

## **SECTION 9. CHILD CARE**

### **CONTENTS**

<b>Introduction</b>
<b>Employment and Marital Status of Mothers</b>
<b>Child Care Arrangements Used by Working Mothers</b>
<b>Child Care Costs</b>
<b>Supply of Child Care Providers</b>
<b>Child Care Standards</b>
<b>The Federal Role—Background and Overview</b>
<b>The Federal Role—Major Day Care Programs</b>
<b>Dependent Care Tax Credit</b>
<b>Child Care Programs Under Title IV-A of the Social Security Act</b>
<b>Child Care and Development Block Grant</b>
<b>Title XX—Social Services Block Grant</b>
<b>Child and Adult Care Food Program</b>
<b>Head Start</b>
<b>Child Care Tables</b>
<b>References</b>

### **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 has been a significant issue in recent debates over how to move welfare recipients toward employment and self-sufficiency; some observers have argued that some mothers on welfare are not 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 low-income 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 State child care grant programs. The

programs—the Child Care and Development Block Grant 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. Most recently, these programs were consolidated into an expanded Child Care and Development Block Grant, which will provide increased Federal funding and will serve both low-income working families and families attempting to transition off welfare through work. This child care consolidation and expansion was enacted in 1996 as a component of welfare reform legislation (Personal Responsibility and Work Opportunity Reconciliation Act, Public Law 104–193).

This chapter provides background information on the major indicators of the demand for and supply of child care, and a summary description of the major Federal programs that fund child care services.

### **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 1996, three-quarters of such mothers were labor force participants. The increased labor force participation of mothers with younger children has also been dramatic. In 1947, it was unusual to find mothers with a preschool-age child in the labor force—only about 12 percent of mothers with children under the age of 6 were in the labor force. But in 1996, over 62 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, over half of all mothers whose youngest child is under age 2 are in the labor market, while in 1975 less than one-third of all such mothers were labor force participants.

The rise in the number of female-headed families has also 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 less than 11 percent of families with children were headed by a single mother, compared with almost 18 percent of families with children in 1996. Perhaps the most telling statistic about female-headed families is that while the number of 2-parent families with children increased by 20 percent between 1970 and 1996, female-headed families with children exploded by 127 percent, to 12.5 million families in 1996. 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 youngest child over or

under age 6. The table provides graphic evidence of the exploding 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, 1947-96

	No chil- dren 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 1986 .....	50.5	62.8	70.4	54.4	50.8	49.2
March 1987 .....	50.5	64.7	72.0	56.7	52.9	51.9
March 1988 .....	51.2	65.0	73.3	56.1	52.5	50.8
March 1989 .....	51.9	65.7	74.2	56.7	52.4	51.7
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	<sup>1</sup> 56.7
March 1995 .....	52.9	69.7	76.4	62.3	58.7	<sup>1</sup> 57.9
March 1996 .....	53.0	70.2	77.2	62.3	59.0	57.9

<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. For additional information, see "Revisions in the Current Population Survey Effective January 1994" in the February 1994 issue of Employment and Earnings.

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 1996 by marital status and the age of the youngest child. Among those with children under 18, divorced women have the highest labor force participation rates, followed by married and separated women. Widowed and never-married women have lower labor force participation rates.

As table 9-3 illustrates, no matter what the marital status of the woman, labor force participation rates tend to increase as the age of the youngest child increases. Among all women with children under 18, 59 percent of those with a child under 3 participate, 67 percent of those whose youngest child is between 3 and 5 participate, and 79 percent of those whose youngest child is between 14 and 17 participate.

TABLE 9-2.—LABOR FORCE PARTICIPATION RATES OF WOMEN WITH CHILDREN, BY MARITAL STATUS AND AGE OF YOUNGEST CHILD FOR SELECTED YEARS, 1960–96

	1960	1970	1980	1987	1988	1989	1990	1991	1992	1993	1994	1995	1996	Percent increase, 1970–96
<b>Married women:</b>														
Youngest under 6 .....	18.6	30.3	45.0	56.8	57.1	57.4	58.9	59.9	59.9	59.6	61.7	63.5	62.7	106.9
Youngest 6 or older .....	39.0	49.2	61.8	70.6	72.5	73.4	73.6	73.6	75.4	74.9	76.0	76.2	76.7	55.9
<b>Separated women:</b>														
Youngest under 6 .....	NA	45.4	52.2	55.1	53.0	54.9	59.3	52.2	55.7	52.1	59.2	59.3	63.1	39.0
Youngest 6 or older .....	NA	60.6	66.6	72.6	69.3	68.0	75.0	74.7	71.6	71.6	70.7	71.5	73.3	21.0
<b>Divorced women:</b>														
Youngest under 6 .....	NA	63.3	68.3	70.5	70.1	66.3	69.8	68.5	65.9	68.1	67.5	73.3	76.5	20.9
Youngest 6 or older .....	NA	82.4	82.3	84.5	83.9	85.7	85.9	84.6	85.9	83.6	84.9	85.2	85.5	3.8
<b>Never-married women:</b>														
Youngest under 6 .....	NA	NA	44.1	49.9	44.7	48.9	48.7	48.8	45.8	47.4	52.2	53.0	55.1	NA
Youngest 6 or older .....	NA	NA	67.6	64.1	67.1	69.0	69.7	64.8	67.2	70.2	67.5	67.0	71.8	NA
<b>All women .....</b>	<b>1 30.4</b>	<b>1 52.9</b>	<b>56.6</b>	<b>64.7</b>	<b>65.0</b>	<b>65.7</b>	<b>66.7</b>	<b>66.6</b>	<b>67.2</b>	<b>66.9</b>	<b>68.4</b>	<b>69.7</b>	<b>70.2</b>	<b>32.7</b>

<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. For additional information, see "Revisions in the Current Population Survey Effective January 1994" in the February 1994 issue of Employment and Earnings.

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

TABLE 9-3.—LABOR FORCE PARTICIPATION RATES OF WOMEN WITH CHILDREN UNDER 18, BY MARITAL STATUS AND AGE OF YOUNGEST CHILD, MARCH 1996

Marital status	Age of youngest child						
	Under 3	Under 6	Under 18	3-5	6-13	6-17	14-17
Married, spouse present .....	60.5	62.7	70	66	76	76.7	78.4
Divorced .....	67.1	76.5	83.2	81.4	84.8	85.5	86.9
Separated .....	62.1	63.1	68.8	64	73.2	73.3	73.5
Widowed .....	33.1	48.3	63.3	55.8	64.5	65.9	67.6
Never married .....	50.3	55.1	60.5	64.1	71.7	71.8	72.4
All women with children under 18 .....	59	62.3	70.2	66.9	76.6	77.2	78.9

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

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

While there has been a substantial increase in the proportion of mothers in the labor force, the data can be misleading. Although 70 percent of mothers participated in the labor force in 1996, table 9-4 shows almost 48 percent worked full time and 19 percent worked part time (less than 35 hours per week). Thirty-nine percent of mothers with children under age 6 worked full time, and 19 percent worked part time.

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

Marital status	With children under 18	With children under 6
Married, spouse present:		
Employed full time .....	46.3	39.4
Employed part time .....	21.3	20.9
Divorced:		
Employed full time .....	66.2	56.5
Employed part time .....	12.6	12.9
Never married:		
Employed full time .....	35.5	28.8
Employed part time .....	13.8	15.1
All mothers:		
Employed full time .....	47.5	39.0
Employed part time .....	19.0	19.1

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

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

As table 9-4 demonstrates, how much mothers work differs according to their marital status and the age of their children. Forty-six percent of married women with children worked full time; thus, over 50 percent either didn't work at all or worked part time. Some 66 percent of all divorced mothers worked full time; almost 57 percent of divorced mothers with children under 6 worked full time.

Almost 36 percent of never-married mothers worked full time, and 14 percent worked part time.

### CHILD CARE ARRANGEMENTS USED BY WORKING MOTHERS

Data are collected periodically by the Census Bureau on the types of child care arrangements used by families with working mothers. 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 and school attendance. Further, the survey does not gather information on the child care arrangements used by the family while the father works. Though information is collected on the arrangements of families in which there is only a father present, it is considered too negligible to report.

The most recent Census Bureau statistics on child care arrangements are based on data collected by the Survey of Income and Program Participation (SIPP) for the fall of 1994. These 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, 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. "Primary" child care arrangement refers to the arrangement used most frequently during a typical work week.

TABLE 9-5.—PRIMARY CHILD CARE ARRANGEMENTS OF CHILDREN UNDER 5 WITH AN EMPLOYED MOTHER, BY MARITAL AND EMPLOYMENT STATUS OF THE MOTHER, FALL 1994

[In percent]

Type of arrangement	Mothers with children under 5 years		
	Total	Employed full time	Employed part time
All Marital Statuses			
Care in child's home:			
By grandparent .....	5.9	5.1	7.2
By other relative .....	3.5	2.9	4.4
By nonrelative .....	5.1	4.8	5.6
Total .....	14.5	12.8	17.2
Care in another home:			
By grandparent .....	10.4	10.5	10.1
By other relative .....	5.5	6.7	3.2
By nonrelative <sup>1</sup> .....	15.4	18.2	10.3
Total .....	31.3	35.4	23.6
Organized child care facilities:			
Day/group care center .....	21.6	25.0	15.2

TABLE 9-5.—PRIMARY CHILD CARE ARRANGEMENTS OF CHILDREN UNDER 5 WITH AN EMPLOYED MOTHER, BY MARITAL AND EMPLOYMENT STATUS OF THE MOTHER, FALL 1994—Continued

[In percent]

Type of arrangement	Mothers with children under 5 years		
	Total	Employed full time	Employed part time
Nursery school/preschool .....	7.8	8.5	6.4
Kindergarten/grade school .....	0.9	0.8	0.9
School-based activity .....	0.2	0.2	0.1
Total .....	30.5	34.5	22.6
Parental care:			
By father .....	18.4	13.3	28.1
By mother at work <sup>2</sup> .....	5.5	3.9	8.5
Child cares for self .....			
Total .....	23.9	17.2	36.6
Total children of employed mothers (in thousands) .....	10,329	6,732	3,597
	Married, Husband Present		
Care in child's home:			
By grandparent .....	3.4	3.1	3.9
By other relative .....	2.5	2.1	3.3
By nonrelative .....	5.6	5.5	5.8
Total .....	11.5	10.7	13.0
Care in another home:			
By grandparent .....	10.1	10.7	9.1
By other relative .....	4.0	4.8	2.6
By nonrelative <sup>1</sup> .....	15.7	19.0	9.8
Total .....	29.8	34.5	21.5
Organized child care facilities:			
Day/group care center .....	20.7	24.6	13.7
Nursery school/preschool .....	8.3	9.0	6.9
Kindergarten/grade school .....	0.8	0.8	0.8
School-based activity .....	0.2	0.3	0.1
Total .....	30.0	34.7	21.5
Parental care:			
By father .....	22.3	15.9	33.7
By mother at work <sup>2</sup> .....	6.3	4.1	10.3
Child cares for self .....			
Total .....	28.6	20.0	44.0

TABLE 9-5.—PRIMARY CHILD CARE ARRANGEMENTS OF CHILDREN UNDER 5 WITH AN EMPLOYED MOTHER, BY MARITAL AND EMPLOYMENT STATUS OF THE MOTHER, FALL 1994—Continued

[In percent]

Type of arrangement	Mothers with children under 5 years		
	Total	Employed full time	Employed part time
Total children of employed mothers (in thousands) .....	7,961	5,105	2,856
	All Other Marital Statuses <sup>3</sup>		
Care in child's home:			
By grandparent .....	14.2	11.4	20.3
By other relative .....	6.5	5.4	8.9
By nonrelative .....	3.4	2.8	4.8
Total .....	24.1	19.6	34.0
Care in another home:			
By grandparent .....	11.2	10.0	14.0
By other relative .....	10.5	12.7	5.4
By nonrelative <sup>1</sup> .....	14.6	15.7	12.3
Total .....	36.3	38.4	31.7
Organized child care facilities:			
Day/group care center .....	24.3	26.0	20.6
Nursery school/preschool .....	6.2	6.9	4.5
Kindergarten/grade school .....	1.1	0.9	1.3
School-based activity .....	0.1	0.1	.....
Total .....	31.7	33.9	26.4
Parental care:			
By father .....	5.4	5.0	6.3
By mother at work <sup>2</sup> .....	2.5	3.0	1.5
Child cares for self .....	.....	.....	.....
Total .....	7.9	8.0	7.8
Total children of employed mothers (in thousands) .....	2,368	1,627	741

<sup>1</sup>Care in another's home by a nonrelative is known as "family day care."

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

<sup>3</sup>Includes married, husband absent (including separated), widowed, divorced, and never-married women.

Source: Survey of Income and Program Participation, Bureau of the Census, U.S. Department of Commerce.



Families of preschoolers with working mothers rely more on care provided in an organized child care facility (30.5 percent) than on family day care (care in another home by nonrelative; 15 percent). Relative care, either in the child's home or the relative's home, is used by 25 percent of preschool children. Many families with young children do not rely on others for help with child care arrangements while the mother works because they use parental care (24 percent), especially care by fathers (18 percent). Only 5 percent of families rely on care provided in the child's home by a nonrelative.

