348,500	5,608,803
South Carolina	9,867,439	21,613,855	38,362,704
South Dakota	1,710,801	4,187,868	6,239,240
Tennessee	37,702,188	29,774,488	44,213,390
Texas	59,844,129	122,569,631	202,599,171
Utah	12,591,564	7,800,000	21,355,203
Vermont	3,944,887	3,047,752	3,452,257
Virginia	21,328,766	36,888,539	40,870,368
Washington	41,883,444	30,720,798	34,994,466
West Virginia	8,727,005	8,412,231	15,110,217
Wisconsin	24,511,351	28,648,757	31,004,615
Wyoming	2,815,041	2,487,341	3,320,644
State Total	\$1,177,524,781	\$1,519,462,118	\$1,983,870,348
Tribes	54,340,000	0	42,999,880
Territories	0	0	57,873,787
Technical Assistance	3,529,600	3,257,900	5,225,985
Research Set-Aside	0	0	9,972,000
Total	\$1,235,394,381	\$1,522,720,018	\$2,099,942,000

Source: U.S. Department of Health and Human Services.

## REFERENCES

- Adams, G., & Schulman, K. (1998). *Child care challenges*. Washington, DC: Children's Defense Fund.
- Burchinal, M.R., Campbell, F.A., Bryant, D.M., Wasik, B.H., & Ramey, C.T. (1997). Early intervention and mediating processes in cognitive performance of children of low-income African-American families. *Child Development, 68*, 935-54.
- Campbell, F.A. (1999, April 16). *Long-term outcomes from the Abecedarian study*. Paper presented at the biennial meeting of the Society for Research in Child Development, Albuquerque, NM.
- Campbell, F.A., & Ramey, C.T. (1995). Cognitive and school outcomes for high-risk African-American students at middle adolescence: Positive effects of early intervention. *American Educational Research Journal, 32*, 743-72.
- Capizzano, J., Adams, G., & Sonenstein, F. (2000). *Child care arrangements for children under five: Variation across States* (No. B-7). Washington, DC: Urban Institute.

- Casper, L.M., Hawkins, M., & O'Connell, M. (1994). Who's minding the kids? *Current Population Reports* (Series P70-36). Washington, DC: U.S. Census Bureau.
- Casper, L., & O'Connell, M. (1998). *State estimates of organized child care facilities* (Population Division Working Paper No. 21). Washington, DC: U.S. Census Bureau.
- Center for the Child Care Workforce. (2002, March). *Current data on child care salaries and benefits in the United States*. Washington, DC: Author.
- Children's Foundation. (2000). *The 2000 family child care licensing study*. Washington, DC: Author.
- Children's Foundation. (2002). *2002 Child care center licensing study*. Washington, DC: Author.
- Cost, Quality, and Child Outcomes Study Team. (1995). *Cost, quality, and child outcomes in child care centers, Public Report*. Denver: Economics Department, University of Colorado-Denver.
- Cost, Quality, and Child Outcomes Study Team. (1999). *The children of the cost, quality, and outcomes study go to school-executive summary*. Chapel Hill: University of North Carolina, Frank Porter Graham Child Development Center.
- Forman, M.R. (1994, October 20). *Federal funding for child care* (Memorandum to the House Committee on Ways and Means). Washington, DC: Congressional Research Service.
- Galinsky, E., Howes, C., Kontos, S., & Shirr, M. (1994). *The study of children in family child care and relative care*. New York, NY: Families and Work Institute.
- Karoly, L.A., Greenwood, P.W., Everingham, S.S., Hoube, J., Kilburn, M.R., Rydell, C.P., Sanders, M., & Chiesa, J. (1998). *Investing in our children: What we know and don't know about the costs and benefits of early childhood interventions*. Washington, DC: RAND.
- Kisker, E.E., Hofferth, S.L., Phillips, D.A., & Farquhar, E. (1991). *A profile of child care settings: Early education and care in 1990*. Washington, DC: U.S. Department of Health and Human Services.
- National Institute of Child Health and Human Development Early Child Care Research Network. (1999, July). Child outcomes: When child care center classes meet recommended standards of quality. *American Journal of Public Health, 89*(7), 1072-77.
- NICHD Early Child Care Research Network. (2002) "Early Child Care and Children's Development Prior to School Entry: Results from the NICHD Study of Early Child Care." *American Educational Research Journal, 39*.
- NICHD Early Child Care Research Network (2003) "Does Amount of Time Spent in Child Care Predict Socioemotional Adjustment During the Transition to Kindergarten?" *Child Development, July/August 2003, Volume 74, Number 4, pp. 976-1005*.
- Polivka, A.E., & Rothgeb, J.M. (1993). Redesigning the CPS questionnaire. *Monthly Labor Review, 116*(9), 10-28.

- Sonenstein, F.L., Gates, G.J, et al. (2002). Primary Child Care Arrangements of Employed Parents: Findings from the 1999 National Survey of America's Families. Washington, D.C., Urban Institute
- U.S. General Accounting Office. (1994). *Early childhood programs: Multiple programs and overlapping target groups* (HEHS-95-4FS). Washington, DC: Author.
- U.S. General Accounting Office. (1997). *Welfare reform: Implications of increased work participation for child care* (HEHS-97-75). Washington, DC: Author.
- U.S. General Accounting Office. (1998). *Child care: Federal funding for fiscal year 1997* (HEHS-98-70R). Washington, DC: Author.
- Whitebook, M., Howes, C., & Phillips, D. (1998). *Worthy work, unlivable wages: The national child care staffing study, 1988-97*. Washington, DC: Center for the Child Care Workforce.