Preschool children of part-time employed mothers are much less likely to be cared for at an organized child care facility or by a family day care provider, and more likely to be cared for by a parent, than children of full-time employed mothers. Children of employed single mothers, shown in table 9-5 under the heading "all other marital statuses," are much more likely to be cared for by a relative than children of married mothers.

Table 9-6 shows the types of afterschool arrangements used in 1993 for school-age children by working mothers, as well as cases in which there were no arrangements used at all. A total of 1.2 million school-age children (5.4 percent of children age 5-14) were reported to be in self-care or to be unsupervised by an adult for some time while their mothers were working. It is not known if the children in the "no care mentioned" 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 that the type of child care arrangements used for children under 5 varies by the economic well-being of the family. Children in poor families are more likely to be cared for by relatives (35 versus 24 percent) while their mother works than children in nonpoor families. In addition, children in nonpoor families use organized child care facilities more than children in poor families (31 versus 24 percent). Children in nonpoor families rely more on family day care provided by nonrelatives than do children living in poverty (16 versus 11 percent).

Table 9-8 shows the primary arrangements used by working mothers for their preschool-aged children from June 1977 through the fall of 1994. In general, the table does not show dramatic changes in the arrangements used during this time period, except with regard to day care centers and nursery schools. The share of children enrolled in day care centers and nursery schools increased sharply between 1977 and 1994, from 13 to 29 percent. The table shows that the role of fathers in caring for their preschool children increased slightly after 1977, including for children of single mothers. The share of children cared for by their mothers at work decreased from 1977 to 1994, as did the percent of children in family day care homes. Data on children cared for by their grandparents were obtained beginning in 1985, and remained relatively stable during the period from 1985 to 1994.

TABLE 9-6.—AFTERSCHOOL CHILD CARE ARRANGEMENTS USED BY EMPLOYED MOTHERS FOR CHILDREN 5-14, FALL 1993

Type of arrangement	Number (in thousands)	Percent
Care in child's home:		
By grandparent .....	779	3.5
By other relative .....	1,209	5.4
By nonrelative .....	547	2.5
Total .....	2,535	11.4
Care in another home:		
By grandparent .....	949	4.3
By other relative .....	517	2.3
By nonrelative <sup>1</sup> .....	1,179	5.3
Total .....	2,645	11.9
Organized child care facilities:		
Day/group care center .....	1,071	4.8
Nursery school/preschool .....	167	0.7
School-based activity .....	1,217	5.5
Total .....	2,455	11.0
Parental care:		
By father .....	2,587	11.6
By mother at work <sup>2</sup> .....	616	2.8
Child cares for self .....	1,202	5.4
Total .....	4,405	19.8
No care mentioned .....	10,236	46.0
Total children .....	22,276	100.0

<sup>1</sup> Care in another home by a nonrelative is known as a "family day care."

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

Source: Survey of Income and Program Participation, Bureau of the Census, 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 MOTHERS, FALL 1994

All marital statuses	Total <sup>1</sup>	Poor <sup>2</sup>	Not poor
Care in child's home:			
By grandparent .....	5.9	7.5	5.7
By other relative .....	3.5	7.2	3.0
By nonrelative .....	5.1	3.7	5.3
Total .....	14.5	18.4	14.0
Care in another home:			
By grandparent .....	10.4	9.4	10.5
By other relative .....	5.5	10.5	4.9
By nonrelative <sup>3</sup> .....	15.4	10.8	16.0
Total .....	31.3	30.7	31.4
Organized child care facilities:			
Day/group care center .....	21.6	17.2	22.1
Nursery school/preschool .....	7.8	5.0	8.1
Kindergarten/grade school .....	0.9	1.3	0.8
School-based activity .....	0.2	0.2	0.2
Total .....	30.5	23.7	31.2
Parental care:			
By father .....	18.4	17.6	18.5
By mother at work <sup>4</sup> .....	5.5	9.7	4.9
Child cares for self .....			
Total .....	23.9	27.3	23.4
Total children of employed mothers (in thousands) .....	10,329	1,109	9,208

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

<sup>2</sup> Below the poverty threshold, which was \$15,141 annually or \$1,262 monthly in 1994 for a family of four.

<sup>3</sup> Care in another home by a nonrelative is known as "family day care."

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

Source: Survey of Income and Program Participation, Bureau of the Census, U.S. Department of Commerce.

TABLE 9-8.—PERCENT OF CHILDREN UNDER 5 IN SELECTED CHILD CARE ARRANGEMENTS, 1977-94

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
<b>All families:</b>					
Fall 1994 .....	18.4	5.5	16.3	15.4	29.4
Fall 1993 .....	15.9	6.2	16.5	16.6	29.9
Fall 1991 .....	20.0	8.7	15.8	17.9	23.0
Fall 1990 .....	16.5	6.4	14.3	20.1	27.5
Fall 1988 .....	15.1	7.6	13.9	23.6	25.8
Fall 1987 .....	15.3	8.9	13.8	22.3	24.4
Fall 1986 .....	14.5	7.4	15.7	24.0	22.4
Winter 1985 ....	15.7	8.1	15.9	22.3	23.1
June 1977 .....	14.4	11.4	NA	22.4	13.0
<b>Married couples:</b>					
Fall 1994 .....	22.3	6.3	13.5	15.7	29.0
Fall 1993 .....	19.3	6.9	14.4	16.4	30.0
Fall 1991 .....	22.9	9.8	13.7	17.1	22.7
Fall 1990 .....	19.8	7.8	13.0	19.7	26.8
Fall 1988 .....	17.9	8.7	11.8	23.7	25.4
Fall 1987 .....	18.2	10.1	12.2	22.2	23.4
Fall 1986 .....	17.9	8.3	14.1	24.4	20.3
Winter 1985 ....	18.8	9.2	13.9	21.8	22.3
June 1977 .....	17.1	12.9	NA	22.6	11.6
<b>Single mothers:</b>					
Fall 1994 .....	5.4	2.5	25.4	14.6	30.5
Fall 1993 .....	3.4	3.5	24.6	17.3	29.5
Fall 1991 .....	7.0	3.7	24.8	21.3	24.5
Fall 1990 .....	3.2	0.7	20.0	27.8	30.4
Fall 1988 .....	1.5	2.4	23.9	22.8	27.8
Fall 1987 .....	2.3	3.4	20.8	22.3	28.3
Fall 1986 .....	1.4	3.8	20.3	22.4	30.2
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.

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, "Who's Minding the Kids? Child Care Arrangements: Fall 1991," Current Population Reports, Series P70-36, Bureau of the Census, U.S. Department of Commerce.

### 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 situation.

The most recent data on child care expenditures are from the Survey of Income and Program Participation for the fall of 1993, published by the Census Bureau (Casper, 1995). These data show that 56 percent of families with employed mothers paid for child care for their preschool-aged children. Nonpaid child care was most typically provided by relatives. Families with mothers employed full time were more likely to purchase care for their young children than those with mothers working part time. Among families with full-time working mothers, 63 percent paid for child care, compared to 41 percent of families with mothers employed part time. Likewise, as shown in table 9-9, families with higher incomes were more likely to purchase care than families with lower incomes. For example, 69 percent of families with monthly incomes of \$4,500 or more purchased child care in the fall of 1993, while only 39 percent of families with monthly incomes of less than \$1,200 purchased care.

TABLE 9-9.—AVERAGE WEEKLY CHILD CARE EXPENDITURES FOR PRESCHOOLERS AND PERCENTAGE OF INCOME SPENT ON CARE, BY POVERTY STATUS AND FAMILY INCOME, FALL 1993

	Percent paying for care	Average weekly cost of care	Percent of monthly family income spent on care
Poverty status:			
Below poverty .....	37	\$49.56	17.7
Above poverty .....	58	76.03	7.3
Monthly family income:			
Less than \$1,200 .....	39	47.29	25.1
\$1,200-\$2,999 .....	49	60.16	12.0
\$3,000-\$4,499 .....	57	73.10	8.5
\$4,500 and over .....	69	91.93	5.7
Total .....	56	74.15	7.5

Source: Casper (1995).

As indicated in table 9-9, average weekly costs per family for all preschool-aged children were \$74 in 1993 for those families who purchased care. Families with two or more preschoolers paid almost \$110 per week for child care (11 percent of family income), while families with one child paid \$66 per week (7 percent of family income). Married-couple families devoted a smaller percentage of their income to child care (7 percent) than single-parent families (12 percent), but their child care expenditures were nonetheless greater (\$78 per week) than those of single-parent families (about \$60 per week).

Table 9-9 also shows that, while low-income families spend fewer dollars for child care than higher income families, they spend a much greater percentage of their family income for child care. Specifically, families with monthly incomes of less than \$1,200 had average weekly child care expenses of \$47 in 1993, compared with

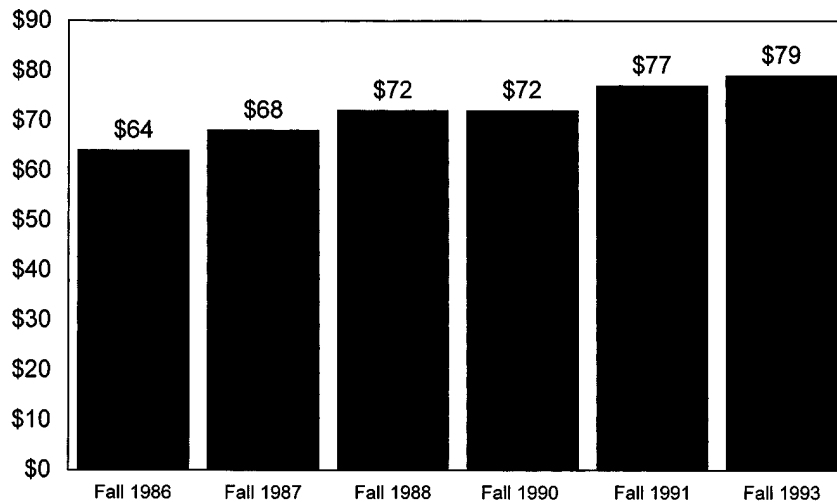
\$92 for families with monthly incomes of \$4,500 or more. However, lower income families devoted 25 percent of their family income to child care, while the higher income families spent less than 6 percent of their income for child care.

For families purchasing care, the average weekly cost of child care per arrangement was \$57 in 1993. In-home, nonrelative babysitters were the most expensive type of care, at an average weekly cost of \$68, followed by organized child care centers at \$64 per week. Family day care homes cost an average of \$57 per week, while the least expensive form of paid care was provided by relatives, at an average of \$42 per week. Looking at child care costs per child, the average weekly cost for preschoolers in 1993 was \$60, ranging from \$66 per week for infants under 1 year old to \$56 for 3-year-olds and \$59 for 4-year-olds.

Child care costs have increased in recent years. Chart 9-1 illustrates growth in the average weekly cost of care for all children (up to age 15) in families with a preschooler from 1986 to 1993, in constant 1993 dollars. As the chart shows, the average weekly cost has gone up by \$15, from \$64 in 1986 to \$79 in 1993.

**CHART 9-1. WEEKLY COST OF CHILD CARE <sup>1</sup>**

[In constant 1993 dollars. Limited to families with a preschooler.]



<sup>1</sup> Represents total costs for all children in the family.

Source: Casper (1995).

### SUPPLY OF CHILD CARE PROVIDERS

The profile of child care settings (PCS) study, released by the U.S. Department of Education in 1991, is regarded as the most comprehensive national study of regulated child care/early education services since the 1970s (Kisker, Hofferth, Phillips &

Farquhar, 1991). The study provides information on the supply and characteristics of State licensed child care centers and 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. Readers should note that both demand and Federal support for child care have increased since 1990, most likely also causing an increase in the supply since this study was conducted.

Kisker and her colleagues reported that approximately 80,000 center-based early education and care programs were providing services in the United States at the beginning of 1990. The Children's Foundation has subsequently reported that, in 1996, there were 93,221 regulated child day care centers (Children's Foundation, 1996). The PCS researchers estimated that about 12 percent of centers on State licensing lists were not operating during the time of the survey, but that operating centers had about 5.3 million spaces (defined as the sum of enrollment plus vacancies), of which approximately 4.2 million were for preschool-age children and 1.1 million were for school-age children. The study found that an average of 88 percent of the available spaces in centers were filled. The researchers concluded that this high overall utilization rate indicates that "the market seems to be working to increase supply as demand expands." As shown in table 9–10, centers were distributed across regions in urban/rural areas approximately in proportion to the population of children under age 5.

TABLE 9–10.—DISTRIBUTION OF PRESCHOOL CHILDREN, EARLY CHILDHOOD PROGRAMS, AND PROGRAM SPACES BY REGION AND URBANICITY

[In percent]

	Children younger than 5 <sup>1</sup>	Centers	Spaces in centers	Regulated home-based programs	Spaces in regulated home-based programs
<b>Region:</b>					
Northeast .....	19	18	16	14	11
South .....	35	41	42	21	20
Midwest .....	24	23	23	29	32
West .....	23	18	19	36	37
<b>Urbanicity:</b>					
Metropolitan .....	75	76	83	77	77
Nonmetropolitan .....	25	24	17	23	23

<sup>1</sup> The distribution of children younger than age 5 by region is estimated from projections of 1980 census data to 1988 (U.S. Bureau of the Census, 1989). The distribution of children younger than age 5 by urbanicity is estimated as the distribution of the population by urbanicity in 1980 (U.S. Bureau of the Census, 1983).

Source: Kisker, Hofferth, Phillips, & Farquhar (1991).

The study also found that there were approximately 118,000 licensed family day care providers with a capacity to care for 860,000 children (defined as the number of children for whom the provider is licensed to provide care) operating in the United States at the beginning of 1990. This number is about 30 percent less than counts of family day care providers obtained directly from licensing lists because such lists are not generally up to date. About 82 percent of all family day care spaces were filled at the beginning of 1990. In contrast to centers, the distribution of family day care homes across regions of the United States was not proportional to the number of young children in those regions (table 9–10). The authors postulate that this imbalance may be due to regional differences in State family day care licensing requirements.

When providers were asked how many vacancies were actually available, the study found that the average child care center had four full-time vacancies and that the average regulated family day care home had one full-time vacancy. For centers, the study reported that vacancies were concentrated in fewer than half of all centers and that two-thirds to three-fourths of all centers reported having no vacancies. Vacancies were also concentrated in less than half of all family day care homes. According to the study, more than half of all regulated homes reported being “unable or unwilling” to accept more children on a full-time basis.

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. Based on an estimate that 4 million children were in family day care in 1991 and that the average number of children per home ranged from 3 to 6, Kisker et al. estimated that there were from 550,000 to 1.1 million unlicensed providers. Based on this estimate, the number of regulated family day care homes (118,000) represented 10–18 percent of the total number of family day care providers (National Association for the Education of Young Children, 1991).

### CHILD CARE STANDARDS

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). Table 9–11 presents information on State licensing standards in 1993, which was collected by *Parenting* magazine and the Children’s Defense Fund (CDF). It should be noted that these standards apply to licensed or regulated child care providers. In the case of family day care homes, most States exempt certain providers—typically those serving smaller numbers of children—from licensing or regulation. As cited above, research in 1990 estimated that between 82 and 90 percent of family child care is unregulated.



TABLE 9-11.—NUMBER OF STATES WITH SELECTED CHILD CARE LICENSING REQUIREMENTS, FOR CHILD CARE CENTERS AND FAMILY DAY CARE HOMES, 1993

Item	Child care centers	Family day care homes
Children must have all immunizations <sup>1</sup> .....	50	45
Children must have all recommended immunizations <sup>2</sup> ....	7	9
All or some staff must have first aid training .....	42	28
All or some staff must have CPR training .....	32	18
Energy-absorbing surfaces must be under climbing equipment .....	23	NA
Smoke detectors and periodic fire drills:		
Both required .....	44	35
Fire drill only .....	6	2
Smoke detector only .....	1	7
Staff must wash hands after diapering and before handling food .....	48	NA
Smoking prohibited .....	45	19
Maximum number of children allowed per staff members exceeds NAEYC recommendation: <sup>3</sup>		
6 months old .....	18	NA
12 months old or walking .....	20	NA
18 months old .....	25	NA
2 years old .....	31	NA
3 years old .....	21	NA
4 years old .....	33	NA
Group size not regulated, or exceeds NAEYC recommendation: <sup>3</sup>		
6 months old .....	33	NA
12 months old or walking .....	25	NA
18 months old .....	30	NA
2 years old .....	20	NA
3 years old .....	23	NA
4 years old .....	23	NA
Parental access required .....	46	42
Frequency of State licensing inspections:		
More than once per year .....	12	9
Once per year .....	30	15
Less than once per year .....	8	21
Never .....	1	6
Liability insurance required .....	20	5
Corporal punishment prohibited .....	43	39

<sup>1</sup>Basic immunizations are the DPT vaccine against diphtheria-pertussis-tetanus, the OPV vaccine against polio, and the MMR vaccine against measles, mumps and rubella.

<sup>2</sup>In addition to the basic immunizations, the American Academy of Pediatrics recommends the Hib vaccine against bacterial meningitis, and HBV against hepatitis B.

<sup>3</sup>Staff-child ratios are recommended by the National Association for the Education of Young Children.

NA—Not available.

Source: Prepared by the Congressional Research Service from data reported by Adams, 1995.

### 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 General Accounting Office (GAO) 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 (U.S. General Accounting Office, 1994a). 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 more recent GAO (1998) report identified 22 key child care programs, of which 5 accounted for more than 80 percent of total child care spending in fiscal year 1997.

Most recently, the 104th Congress passed a major restructuring of Federal welfare programs, including a consolidation of major Federal child care programs into an expanded Child Care and Development Block Grant (CCDBG) (Public Law 104-103). The child care provisions in the new law were developed to achieve several purposes. As a component of welfare reform, the child care provisions are intended to support the overall goal of promoting self-sufficiency through work. However, separate from the context of welfare reform, the legislation attempts to address concerns about program effectiveness and efficiency. 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 are intended to streamline the Federal role, reduce the number of Federal programs and conflicting rules, and increase the flexibility provided to States. In addition, the Child Care and Development Block Grant, which had originally been enacted in 1990 to provide child care services for low-income families, expired at the end of fiscal year 1995, and the welfare reform legislation was used as a vehicle for reauthorization.

Under the new amendments, the CCDBG is now the primary child care subsidy program operated by the Federal Government, and replaces previous child care programs for welfare and working families. The new law makes available to States almost \$20 billion over a 6-year period (1997-2002) in a combination of entitlement and discretionary funding for child care, which is approximately \$4 billion above the level that would have been available under the previous programs. Despite this increase in Federal resources, concerns persist about the adequacy and quality of child care, particularly after welfare reform is fully implemented and States are required to ensure that a certain portion of their welfare caseload is enrolled in work activities. The Congressional Budget Office (CBO) projected in August 1996 a potential \$1.4 billion shortfall in child care funding over the 6 years if all States complied with new welfare-to-work participation requirements. However, the CBO analysis was limited only to entitlement funding, and did not consider the \$6 billion in discretionary funds also authorized for child care. Moreover, welfare caseloads have declined since CBO's analysis was conducted, which would free up funds from the Temporary Assistance for Needy Families (TANF) Block Grant that States could use for child care. On the other hand, about a third of the total child care funding is subject to maintenance-of-effort and matching requirements, and CBO's estimate was based on the assumption that all States would meet these requirements. If any States fail to meet these requirements, they would not receive the full amount of available Federal funds.

It is likely that increased demand and Federal resources for child care will cause some growth in the supply of child care providers. The U.S. General Accounting Office (GAO) reported in May 1997 that gaps currently exist between the demand for child care and the “known” supply (i.e., providers that are regulated by or otherwise known to the States), based on research at four sites. These gaps are larger in poor areas and for certain types of care, such as infant and school-aged child care. It is important to note, however, that many parents rely on informal care givers, such as relatives and neighbors, who may not be known to State agencies. Nonetheless, as welfare reform and the new child care law are implemented, a number of perennial issues will be of continuing interest, including the availability, cost, and quality of child care. In addition, States now will have the flexibility and responsibility for determining the most equitable method of providing child care services to both welfare families who are trying to become self-sufficient, and low-income working families who are not dependent on welfare.

#### **THE FEDERAL ROLE—MAJOR DAY CARE PROGRAMS**

Table 9–12 provides a brief description of the major Federal programs that currently support child care and related activities. As the table shows, 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, in addition to the CCDBG, include the Social Services Block Grant under title XX of the Social Security Act 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 has been 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.

#### **DEPENDENT CARE TAX CREDIT**

Under section 21 of the Internal Revenue Code, a nonrefundable credit against income tax liability is available for up to 30 percent of a limited amount of employment-related dependent care expenses. Eligible employment-related expenses are limited to \$2,400, if there is one qualifying dependent, or \$4,800, if there are two or more qualifying dependents. The credit may be claimed by a taxpayer who maintains a household that includes one or more qualifying individuals. Generally, a qualifying individual is a dependent under the age of 13, a physically or mentally incapacitated dependent, or a physically or mentally incapacitated spouse. The costs of care must be incurred to enable a taxpayer (or taxpayer’s spouse, if married) to work or look for work. Qualified expenses include the costs of household services.

TABLE 9-12.—OVERVIEW OF FEDERAL PROGRAMS THAT SUPPORT CHILD CARE

	Program				Head Start
	Dependent Care Credit	Child Care and Development Block Grant	Child and Adult Care Food Program	Title XX Social Services Block Grant	
Budgetary classification.	Nonrefundable tax credit.	Discretionary authorization and authorized entitlement.	Authorized entitlement.	Authorized entitlement.	Discretionary authorization
Statutory authority.	Internal Revenue Code.	Omnibus Budget Reconciliation Act of 1990 and Personal Responsibility and Work Opportunity Reconciliation Act of 1996.	National School Lunch Act of 1946.	Social Security Act.	Omnibus Budget Reconciliation Act of 1981
Federal administration.	U.S. Department of Treasury, Internal Revenue Service.	HHS, ACF <sup>1</sup> .....	U.S. Department of Agriculture, Food and Nutrition Service.	HHS, ACF <sup>1</sup> .....	HHS, ACF <sup>1</sup>
Federal funding support.	NA .....	Funding ceiling, 100 percent Federal funding for discretionary and part of entitlement funding; balance at Medicaid match rate.	Open-ended, 100 percent Federal funding.	Funding ceiling, 100 percent Federal funding.	Funding ceiling, 80 percent Federal funding
Fiscal year 1997 estimates (in millions) <sup>2</sup> .	\$2,800 <sup>3</sup> .....	970—discretionary, 1,435—mandatory.	1,524 <sup>4</sup> .....	Total is 2,500 <sup>5</sup>	3,981 <sup>4</sup>
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.	NA .....	State discretion	Low-income children and families

TABLE 9-12.—OVERVIEW OF FEDERAL PROGRAMS THAT SUPPORT CHILD CARE—Continued

		Program			
		Child Care and Development Block Grant	Child and Adult Care Food Program	Title XX Social Services Block Grant	Head Start
Dependent Care Credit		Child Care and Development Block Grant	Child and Adult Care Food Program	Title XX Social Services Block Grant	Head Start
Eligible children	Children under age 13.	Children under age 13 (unless incapable of self-care or under court supervision).	Children younger than 13; migrant children younger than 16.	State discretion	Children from poor families who have not reached the age of compulsory school attendance
Provider requirements.	Centers only must meet applicable State and local standards.	Must meet applicable State and local standards (including relatives). With exception of relatives, must also meet certain health and safety standards.	Must meet applicable State and local standards.	Must meet applicable State and local standards.	Must meet federally established standards with respect to health, education, parental involvement, nutrition, and social services
Reimbursement rates to providers.	NA	No limit	Meal rates are indexed to inflation, rates vary by family income, and provider's income and location.	No limit	No limit

<sup>1</sup> U.S. Department of Health and Human Services, Administration for Children and Families.

<sup>2</sup> Source: Congressional Budget Office for Programs, Joint Committee on Taxation for tax expenditures.

<sup>3</sup> See Joint Committee, 1996, p. 21.

<sup>4</sup> Obligations.

<sup>5</sup> States used almost 15 percent of SSBG funds for child day care in fiscal year 1995.

NA—Not applicable.

Source: Compiled by Committee on Ways and Means staff.

The percentage used to calculate the credit depends on a taxpayer's adjusted gross income (AGI). A taxpayer whose AGI is \$10,000 or less is allowed a credit equal to 30 percent of qualified work-related expenses. The credit percentage is reduced by 1 percentage point for each additional \$2,000 in AGI above \$10,000. For taxpayers whose AGI is greater than \$28,000, the credit is equal to 20 percent of qualified expenses. The maximum amount of the credit is \$720 for one qualifying individual and \$1,440 for two or more qualifying individuals.

The Internal Revenue Code also contains a provision that allows taxpayers to exclude from their income the value of certain dependent care benefits provided by their employers. This exclusion is limited to \$5,000 per year, or \$2,500 for a married individual filing a separate return.

More detailed information on the dependent care tax credit and the exclusion for employer-provided dependent care is provided in section 13.

#### CHILD CARE PROGRAMS UNDER TITLE IV–A OF THE SOCIAL SECURITY ACT

Congress enacted legislation in 1996 that repealed the 60-year-old Aid to Families with Dependent Children (AFDC) Program, which had been authorized under title IV–A of the Social Security Act, and established in its place a new block grant to States for Temporary Assistance for Needy Families (TANF). This legislation, the Personal Responsibility and Work Opportunity Reconciliation Act (Public Law 104–93), also repealed three child care programs that had been authorized under AFDC, and expanded the existing Child Care and Development Block Grant to include the purposes and populations that the repealed programs had served. The following sections describe the three AFDC-related child care programs as they existed before passage of the 1996 welfare reform legislation, and the expanded CCDBG, as it has been amended.

##### *Child care for AFDC recipients*

Under the AFDC Program, the Federal Government required States to “guarantee” child care to recipients of AFDC if the care was needed for individuals to accept employment or remain employed. Child care also was guaranteed to AFDC recipients who were participating in a State-approved education and training activity, including an AFDC Job Opportunities and Basic Skills (JOBS) Training Program.<sup>1</sup> The AFDC Child Care Program was funded by an open-ended entitlement. The Federal share of a State's child care payments was based on the Medicaid matching rate, which varies by State and is inversely related to a State's per capita income. The program was administered on the Federal level

<sup>1</sup>Under the Family Support Act of 1988 (Public Law 100–485), all States were required to have a JOBS Program in place by October 1, 1990. The centerpiece of a major welfare reform initiative, JOBS was intended to prevent long-term welfare dependency by providing needy families with education, training, and employment. All AFDC recipients not otherwise exempt by law were required to participate in JOBS. The parent of a child under age 6 could be required to participate only if child care was guaranteed and if participation was limited to no more than 20 hours per week. A parent of a child under age 3 was exempt from participation, unless required to participate at State option. More detailed information on the AFDC JOBS Program is provided in section 7.

by the Administration for Children and Families (ACF) of the U.S. Department of Health and Human Services, as part of the AFDC Program.

State welfare agencies were responsible for administering the program at the State level and were required to inform AFDC applicants and recipients of the availability of child care assistance and the types and locations of child care services. The State agencies could provide child care directly, arrange for care with providers through contracts or vouchers, provide cash or vouchers in advance to families, reimburse families, or use other arrangements. States could also choose to disregard certain child care expenses—up to \$175 per month per child age 2 and over and up to \$200 per month per child under age 2—from the earned income of a family in determining the family's eligibility for AFDC benefits.

Reimbursement for child care costs had to be at least equal to the lower of the actual cost of care or a statewide limit (which could be the child care disregard amount or a higher amount). Reimbursement could not be more than the 75th percentile of the local market rate for the type of care being provided, as determined by each State.<sup>2</sup> The child care had to meet applicable standards of State and local law. In addition, States had to ensure that center-based child care was subject to State and local health and safety requirements, including fire safety protections. States also had to endeavor to develop guidelines for family day care services.

GAO reported, on the basis of a nationwide survey, that about three-fourths of State JOBS Programs able to provide child care subsidies or help arrange child care for all or most of their participants who needed such assistance. However, GAO attributed this success to the relatively small number of AFDC recipients actually participating in JOBS—about 13 percent of the adult caseload in a given month. State and local officials told GAO that barriers to providing child care assistance included shortages of certain types of care, such as infant care, sick child care, before- and after-school care, and child care during nontraditional work hours, as well as transportation problems (U.S. General Accounting Office, 1995).

#### *Transitional child care assistance*

Under the AFDC Program, the Federal Government also required States to “guarantee” child care to a family that lost AFDC eligibility due to increased hours of, or increased income from employment or loss of the income disregard due to the time limitations, if the care was necessary for an individual to accept or retain employment. To be eligible for transitional child care (TCC), families had to have received AFDC in at least 3 of the 6 months immediately before the month in which they became ineligible for AFDC. The child care assistance under this program was limited to a period of 12 months after the last month for which the family received AFDC benefits. The program, which was administered by ACF at the Federal level operated under the same rules as those that applied to the Child Care Program for eligible AFDC recipi-

<sup>2</sup>The 75th percentile does not mean 75 percent of the cost of care. To determine the 75th percentile, child care rates are ranked from lowest to highest. Starting from the bottom of the list, the amount separating the 75 percent of providers with the lowest rates from the 25 percent with highest rates is the 75th percentile.



ents, except that families had to contribute to the cost of the care in accordance with a State-established sliding fee scale.

*At-Risk Child Care Program*

The At-Risk Child Care Program authorized by the Omnibus Budget Reconciliation Act of 1990 (Public Law 101-508) entitled States to Federal matching funds for child care services for low-income families who were not receiving AFDC, needed child care in order to work, and were “at risk” of becoming eligible for welfare if child care were not provided. The program was authorized as a capped entitlement at \$300 million annually. It was administered by ACF. States were entitled to matching funds for child care expenditures up to State allocation limits determined by a formula in the law. State allocations were based on the number of children under age 13 in a State compared to the total number of such children in the United States. If a State’s grant award was less than its full allocation limit in 1 year, the difference could be applied to the State’s allocation limit in the next year. Like the AFDC Child Care Programs, the Federal share of a State’s child care payments was based on the Medicaid matching rate, which varies by State.

The At-Risk Program was similar to the AFDC Child Care Programs with regard to the flexibility States were afforded in providing care. The requirements for reimbursement rates also were similar. Like the TCC Program, families were required to make some contribution to the cost of care, based on a State-designed sliding fee scale. At-risk child care had to meet applicable standards of State and local law. In contrast to the other title IV-A child care programs, at-risk child care providers not required to meet such standards (with the exception of those providing care solely to family members) had to be registered by the State.

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 most recently, has been reauthorized 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. The CCDBG currently is authorized through fiscal year 2002.

*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. With regard to the discretionary funds, \$1 billion is authorized annually. 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 1996 welfare reform law replaced the AFDC Program with a new block grant to States for Temporary Assistance for Needy Families (TANF), under title IV–A of the Social Security Act (see section 7). The welfare reform law also provides entitlement funding to States for child care under title IV–A, and directs the States to transfer these funds to the lead agency that administers the CCDBG. Although provided through TANF, these child care funds must be spent subject to the requirements and limitations of the CCDBG Act. The law authorizes and appropriates the following entitlement amounts for child care: \$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.

As required for discretionary funds, 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 totals approximately \$1.2 billion each year. This component of the entitlement funds are sometimes referred to as “guaranteed” or “mandatory” funds. No State match is required for these funds, which may remain available for expenditure by States with no fiscal year limitation. However, to receive their full TANF allotment, States must maintain at least 80 percent of their previous welfare expenditures, including previous expenditures for welfare-related child care, in fiscal year 1994. This may be reduced to 75 percent for States that meet Federal requirements regarding the participation of welfare recipients in work activities.

Second, remaining entitlement funds (after the Indian reserve and “guaranteed” entitlement funds are allocated) 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 States’ share of children under age 13.

In addition to amounts provided to States specifically for child care, States may transfer up to 30 percent of their TANF Block Grant allotments into their CCDBG or Social Services Block Grant Programs. Funds transferred into child care must be spent accord-

ing to the CCDBG rules. However, States also may use TANF funds for child care without formally transferring them to the CCDBG, in which case, CCDBG rules would not necessarily apply.

#### *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. The original CCDBG limited eligibility to children whose family income did not exceed 75 percent of State median. 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 that are trying to become independent of TANF through work activities, and families that are at risk of becoming dependent on public assistance. In their State plans, States must demonstrate 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, including registration 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, applicable to child care providers receiving block grant assistance (except relative providers). These standards must cover: prevention and control of infectious diseases (including immunizations); building and physical premises safety; and health and safety training.

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 or 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 grand-

children, nieces or nephews, or siblings (if the provider lives in a separate residence). 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 (ACF), of the Department of Health and Human Services (HHS). 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 HHS every quarter, and aggregate data twice a year. The Secretary is required to submit a report to Congress once every 2 years.

#### TITLE XX—SOCIAL SERVICES BLOCK GRANT

Title XX of the Social Security Act authorizes grants to States for providing social services that are determined appropriate by the State. The program operates as a “capped entitlement,” under which States are allocated funds based on their relative population size up to a nationwide ceiling. No matching funds are required. In addition, there are no Federal eligibility requirements for participants. The program is administered at the Federal level by ACF, HHS. The Omnibus Budget Reconciliation Act of 1989 (Public Law 101–239) permanently authorized \$2.8 billion annually for the program. However, Congress reduced the entitlement ceiling to \$2.38 billion in fiscal year 1996 through appropriations legislation. Omnibus welfare reform legislation (Public Law 104–193) established \$2.38 billion as the entitlement ceiling in fiscal years 1997–2002, although Congress exceeded this ceiling in fiscal year 1997 appropriations legislation (Public Law 104–208), which provides \$2.5 billion for title XX.

Available information on use of title XX funds indicates that a majority of States typically spend some portion of their grants on child care services. According to State reports on the intended use of title XX funds (known as preexpenditure reports), 45 States funded child care services in fiscal year 1990. States also submit reports to HHS on their actual use of funds. According to an unpublished analysis of these reports for fiscal year 1995 from all States, conducted by the Congressional Research Service, States spent almost 14 percent of their title XX funds on child day care.

More information on title XX, including State allocations, is provided in section 10.

#### CHILD AND ADULT CARE FOOD PROGRAM

The Child and Adult Care Food Program (CACFP) is permanently authorized under section 17 of the National School Lunch Act. The CACFP provides Federal subsidies for breakfasts, lunches, suppers, and snacks meeting Federal nutrition requirements that are served in licensed nonresidential child care centers (including programs run by schools) and family or group day care homes.<sup>3</sup> Federal assistance is made up overwhelmingly of cash subsidies based on the number of meals and snacks served; about 2 percent is in the form of federally donated commodities. CACFP subsidies to participating centers and homes are available for meals and snacks served to children age 12 or under, migrant children age 15 or under, and handicapped children of any age. But the majority of children in the program are between 3 and 6 years old. CACFP spending was \$1.58 billion (including commodities) in fiscal year 1996 (up from \$1.467 billion in 1995 and \$1.355 billion in 1994). In fiscal year 1996, average daily attendance in CACFP-subsidized centers and homes totaled 2.4 million children.

At the Federal level, the program is administered by the Agriculture Department's Food and Consumer Service. At the State level, a variety of agencies have been designated as responsible by the individual States, and, in one State (Virginia) the Federal Government operates the program in lieu of the State. In fiscal year 1996, State agencies, in turn, approved, oversaw, and provided payments to some 13,000 child care centers with over 30,000 sites and to their sponsoring organizations some 1,200 family or group day care home sponsors with more than 190,000 homes.

Child care centers in the CACFP serve an average of 40–50 children and are of 4 types: public or private nonprofit centers (the single largest group), Head Start centers, for-profit proprietary centers (see restrictions noted below), and outside-of-school centers often operated by schools.<sup>4</sup> Almost 60 percent of children in the CACFP are reached through centers, and, of those participating through centers, one-third are in Head Start centers, 1 out of 8 are in proprietary centers, and 1 out of 10 are in afterschool centers. On the other hand, only about 40 percent of CACFP funding is provided to centers, primarily because subsidies are differentiated by children's family income (see below). Child care centers must meet any applicable Federal, State, or local licensing requirements, or otherwise demonstrate that they comply with government-established standards (e.g., receive title XX funds). Proprietary centers are eligible for CACFP subsidies only if they receive title XX funding for

<sup>3</sup> CACFP subsidies also are available for meal services to chronically impaired adults and the elderly in adult day care centers under the same general terms and conditions as child care centers. However, very few adult centers participate (about 1,600 sites serving some 50,000 persons in fiscal year 1996), and Federal spending for them is a minor fraction of the total cost of the CACFP (\$25 million in fiscal year 1996, or about 1.6 percent of overall CACFP spending).

<sup>4</sup> A small Homeless Children Nutrition Program (with about 100 sites) also provides shelters with subsidies for free meals and snacks served to homeless children in their charge who are under age 6.

at least 25 percent of their enrollment or licensed capacity, regardless of the income status of the children they serve.<sup>5</sup>

Day care centers may receive daily subsidies for up to two meals and one snack or one meal and two snacks for each child. All meals and snacks served in centers are federally subsidized to at least some degree; different subsidies are provided for breakfasts, lunches/suppers, and snacks, and subsidy rates are indexed annually. However, subsidies vary according to the family income of each child, and applications for free or reduced-price meals and snacks must be taken. The largest subsidies are paid for meals and snacks served free to children with family income below 130 percent of the Federal poverty income guidelines: for July 1997–June 1998, these subsidies are 51.75 cents for each snack, \$1.045 for each breakfast, and \$1.89 for each lunch or supper. Smaller subsidies are available for meals and snacks served at a reduced price to children with family income between 130 and 185 percent of the Federal poverty guidelines: for July 1997–June 1998, these are 26 cents for each snack, 74.5 cents for each breakfast, and \$1.49 for each lunch or supper. The smallest subsidies are paid for meals and snacks served to children who do not qualify or apply for free or reduced-price meals and snacks: for July 1997–June 1998, these are 4 cents for snacks, 20 cents for breakfasts, and 18 cents for lunches and suppers.

CACFP-subsidized family and group day care homes serve an average of 4–6 children; just over 40 percent of children in the CACFP are in day care homes. Approximately 60 percent of CACFP money supports meals served in homes. As with day care centers, approved homes must meet licensing requirements or otherwise show compliance with government standards. Unlike centers, day care homes must participate under the auspices of a public or private nonprofit sponsor that typically has over 100 homes under its supervision; CACFP day care home sponsors receive monthly administrative payments based on the number of homes for which they are responsible. Also unlike centers, day care homes receive cash subsidies that do not differ by individual children's family income. Instead, there are two distinct subsidy rates. "Tier I" homes (those located in low-income areas or operated by low-income providers) receive higher subsidies; for July 1997–June 1998, all lunches and suppers are subsidized at \$1.62, all breakfasts at 88 cents, and all snacks at 48 cents. "Tier II" homes (those not located in low-income areas or without low-income providers) receive lower subsidies; for July 1997–June 1998, all lunches and suppers are subsidized at 98 cents, all breakfasts at 33 cents, and all snacks at 13 cents. Payments are provided for no more than two meals and one snack (or one meal and two snacks), and tier II providers may seek higher tier I rates for individual low-income children for whom they collect and verify financial information.

---

<sup>5</sup>In two States (Iowa and Kentucky), a pilot project allows proprietary centers to participate in the CACFP if children representing at least 25 percent of their enrollment or licensed capacity have family income below 185 percent of the Federal poverty income guidelines (the income test for receiving free or reduced-price meals and snacks).

### HEAD START

Head Start began in 1965 under the general authority of the Economic Opportunity Act, and is authorized currently through fiscal year 1998 under the Human Services Amendments of 1994 (Public Law 103-252). Head Start is federally administered by ACF, HHS, and provides grants directly to local programs. Head Start provides comprehensive early childhood development, educational, health, nutritional, social and other services to primarily low-income preschool children and their families. In general, Head Start operates a part-day program during the school year, although some local Head Start grantees coordinate with other programs to provide all-day care. With Federal appropriations of almost \$4 billion in fiscal year 1997, Head Start will serve an estimated 800,000 children. (For more information on Head Start, see section 15.)

### CHILD CARE TABLES

Tables 9-13 through 9-22 provide extensive information about selected Federal child care programs, especially former and current programs under the jurisdiction of the Committee on Ways and Means. These programs include AFDC Child Care, Transitional Child Care, At-Risk Child Care, and the Child Care and Development Block Grant.

Table 9-13 provides data on Federal payments to States for AFDC child care and TCC for fiscal years 1991-96. Table 9-14 provides State-specific information on child care options under the AFDC and TCC Programs, based on biennial State "supportive services" plans filed with HHS as of February 6, 1996. Table 9-15 provides data on Federal payments to States for At-Risk Child Care for fiscal years 1991-96. Table 9-16 provides State-specific information on child care options under the At-Risk Child Care Program, based on biennial State "supportive services" plans.

The most recent State-by-State data on the number of JOBS participants who received title IV-A child care subsidies are shown in table 9-17. The types of child care arrangements used by the JOBS participants' children is provided in table 9-18. The number of families not in JOBS who received title IV-A child care assistance is shown in table 9-19. The type of care used by AFDC families not in JOBS who received title IV-A child care assistance is shown in table 9-20. Data on the number of children who received TCC subsidies and the type of care arrangements used by their families are found in table 9-21. Table 9-22 summarizes State allocations for 1996 and 1997 under the Child Care and Development Block Grant.

TABLE 9-13.—FEDERAL PAYMENTS TO STATES FOR AFDC CHILD CARE AND TRANSITIONAL CHILD CARE, FISCAL YEARS 1991-96

[Fiscal year in thousands]

States	1991	1992	1993	1994	1995	1996
Alabama .....	\$2,820	\$5,981	\$9,050	\$13,586	\$11,115	\$11,637
Alaska .....	445	1,329	1,262	1,756	2,221	3,723
Arizona .....	2,354	5,998	8,462	11,025	15,846	19,798
Arkansas .....	4,348	1,940	1,268	1,525	2,142	2,752
California .....	11,331	16,655	34,401	30,586	48,205	37,716
Colorado .....	3,649	4,082	5,315	5,763	5,342	7,734
Connecticut .....	5,301	6,563	7,061	9,916	13,987	22,387
Delaware .....	1,300	1,787	3,016	3,350	4,445	4,782
District of Columbia .....	2,799	4,284	1,855	4,668	3,187	3,442
Florida .....	20,678	17,506	20,136	20,457	31,313	33,829
Georgia .....	13,231	16,060	25,247	36,240	36,599	42,086
Guam .....	9	22	4	1	3	2
Hawaii .....	249	70	273	1,084	1,667	4,906
Idaho .....	756	775	1,069	1,468	1,307	1,440
Illinois .....	8,468	4,455	11,949	22,237	42,870	70,379
Indiana .....	12,828	4,640	7,101	5,763	22,696	31,559
Iowa .....	2,204	1,730	2,409	3,227	6,402	3,442
Kansas .....	3,233	5,388	6,677	7,836	5,442	7,219
Kentucky .....	5,027	9,188	10,450	13,484	11,948	13,258
Louisiana .....	12,741	10,955	15,512	11,233	12,088	10,247
Maine .....	1,354	361	1,083	953	1,935	1,939
Maryland .....	9,509	10,027	13,912	17,192	19,187	18,891



Massachusetts .....	24,889	24,933	23,991	36,003	48,401	49,593
Michigan .....	14,467	15,727	13,597	17,866	12,514	30,922
Minnesota .....	11,342	9,918	12,415	19,911	16,328	21,423
Mississippi .....	574	2,577	3,230	3,660	5,782	6,135
Missouri .....	1,196	8,624	14,348	14,201	17,528	21,728
Montana .....	1,144	2,943	1,988	2,127	1,908	3,060
Nebraska .....	5,152	5,630	7,455	9,936	8,787	6,555
Nevada .....	1,057	435	1,032	1,029	1,228	1,787
New Hampshire .....	1,621	2,013	2,495	2,955	3,670	3,091
New Jersey .....	2,195	6,653	9,309	9,096	11,921	43,612
New Mexico .....	2,026	1,745	3,994	6,475	3,657	7,195
New York .....	29,289	36,303	57,988	60,215	46,171	97,325
North Carolina .....	7,306	24,423	35,163	56,868	61,151	59,311
North Dakota .....	1,554	1,725	1,709	1,841	1,513	990
Ohio .....	9,394	18,407	34,071	46,630	54,665	56,292
Oklahoma .....	7,983	18,925	22,950	19,460	16,828	27,269
Oregon .....	6,260	5,392	8,768	15,007	15,937	20,025
Pennsylvania .....	(100)	28,647	31,105	32,473	40,964	46,816
Puerto Rico .....	223	2,901	0	0	0	0
Rhode Island .....	1,821	2,154	4,310	3,980	5,957	6,064
South Carolina .....	541	1,040	4,294	3,673	4,910	9,233
South Dakota .....	983	13,457	1,759	766	1,003	1,174
Tennessee .....	4,492	25,090	18,675	33,617	31,969	45,206
Texas .....	20,803	6,544	33,737	39,014	43,929	46,040
Utah .....	6,275	1,605	9,236	10,401	10,026	11,070
Vermont .....	1,626	3	2,023	2,684	3,567	2,585
Virgin Islands .....	11	11	11	4	1	1

TABLE 9-13.—FEDERAL PAYMENTS TO STATES FOR AFDC CHILD CARE AND TRANSITIONAL CHILD CARE, FISCAL YEARS 1991-96—Continued  
 [Fiscal year in thousands]

States	1991	1992	1993	1994	1995	1996
Virginia .....	4,320	15,439	8,328	11,009	16,386	14,913
Washington .....	8,355	3,205	21,057	28,887	43,654	31,924
West Virginia .....	2,169	16,742	4,548	5,304	6,902	8,003
Wisconsin .....	8,242	2,300	12,390	10,281	15,209	29,509
Wyoming .....	957	.....	2,076	1,825	2,416	1,784
<b>Total</b> .....	<b>320,744</b>	<b>415,000</b>	<b>595,568</b>	<b>730,544</b>	<b>854,828</b>	<b>1,063,800</b>

Source: Office of Financial Management, Administration for Children and Families, U.S. Department of Health and Human Services.

TABLE 9-14.—AFDC CHILD CARE AND TRANSITIONAL CHILD CARE (TCC)—SUMMARY OF STATE CHILD CARE OPTIONS, 1996

State	Method of providing AFDC child care <sup>1</sup>	Supplements dependent care disregard	Method of providing TCC <sup>1</sup>	Statewide limit; special needs care (if different) <sup>2</sup>	Child care provided during gaps <sup>3</sup>
Alabama	2, 5, 6, 7	Yes	5, 6, 7	\$324.75	2 weeks/1 month
Alaska	2, 6	No	6	\$845.00	2 weeks/1 week
Arizona	2, 6, 7	Yes	5, 6, 7	\$455.40/\$391.00	2 weeks/1 month
Arkansas	5, 6	No	5, 6	\$453.00	1 month
California	2, 3, 4, 5, 6, 7, 8	Yes	3, 4, 5, 6, 7	\$1,068.30/\$11,039.20; \$1,602.45/\$1,558.80	2 weeks/1 month
Colorado	1, 2, 7, 8	Yes	5, 7	\$314.00/\$288.00; \$637.00/\$575.00	2 weeks/1 month
Connecticut	2, 3	No	3	\$325.00; \$435.00	1 month
Delaware	2, 4, 5, 6, 7	No	4, 5, 6, 7	\$358.00/\$312.00; \$375.90/\$327.60	2 weeks/1 month
District of Columbia	2, 3, 4, 5, 6, 7	No	3, 4, 5, 6, 7	\$635.50/\$58.00; \$1,555.00	No
Florida	2, 5, 6, 7	Yes	5, 6, 7	\$340.00	2 weeks/1 month
Georgia	6, 7	No	5, 6, 7	\$346.66/\$303.33	1 month
Guam	2, 5	No	5	\$325.00/\$300.00	1 month
Hawaii	1, 2, 3, 5, 6, 7	No	3, 5, 7	\$350.00	2 weeks/1 month
Idaho	1, 2, 5	No	5	\$440.00	2 weeks/1 month
Illinois	2, 3, 5, 6, 7	No	3, 5, 6, 7	\$932.17	2 weeks/1 month
Indiana	2, 3, 5, 6	Yes	3, 5, 6	\$650.00	1 month
Iowa	2, 5, 8	No	7	\$844.80/\$702.24; \$2,067.12/\$2,633.84	1 month
Kansas	2, 5, 6, 7	No	5, 6, 7	\$563.00/\$427.00; \$947.00/\$844.00	2 weeks/1 month
Kentucky	2, 7, 8	No	5, 7, 8	\$496.00	2 weeks/1 month
Louisiana	2, 3, 5, 6	No	3, 5, 6	\$238.30/\$216.50	2 weeks/1 month
Maine	2, 5, 6	No	5	\$551.00	2 weeks/1 month
Maryland	2, 7	No	7	\$662.42/\$348.08; \$387.21	2 weeks/1 month
Massachusetts	2, 4, 6, 7, 8	No	4, 6, 8	\$1,426.00	2 weeks/1 month
Michigan	2, 7	No	3, 7	\$866.67	No
Minnesota	2, 5, 7	Yes	7	\$200.00/\$175.00; \$4,300.00	No
Mississippi	6, 7	No	6, 7	\$299.00/\$276.00	2 weeks
Missouri	2, 7, 8	No	7, 8	\$542.50/\$474.30	1 month
Montana	2, 6, 8	No	6, 8	\$330.00/\$308.00; \$319.00	2 weeks/1 month
Nebraska	2, 5, 6, 7	Yes	5, 7	\$1,150.00/\$970.00; \$3,000.00	2 weeks/1 month
Nevada	2, 5	No	5	\$516.00/\$430.00	No

TABLE 9-14.—AFDC CHILD CARE AND TRANSITIONAL CHILD CARE (TCC)—SUMMARY OF STATE CHILD CARE OPTIONS, 1996—Continued

State	Method of providing AFDC child care <sup>1</sup>	Supplements dependent care disregard	Method of providing TCC <sup>1</sup>	Statewide limit; special needs care (if different) <sup>2</sup>	Child care provided during gaps <sup>3</sup>
New Hampshire	2, 5, 6	No	5, 6	\$548.70	2 weeks
New Jersey	2, 7	Yes	7	\$955.00/\$787.00	2 weeks/1 month
New Mexico	2, 3, 5, 7	No	5, 7	\$330.00/\$291.50	2 weeks/1 month
New York	1, 2, 3, 4, 5, 6, 8	Yes	1, 3, 4, 5, 6, 7, 8	\$940.33	2 weeks/1 month
North Carolina	1, 2, 3, 5, 6, 7	No	1, 3, 5, 6, 7	\$550.00; \$2,164.00	2 weeks/1 month
North Dakota	1, 2, 3, 5, 6	No	1, 5, 6	\$200.00/\$175.00	1 month
Ohio	2, 6, 7	No	6, 7	\$537.50/\$494.50	2 weeks/1 month
Oklahoma	2, 4, 7	No	5, 7	\$372.00/\$341.00; \$775.00	2 weeks/1 month
Oregon	4, 6, 7	No	7	\$450.00	1 month
Pennsylvania	2, 3, 5, 6, 8	No	5, 8	\$878.00	2 weeks/1 month
Puerto Rico	2, 6, 7	Yes	7	\$200.00/\$175.00; \$250.00	1 month
Rhode Island	2, 7	No	7	\$415.97/\$285.98	No
South Carolina	1, 2, 6, 8	No	5, 6, 8	\$425.00	2 weeks/1 month
South Dakota	2, 3	No	3	\$300.00; \$400.00	No
Tennessee	2, 5, 7	No	5, 7	\$296.70/\$258.00	1 month
Texas	2, 5, 7	No	5, 7	\$482.00; \$916.00	2 weeks/1 month
Utah	2, 5, 6	No	6	\$410.70/\$296.70	No
Vermont	5, 7	No	5, 7	\$659.51	2 weeks/1 month
Virgin Islands	1, 8	Yes	5	\$200.00/\$175.00; \$300.00	1 month
Virginia	2, 5, 6, 7	No	5, 6, 7	\$752.50/\$593.40; \$2,500.00	2 weeks/1 month
Washington	2, 7	No	7	\$616.00/\$476.08; \$1,206.15	1 month
West Virginia	2, 7	Yes	7	\$300.00/\$253.00; \$300.00	2 weeks/1 month
Wisconsin	1, 2, 3, 4, 5, 6, 8	Yes	4, 6	\$600.00/\$500.00	2 weeks/1 month
Wyoming	7	No	7	\$325.00	Up to 1 week

<sup>1</sup> Key: 1 = Direct; 2 = Dependent care disregard; 3 = Cash in advance; 4 = Voucher in advance; 5 = Cash reimbursement; 6 = Purchase of service; 7 = Certificate; 8 = Other.  
<sup>2</sup> When two amounts are shown separated by a slash (/), the first amount is the statewide limit for children under 2. The second amount is the statewide limit for children over 2. Statewide limits for handicapped/special needs children follow a semicolon (;) when different limits apply.  
<sup>3</sup> At State option, child care provided: for up to 2 weeks while participant is waiting to enter either approved education, training, or JOB; OR for up to 1 month if JOB component activity is scheduled to begin within that period or to reserve child care arrangements which would otherwise be lost.

Source: Based on biennial supportive service plans filed as of February 6, 1996. Child Care Bureau, U.S. Department of Health and Human Services.

TABLE 9-15.—FEDERAL PAYMENTS TO STATES FOR AT-RISK CHILD CARE, FISCAL YEARS 1991-96<sup>1</sup>

[In thousands of dollars]

States	1991 actual	1992 actual	1993 actual	1994 actual	1995 actual	1996 actual
Alabama .....	\$4,935	\$4,934	\$4,692	\$4,374	\$4,978	\$4,704
Alaska .....	808	1,211	825	903	859	905
American Samoa .....	0	NA	0	145	72	NA
Arizona .....	1,151	9,210	4,624	4,709	4,769	5,004
Arkansas .....	0	4,519	2,657	2,271	2,777	2,464
California .....	36,592	73,183	25,170	36,592	55,766	43,879
Colorado .....	0	8,103	4,320	4,062	3,990	4,201
Connecticut .....	3,455	3,455	3,485	4,574	3,448	3,474
Delaware .....	777	776	770	771	778	763
District of Columbia .....	677	677	648	537	527	543
Florida .....	13,231	13,230	13,632	13,904	14,321	14,310
Georgia .....	8,110	8,110	7,986	3,905	1,342	6,858
Guam .....	0	NA	0	0	0	0
Hawaii .....	0	1,361	929	1,318	1,334	1,340
Idaho .....	1,392	2,088	879	1,439	1,396	1,396
Illinois .....	6,833	13,666	16,007	13,426	14,876	13,363
Indiana .....	6,538	6,537	6,538	6,539	7,433	6,127
Iowa .....	3,226	3,225	3,226	3,177	3,114	3,034
Kansas .....	3,070	3,070	3,052	5,162	2,972	2,948
Kentucky .....	4,294	4,294	4,551	4,109	4,142	4,031
Louisiana .....	0	5,903	0	0	5,346	2,469
Maine .....	1,367	1,367	809	1,335	1,318	1,088

TABLE 9-15.—FEDERAL PAYMENTS TO STATES FOR AT-RISK CHILD CARE, FISCAL YEARS 1991-96  
 [In thousands of dollars]

States	1991 actual	1992 actual	1993 actual	1994 actual	1995 actual	1996 actual
Maryland .....	5,363	5,363	5,539	5,398	5,562	4,154
Massachusetts .....	6,122	6,121	6,287	6,240	6,226	6,288
Michigan .....	0	NA	0	11,522	8,242	10,270
Minnesota .....	5,245	5,245	5,427	5,359	5,359	5,305
Mississippi .....	0	NA	0	351	1,309	3,464
Missouri .....	5,966	5,966	6,022	5,926	5,894	5,872
Montana .....	0	843	568	84	857	567
Nebraska .....	1,951	1,951	1,958	1,929	1,894	1,231
Nevada .....	0	3,262	1,589	1,352	1,713	1,713
New Hampshire .....	1,280	1,280	1,290	1,261	1,259	1,271
New Jersey .....	8,290	8,290	8,000	8,272	8,363	8,441
New Mexico .....	0	3,401	2,580	1,943	1,375	1,512
New York .....	19,931	19,930	19,699	19,647	19,697	19,785
North Carolina .....	7,333	7,333	9,681	7,274	7,411	7,573
North Dakota .....	839	838	1,007	550	595	718
Ohio .....	12,734	12,733	12,598	12,334	12,598	12,149
Oklahoma .....	3,909	3,656	3,762	3,734	2,616	3,729
Oregon .....	3,194	5,029	3,354	3,352	3,352	3,311
Pennsylvania .....	0	25,616	12,681	12,502	12,485	12,429
Puerto Rico .....	0	NA	0	0	0	0
Rhode Island .....	1,057	1,056	1,046	923	821	1,056
South Carolina .....	4,294	4,294	4,174	4,797	5,728	4,068

South Dakota .....	914	913	431	488	605	758
Tennessee .....	0	NA	575	2,859	5,441	2,437
Texas .....	8,923	37,103	26,480	19,601	18,623	27,284
Utah .....	2,995	2,995	2,732	2,826	1,730	1,111
Vermont .....	646	646	650	637	628	623
Virgin Islands .....	0	NA	0	0	0	0
Virginia .....	6,768	6,767	6,963	6,783	6,611	6,968
Washington .....	5,649	8,941	5,997	6,038	6,117	6,079
West Virginia .....	0	2,001	1,762	1,802	1,761	1,724
Wisconsin .....	5,755	5,754	5,892	5,402	5,782	5,699
Wyoming .....	634	1,267	770	536	572	564
<b>Total .....</b>	<b>216,248</b>	<b>357,535</b>	<b>264,316</b>	<b>275,585</b>	<b>296,709</b>	<b>291,054</b>

<sup>1</sup> Represents grant awards to States. The Personal Responsibility and Work Opportunity Reconciliation Act of 1996 repealed the At-Risk Child Care Program as of October 1, 1996.

NA—Not available.

Source: Office of Financial Management, Administration for Children and Families, U.S. Department of Health and Human Services.

TABLE 9-16.—AT-RISK CHILD CARE—SUMMARY OF STATE CHILD CARE OPTIONS, 1996

State	Method of providing at-risk child care <sup>1</sup>	Statewide limit; special needs care (if different) <sup>2</sup>	Rules for counting income for sliding fee scale	Child care provided during gaps <sup>3</sup>	Registration required for unlicensed providers
Alabama	4, 5	No statewide limit	TCC rules	2 weeks/1 month	Yes
Alaska	4	\$845.00	TCC rules	No	Yes
Arizona	4, 5	\$455.40/\$391.00	Different	2 weeks/1 month	Yes
Arkansas	5	\$1,135.00	Different	2 weeks/1 month	Yes
California	2, 4, 5, 6	\$1,068.30/\$1,039.20; \$1,602.45/\$1,558.80	TCC rules	2 weeks/1 month	Yes
Colorado	5	\$314.00/\$288.00; \$637.00/\$575.00	Different	2 weeks/1 month	Yes
Connecticut	5	No statewide limit	Different	1 month	Yes
Delaware	2, 3, 4, 5, 6	\$358.00/\$312.60; \$375.90/\$327.60	AFDC rules	2 weeks/1 month	Yes
District of Columbia	5	\$635.50/\$558.00; \$1,555.00	TCC rules	1 month	Yes
Florida	3, 4, 5	\$340.00	AFDC rules	1 month	Yes
Georgia	4, 5	\$346.66/\$303.33	AFDC rules	No	Yes
Hawaii	2, 3, 5	\$350.00	Different	2 weeks/1 month	Yes
Idaho	6	\$440.00	Different	2 weeks/1 month	Yes
Illinois	2, 3, 4, 5	\$932.17	TCC rules	2 weeks/1 month	Yes
Indiana	2, 3, 5, 6	No statewide limit	Different	1 month	Yes
Iowa	5	\$844.80/\$702.24; \$2,067.12/\$2,633.84	Different	No	Yes
Kansas	4, 5, 6	\$563.00/\$427.00; \$947.00/\$844.00	TCC rules	No	Yes
Kentucky	5	\$496.00	TCC rules	2 weeks/1 month	AFDC-defined relatives are exempt
Louisiana	5	No statewide limit	Different	1 month	Yes
Maine	3, 4, 5, 6	No statewide limit	Different	2 weeks/1 month	Yes
Maryland	2, 5	\$662.42/\$348.08; \$387.21	TCC rules	No	Yes
Massachusetts	4, 6	\$1,426.00	AFDC rules	2 weeks/1 month	Yes
Michigan	5	\$866.67	TCC rules	No	Yes
Minnesota	5	No statewide limit	TCC rules	No	Yes
Mississippi	4, 5	\$299.00/276.00	AFDC rules	2 weeks/1 month	Yes
Missouri	5, 6	\$542.50/\$474.30	TCC rules	2 weeks/1 month	AFDC-defined relatives are exempt
Montana	4, 6	\$330.00/\$308.00	TCC rules	2 weeks	Yes



Nebraska	5, 6	\$1,150.00/\$970.00; \$3,000.00	Different	2 weeks/1 month	Yes
Nevada	2, 3	No statewide limit	Different	2 weeks/1 month	Yes
New Hampshire	3, 4	\$548.70	TCC rules	No	Yes.
New Jersey	1, 4, 5	\$955.00/\$787.00	TCC rules	2 weeks/1 month	Yes
New Mexico	5	\$300.00/\$291.50	AFDC rules	2 weeks/1 month	Yes
New York	1, 2, 4, 5, 6	\$940.33	TCC rules	2 weeks/1 month	Yes
North Carolina	2, 3, 4, 5	\$550.00; \$2,164	TCC rules	2 weeks/1 month	Yes
North Dakota	1	\$200.00/\$175.00	AFDC rules	2 weeks/1 month	Yes
Ohio	4, 5	\$537.50/\$494.50	TCC rules	2 weeks/1 month	Yes
Oklahoma	5	\$372.00/\$341.00; \$775.00	TCC rules	No	Yes
Oregon	5	\$450.00	TCC rules	No	Yes
Pennsylvania	4, 5	No statewide limit	Different	1 month	Yes
Rhode Island	5	\$415.97/\$285.98	TCC rules	No	Yes
South Carolina	6	\$425.00	TCC rules	2 weeks/1 month	Yes
South Dakota	5	\$300.00; \$400.00	Different	No	Yes
Tennessee	5	\$296.70/\$258.00	TCC rules	1 month	Yes
Texas	5, 6	\$482.00; \$916.00	TCC rules	2 weeks/1 month	Yes
Utah	4	\$410.70/\$296.70	TCC rules	No	Yes
Vermont	5	\$659.51	TCC rules	2 weeks/1 month	Yes
Virginia	4, 5, 6	\$752.50/\$593.40; \$2,500.00	TCC rules	2 weeks/1 month	Yes
Washington	5	\$616.00/\$476.08; \$1,206.15	Different	No	Yes
West Virginia	5	\$300.00/\$253.00; \$300.00	TCC rules	2 weeks/1 month	Yes
Wisconsin	2, 3, 5	\$600.00/\$500.00	Different	2 weeks/1 month	Yes
Wyoming	5	\$325.00	TCC rules	Up to 1 week	Yes

<sup>1</sup> Key to the code: 1 = Direct; 2 = Cash/voucher in advance; 3 = Cash reimbursement; 4 = Purchase of service; 5 = Certificate; 6 = Other.  
<sup>2</sup> When two amounts are shown separated by a slash (/), the first amount is the statewide limit for children under 2. The second amount is the statewide limit for children over 2.  
<sup>3</sup> At State option, child care provided: for up to 2 weeks while participant is waiting to enter either approved education, training, or JOBS; OR for up to 1 month if JOBS component activity is scheduled to begin within that period or to reserve child care arrangements which would otherwise be lost.

Source: Based on biennial supportive services plans filed in Administration for Children and Families Central Office as of February 6, 1996. Child Care Bureau, U.S. Department of Health and Human Services.

TABLE 9-17.—JOBS PARTICIPANTS RECEIVING TITLE IV-A PAID CHILD CARE, BY AFDC PROGRAM STATUS AND BY STATE—FISCAL YEAR 1994

State	JOBS participants by AFDC Program (case) status, average monthly number					
	Total partici- pants	Receiving AFDC-basic	Receiving AFDC-UP	Eligible for AFDC-UP	Not receiving AFDC	AFDC applicant
Alabama	(1)	(1)	(1)	(1)	(1)	(1)
Alaska	(1)	(1)	(1)	(1)	(1)	(1)
Arizona	1,362	1,335	23	0	4	0
Arkansas	330	322	8	0	0	0
California	15,463	14,096	953	0	0	414
Colorado	2,248	2,022	17	5	198	6
Connecticut	4	4	0	0	0	0
Delaware	112	109	1	0	2	0
District of Columbia	(1)	(1)	(1)	(1)	(1)	(1)
Florida	3,505	3,489	9	7	0	0
Georgia	6,180	5,304	18	7	851	0
Guam	(1)	(1)	(1)	(1)	(1)	(1)
Hawaii	386	367	17	0	2	0
Idaho	342	314	27	0	1	0
Illinois	6,992	0	164	56	0	6,772
Indiana	2,767	1,985	17	0	736	29
Iowa	2,494	2,250	186	0	41	17
Kansas	1,447	1,110	16	0	321	0
Kentucky	3,038	0	113	0	0	2,925
Louisiana	3,400	3,264	30	0	106	0
Maine	1,413	1,289	124	0	0	0
Maryland	2,558	2,503	7	0	13	35
Massachusetts	6,471	6,361	14	0	48	48
Michigan	7,264	6,681	243	0	268	72
Minnesota	2,760	2,452	211	0	97	0
Mississippi	1,789	1,779	10	0	0	0
Missouri	2,896	2,703	193	0	0	0
Montana	(1)	(1)	(1)	(1)	(1)	(1)
Nebraska	1,853	1,727	41	9	73	3

Nevada .....	213	188	0	0	25	0
New Hampshire .....	573	532	20	0	19	2
New Jersey .....	3,687	3,304	26	0	357	0
New Mexico .....	1,970	1,929	34	0	7	0
New York .....	21,201	20,668	533	0	0	0
North Carolina .....	6,272	5,979	108	0	185	0
North Dakota .....	634	616	18	0	0	0
Ohio .....	371	371	0	0	0	0
Oklahoma .....	2,926	2,901	22	0	0	3
Oregon .....	418	388	20	0	10	0
Pennsylvania .....	11,881	11,787	94	0	0	0
Puerto Rico .....	215	203	0	0	12	0
Rhode Island .....	2,472	2,305	32	0	135	0
South Carolina .....	586	586	0	0	0	0
South Dakota .....	499	488	0	0	11	0
Tennessee .....	3,283	3,070	29	5	179	0
Texas .....	636	487	133	16	0	0
Utah .....	131	124	0	0	0	7
Vermont .....	538	507	22	0	4	5
Virgin Islands .....	(1)	(1)	(1)	(1)	(1)	(1)
Virginia .....	(1)	(1)	(1)	(1)	(1)	(1)
Washington .....	7,806	6,570	1,236	0	0	0
West Virginia .....	(1)	(1)	(1)	(1)	(1)	(1)
Wisconsin .....	239	239	0	0	0	0
Wyoming .....	29	29	0	0	0	0
<b>U.S. total .....</b>	<b>143,654</b>	<b>124,737</b>	<b>4,769</b>	<b>105</b>	<b>3,705</b>	<b>10,338</b>

<sup>1</sup> Data not reported by the State.

Source: Administration for Children and Families, U.S. Department of Health and Human Services.

TABLE 9-18.—AFDC CHILDREN IN THE JOBS PROGRAM RECEIVING TITLE IV-A PAID CHILD CARE, BY PRIMARY TYPE OF CARE ARRANGEMENT AND STATE—FISCAL YEAR 1994

State	Children by type of care arrangement (average monthly no.)										Unknown	Percent children in center care	Percent provided by a relative	
	Total children	Care provided by a nonrelative in					Care provided by a relative in							
		Center care	Group family day care	Child's home	Group family day care	Child's home	Center care	Group family day care	Child's home	Group family day care				Child's home
Alabama	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Alaska	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Arizona	2,165	1,595	201	31	58	318	51	58	58	19	68.7	17.0	73.7	17.0
Arkansas	551	365	9,467	694	0	6,048	0	0	0	615	68.7	21.8	68.7	21.8
California	24,938	8,808	2,251	0	0	377	257	0	0	10	35.3	24.3	35.3	24.3
Colorado	3,649	2,251	0	0	0	0	0	0	0	4	61.7	17.4	61.7	17.4
Connecticut	4	0	0	0	0	0	0	0	0	11	0.0	0.0	0.0	0.0
Delaware	187	128	48	0	0	0	0	0	0	11	68.4	0.0	68.4	0.0
District of Columbia	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Florida	5,518	5,038	296	41	60	41	60	60	41	42	91.3	1.8	91.3	1.8
Georgia	9,494	5,462	1,166	285	1,055	1,526	1,055	1,055	1,526	0	57.5	27.2	57.5	27.2
Guam	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Hawaii	556	226	81	23	8	218	8	8	218	0	40.6	40.6	40.6	40.6
Idaho	561	251	56	103	0	0	134	0	0	17	44.7	23.9	44.7	23.9
Illinois	10,680	2,300	1,858	2,417	0	2,627	1,478	0	0	0	21.5	38.4	21.5	38.4
Indiana	4,705	2,183	1,194	0	680	680	0	0	680	648	46.4	14.5	46.4	14.5
Iowa	4,257	1,135	2,083	63	907	907	69	69	907	238	26.7	22.9	26.7	22.9
Kansas	2,387	1,017	708	185	117	117	122	122	117	0	42.6	10.0	42.6	10.0
Kentucky	4,636	1,616	566	634	0	796	634	0	0	1,024	34.9	17.2	34.9	17.2
Louisiana	5,429	2,477	120	467	230	230	2,135	0	0	0	45.6	43.6	45.6	43.6
Maine	2,204	398	740	300	212	212	151	151	212	403	18.1	16.5	18.1	16.5
Maryland	4,418	1,279	952	364	278	278	722	722	278	823	28.9	22.6	28.9	22.6
Massachusetts	9,191	7,172	474	616	498	498	431	431	498	0	78.0	10.1	78.0	10.1
Michigan	12,083	3,350	2,004	1,656	1,893	1,893	2,618	2,618	1,893	562	27.7	37.3	27.7	37.3
Minnesota	4,151	2,174	1,430	84	269	269	72	72	269	122	52.4	8.2	52.4	8.2

Mississippi .....	2,728	1,390	17	58	10	280	973	51.0	10.6
Missouri .....	4,818	2,010	949	746	810	132	171	41.7	19.6
Montana .....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Nebraska .....	3,284	1,596	1,299	129	189	71	0	48.6	7.9
Nevada .....	366	122	7	87	23	127	0	33.3	41.0
New Hampshire .....	831	386	186	129	81	29	20	46.5	13.2
New Jersey .....	5,288	3,101	0	2,109	0	0	78	58.6	0.0
New Mexico .....	3,238	1,068	545	204	658	763	0	33.0	43.9
New York .....	38,503	7,850	19,115	4,650	4,483	1,790	615	20.4	16.3
North Carolina .....	9,109	5,836	0	765	2,412	0	96	64.1	26.5
North Dakota .....	921	196	543	9	169	4	0	21.3	18.8
Ohio .....	482	185	186	0	111	0	0	38.4	23.0
Oklahoma .....	4,719	4,022	643	10	18	0	26	85.2	0.4
Oregon .....	682	0	489	0	190	0	3	0.0	27.9
Pennsylvania .....	19,318	10,110	5,299	1,868	1,075	541	425	52.3	8.4
Puerto Rico .....	371	29	127	15	141	43	16	7.8	49.6
Rhode Island .....	4,028	2,222	192	167	928	410	109	55.2	33.2
South Carolina .....	1,200	982	109	5	15	20	69	81.8	2.9
South Dakota .....	722	234	341	39	56	52	0	32.4	15.0
Tennessee .....	5,455	3,738	984	0	305	0	428	68.5	5.6
Texas .....	1,297	0	0	0	0	0	1,297	0.0	0.0
Utah .....	172	0	172	0	0	0	0	0.0	0.0
Vermont .....	903	11	191	329	176	196	0	1.2	41.2
Virgin Islands .....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Virginia .....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Washington .....	11,433	5,298	2,351	915	1,313	1,556	0	46.3	25.1
West Virginia .....	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)	(1)
Wisconsin .....	159	0	159	0	0	0	0	0.0	0.0
Wyoming .....	25	12	0	0	0	0	13	48.0	0.0
U.S. totals .....	231,796	99,623	58,073	19,532	29,460	16,231	8,877	43.0	19.7

<sup>1</sup> Data are applicable to the State, but not reported.

Source: Administration for Children and Families, U.S. Department of Health and Human Services.

TABLE 9-19.—NON-JOBS FAMILIES<sup>1</sup> RECEIVING IV-A PAID CHILD CARE, WITH AND WITHOUT EARNED INCOME, BY AFDC PROGRAM STATUS AND BY STATE—FISCAL YEAR 1994

State	Total families <sup>2</sup>	Families with earnings and				Families without earnings and			
		Receiving AFDC-basic	Receiving AFDC-UP	Applying for AFDC	In transition	Receiving AFDC-basic	Receiving AFDC-UP	Applying for AFDC	Applying for AFDC
Alabama	1,669	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>4</sup> )	1,669	0	0	( <sup>4</sup> )	( <sup>4</sup> )
Alaska	301	31	2	( <sup>4</sup> )	167	94	5	( <sup>4</sup> )	( <sup>4</sup> )
Arizona	4,180	1,973	0	0	2,178	29	0	0	0
Arkansas	461	204	13	0	156	87	0	0	0
California	32,539	21,433	889	( <sup>4</sup> )	1,635	8,122	460	( <sup>4</sup> )	( <sup>4</sup> )
Colorado	1,382	150	( <sup>3</sup> )	( <sup>3</sup> )	1,214	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )
Connecticut	4,263	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>4</sup> )	1,670	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>4</sup> )	( <sup>4</sup> )
Delaware	1,004	509	1	( <sup>4</sup> )	493	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )	( <sup>4</sup> )
District of Columbia	158	76	0	0	82	0	0	0	0
Florida	9,051	2,699	10	( <sup>4</sup> )	6,341	0	0	( <sup>4</sup> )	( <sup>4</sup> )
Georgia	7,809	4,171	2	0	2,863	344	11	0	0
Guam	4	0	0	0	4	0	0	0	0
Hawaii	212	138	6	0	68	0	0	0	0
Idaho	497	222	3	( <sup>4</sup> )	157	116	0	( <sup>4</sup> )	( <sup>4</sup> )
Illinois	13,810	7,653	208	( <sup>4</sup> )	3,592	2,333	24	( <sup>4</sup> )	( <sup>4</sup> )
Indiana	6,737	409	4	( <sup>4</sup> )	2,480	3,789	56	( <sup>4</sup> )	( <sup>4</sup> )
Iowa	1,901	1,498	68	0	335	0	0	0	0
Kansas	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
Kentucky	879	10	36	0	778	53	2	0	0
Louisiana	930	103	0	0	591	240	0	0	0
Maine	4,825	4,114	403	( <sup>3</sup> )	308	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )
Maryland	4,724	1,229	( <sup>3</sup> )	( <sup>4</sup> )	791	2,704	( <sup>3</sup> )	( <sup>4</sup> )	( <sup>4</sup> )
Massachusetts	6,816	2,604	33	98	4,081	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )	( <sup>3</sup> )

[Average monthly number]

Michigan .....	2,339	(3)	114	0	2,225	0	0	0	0
Minnesota .....	3,118	399	10	(4)	1,861	827	21	21	(4)
Mississippi .....	401	0	0	(4)	401	0	0	0	(4)
Missouri .....	3,933	177	1	(4)	2,210	1,541	4	4	(4)
Montana .....	1,012	517	13	(4)	362	119	0	0	(4)
Nebraska .....	1,521	545	14	2	388	560	10	10	2
Nevada .....	508	176	0	(4)	331	0	0	0	(4)
New Hampshire .....	1,131	181	18	(4)	441	477	15	15	(4)
New Jersey .....	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)	(3)
New Mexico .....	1,236	554	5	(4)	629	50	(3)	(3)	(4)
New York .....	7,641	4,784	42	(4)	2,815	(4)	(4)	(4)	(4)
North Carolina .....	12,761	9,620	5	(4)	3,137	0	0	0	(4)
North Dakota .....	405	6	0	(4)	301	98	0	0	(4)
Ohio .....	4,423	1,516	46	(4)	1,687	1,105	23	23	(4)
Oklahoma .....	5,931	2,408	0	20	1,189	2,153	33	33	128
Oregon .....	4,075	1,448	20	23	2,373	1	0	0	210
Pennsylvania .....	13,834	2,970	1,480	2,270	7,113	(4)	(4)	(4)	(4)
Puerto Rico .....	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)	(4)
Rhode Island .....	727	382	0	0	344	0	0	0	0
South Carolina .....	1,557	1,026	5	(4)	525	0	0	0	(4)
South Dakota .....	510	153	0	0	252	104	0	0	0
Tennessee .....	10,062	5,659	12	(4)	4,391	0	0	0	(4)
Texas .....	8,726	1,370	8	(4)	7,269	80	1	1	(4)
Utah .....	4,824	29	0	0	1,240	3,552	0	0	3
Vermont .....	1,589	422	24	36	303	769	21	21	13
Virgin Islands .....	14	26	0	0	0	0	0	0	0
Virginia .....	2,844	412	1	(4)	1,486	939	6	6	(4)
Washington .....	4,202	2,831	114	0	1,234	19	3	3	2
West Virginia .....	1,740	560	29	(4)	634	492	25	25	(4)
Wisconsin .....	3,481	1,521	121	0	1,518	299	24	24	0
Wyoming .....	1,330	799	65	(4)	208	240	5	5	(4)

TABLE 9-19.—NON-JOBS FAMILIES<sup>1</sup> RECEIVING IV-A PAID CHILD CARE, WITH AND WITHOUT EARNED INCOME, BY AFDC PROGRAM STATUS AND BY STATE—FISCAL YEAR 1994—Continued

[Average monthly number]

State	Total families <sup>2</sup>	Families with earnings and			Families without earnings and			
		Receiving AFDC-basic	Receiving AFDC-UP	Applying for AFDC	In transition	Receiving AFDC-basic	Receiving AFDC-UP	Applying for AFDC
U.S. totals .....	210,027	89,717	3,825	2,449	78,520	31,336	749	358

<sup>1</sup> "Total families" may not equal the sum of the categories due to incomplete, inconsistent, or duplicated State reporting.

<sup>2</sup> Data are reported for AFDC recipients who are employed or participating in a non-JOBS education and training program, tribal JOBS participants, and families receiving transitional child care.

<sup>3</sup> Data are applicable to the State, but not reported.

<sup>4</sup> The State indicates that the data are not applicable.

Source: Administration for Children and Families, U.S. Department of Health and Human Services.



TABLE 9-20.—NON-JOBS AFDC FAMILIES<sup>1</sup> RECEIVING IV-A PAID CHILD CARE, BY TYPE OF CARE ARRANGEMENT AND BY STATE—FISCAL YEAR 1994

State	Total <sup>2</sup> families	Families by type of care arrangement (average monthly number)				
		Care provided by a relative		Care provided by a nonrelative in		
		In child's home	Outside child's home	Child's home	Family day care home	Center care
Alabama .....	(3)	(3)	(3)	(3)	(3)	(3)
Alaska .....	133	15	17	5	39	60
Arizona .....	2,002	23	118	5	216	1,639
Arkansas .....	293	24	18	3	36	213
California .....	30,913	(3)	(3)	(3)	(3)	(3)
Colorado .....	285	2	4	5	47	173
Connecticut .....	2,593	(3)	(3)	(3)	(3)	(3)
Delaware .....	510	1	10	1	172	345
District of Columbia .....	(3)	(3)	(3)	(3)	(3)	(3)
Florida .....	2,709	26	23	19	158	2,483
Georgia .....	4,946	482	651	119	623	3,071
Guam .....	0	0	0	0	0	0
Hawaii .....	144	17	24	7	93	3
Idaho .....	340	13	73	19	156	90
Illinois .....	10,218	1,327	2,757	2,379	1,646	2,110
Indiana .....	4,257	323	671	156	1,457	1,885
Iowa .....	2,089	(3)	(3)	(3)	(3)	(3)
Kansas .....	(3)	(3)	(3)	(3)	(3)	(3)
Kentucky .....	123	11	31	16	21	52
Louisiana .....	686	(3)	(3)	(3)	(3)	(3)
Maine .....	4,517	463	578	851	1,304	1,323
Maryland .....	3,933	207	172	83	1,849	1,623
Massachusetts .....	2,735	44	51	598	499	1,545
Michigan .....	(3)	(3)	(3)	(3)	(3)	(3)
Minnesota .....	1,257	31	93	36	558	583
Mississippi .....	0	0	0	0	0	0
Missouri .....	1,731	18	90	44	688	945
Montana .....	646	8	50	30	358	201
Nebraska .....	1,133	24	68	39	473	531
Nevada .....	176	16	14	16	33	98
New Hampshire .....	690	48	109	69	178	317
New Jersey .....	(3)	(3)	(3)	(3)	(3)	(3)
New Mexico .....	605	27	10	3	0	8
New York .....	4,826	127	648	210	2,461	1,382
North Carolina .....	9,625	541	1,288	39	970	6,787
North Dakota .....	103	0	86	0	16	4
Ohio .....	2,690	0	103	2	1,101	1,484
Oklahoma .....	4,743	3	14	10	725	3,991
Oregon .....	1,702	112	249	264	871	207
Pennsylvania .....	4,624	(3)	(3)	(3)	(3)	(3)
Puerto Rico .....	(4)	(4)	(4)	(4)	(4)	(4)
Rhode Island .....	382	(3)	(3)	(3)	(3)	(3)
South Carolina .....	1,031	(3)	(3)	(3)	(3)	(3)
South Dakota .....	257	41	43	25	98	67
Tennessee .....	5,671	94	247	46	640	4,643
Texas .....	90	5	8	0	6	72
Utah .....	3,584	(5)	(5)	181	1,393	2,010
Vermont .....	1,286	119	152	153	519	344

TABLE 9-20.—NON-JOBS AFDC FAMILIES<sup>1</sup> RECEIVING IV-A PAID CHILD CARE, BY TYPE OF CARE ARRANGEMENT AND BY STATE—FISCAL YEAR 1994—Continued

State	Total <sup>2</sup> families	Families by type of care arrangement (average monthly number)				
		Care provided by a relative		Care provided by a nonrelative in		
		In child's home	Outside child's home	Child's home	Family day care home	Center care
Virgin Islands .....	14	0	0	0	0	14
Virginia .....	1,882	64	175	9	624	1,034
Washington .....	3,163	425	454	447	722	1,114
West Virginia .....	1,106	9	328	1	422	553
Wisconsin .....	1,963	80	217	61	803	804
Wyoming .....	1,413	96	168	54	555	540
U.S. totals .....	129,819	4,866	9,812	6,005	22,530	44,348

<sup>1</sup> Data are reported for AFDC recipients who are employed or participating in a non-JOBS education and training program, and tribal JOBS participants.

<sup>2</sup> "Total families" may not equal the sum of the categories due to incomplete, inconsistent, or duplicative State reporting.

<sup>3</sup> Data are applicable to the State, but not reported.

<sup>4</sup> The State indicates that the data are not applicable.

<sup>5</sup> The State does not define "type of care arrangements" according to Federal reporting requirements.

Source: Administration for Children and Families, U.S. Department of Health and Human Services.

TABLE 9-21.—FAMILIES RECEIVING TRANSITIONAL CHILD CARE BY TYPE OF CARE ARRANGEMENT AND BY STATE—FISCAL YEAR 1994

State	Total <sup>1</sup> families	Families by type of care arrangement (average monthly number)				
		Care provided by a relative		Care provided by a nonrelative in		
		In child's home	Outside child's home	Child's home	Family day care home	Center care
Alabama .....	1,754	11	232	32	315	1,165
Alaska .....	167	2	15	2	64	91
Arizona .....	2,178	43	174	9	212	1,740
Arkansas .....	168	29	16	2	17	105
California .....	1,635	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Colorado .....	1,256	56	58	15	219	461
Connecticut .....	1,670	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Delaware .....	493	1	12	1	153	343
District of Columbia .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Florida .....	6,341	63	62	32	645	5,539
Georgia .....	2,880	272	455	83	376	1,693
Guam .....	4	2	1	0	0	0
Hawaii .....	68	0	17	0	42	13
Idaho .....	157	6	27	6	73	58
Illinois .....	3,592	375	871	570	771	1,006
Indiana .....	2,480	195	413	84	949	954
Iowa .....	446	0	0	0	141	305
Kansas .....	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )	( <sup>2</sup> )
Kentucky .....	934	73	167	150	27	517

TABLE 9-21.—FAMILIES RECEIVING TRANSITIONAL CHILD CARE BY TYPE OF CARE ARRANGEMENT AND BY STATE—FISCAL YEAR 1994—Continued

State	Families by type of care arrangement (average monthly number)					
	Total <sup>1</sup> families	Care provided by a relative		Care provided by a nonrelative in		
		In child's home	Outside child's home	Child's home	Family day care home	Center care
Louisiana .....	1,407	(2)	(2)	(2)	(2)	(2)
Maine .....	308	24	38	40	99	106
Maryland .....	790	79	83	28	320	281
Massachusetts .....	4,081	64	79	516	326	3,095
Michigan .....	2,339	143	524	248	736	688
Minnesota .....	1,861	78	208	70	1,015	698
Mississippi .....	401	48	92	7	63	192
Missouri .....	2,210	26	215	69	916	1,085
Montana .....	362	4	28	16	204	113
Nebraska .....	390	9	30	17	184	150
Nevada .....	329	93	26	76	24	136
New Hampshire .....	441	27	54	44	117	213
New Jersey .....	(2)	(2)	(2)	(2)	(2)	(2)
New Mexico .....	629	140	136	40	136	211
New York .....	2,815	14	182	15	1,094	1,511
North Carolina .....	3,137	225	707	64	242	1,907
North Dakota .....	301	4	79	3	183	36
Ohio .....	1,687	0	70	1	643	973
Oklahoma .....	1,189	0	7	3	213	967
Oregon .....	2,373	183	276	377	1,159	379
Pennsylvania .....	9,209	(2)	(2)	(2)	(2)	(2)
Puerto Rico .....	(3)	(3)	(3)	(3)	(3)	(3)
Rhode Island .....	344	17	59	11	30	242
South Carolina .....	525	(2)	(2)	(2)	(2)	(2)
South Dakota .....	252	26	53	13	132	41
Tennessee .....	4,391	151	278	47	613	3,303
Texas .....	7,269	503	401	2	439	6,060
Utah .....	1,240	(4)	(4)	66	496	678
Vermont .....	303	21	19	32	157	75
Virgin Islands .....	0	0	0	0	0	0
Virginia .....	2,024	108	254	23	629	1,037
Washington .....	1,302	137	179	127	327	532
West Virginia .....	634	0	184	0	235	301
Wisconsin .....	1,518	62	168	47	620	621
Wyoming .....	205	19	29	11	85	62
U.S. totals .....	82,489	3,333	6,978	2,999	15,441	39,683

<sup>1</sup> "Total families" may not equal the sum of the categories due to incomplete, inconsistent, or duplicated State reporting.

<sup>2</sup> Data are applicable to the State, but not reported.

<sup>3</sup> The State indicates that the data are not applicable.

<sup>4</sup> The State does not define "type of care arrangements" according to Federal reporting requirements.

Source: Administration for Children and Families, U.S. Department of Health and Human Services.

TABLE 9-22.—STATE ALLOCATIONS UNDER THE CHILD CARE AND DEVELOPMENT BLOCK GRANT, 1996-97

[By fiscal years, in thousands]

	1996 actual	1997 estimate
Alabama .....	18,724	388
Alaska .....	1,764	37
Arizona .....	17,129	355
Arkansas .....	11,007	228
California .....	111,466	2,309
Colorado .....	10,233	212
Connecticut .....	6,685	138
Delaware .....	1,954	40
District of Columbia .....	1,832	38
Florida .....	46,307	959
Georgia .....	29,755	616
Hawaii .....	3,389	70
Idaho .....	4,738	98
Illinois .....	34,888	723
Indiana .....	16,716	346
Iowa .....	8,540	177
Kansas .....	8,234	171
Kentucky .....	16,602	344
Louisiana .....	24,687	511
Maine .....	3,584	74
Maryland .....	12,217	253
Massachusetts .....	13,320	276
Michigan .....	27,035	560
Minnesota .....	12,476	258
Mississippi .....	16,062	333
Missouri .....	16,865	349
Montana .....	2,973	62
Nebraska .....	5,123	106
Nevada .....	3,825	79
New Hampshire .....	2,375	49
New Jersey .....	17,247	357
New Mexico .....	8,741	181
New York .....	53,197	1,102
North Carolina .....	26,046	540
North Dakota .....	2,152	45
Ohio .....	32,495	673
Oklahoma .....	14,095	292
Oregon .....	9,228	191
Pennsylvania .....	30,267	627
Rhode Island .....	2,517	52
South Carolina .....	16,767	347
South Dakota .....	2,919	60
Tennessee .....	19,291	400
Texas .....	85,978	1,781
Utah .....	8,694	180
Vermont .....	1,587	33
Virginia .....	17,819	369
Washington .....	14,717	305

TABLE 9-22.—STATE ALLOCATIONS UNDER THE CHILD CARE AND DEVELOPMENT BLOCK GRANT, 1996-97—Continued

[By fiscal years, in thousands]

	1996 actual	1997 estimate
West Virginia .....	7,142	148
Wisconsin .....	13,809	286
Wyoming .....	1,505	31
Puerto Rico .....	23,087	478
Subtotal .....	899,807	18,642
Territories .....	4,662	96
Tribes .....	27,973	382
Discretionary .....	2,200	.....
Total .....	934,642	19,120 <sup>1</sup>

<sup>1</sup> Of the \$956 million appropriated in fiscal year 1997, \$19 million will be obligated immediately to support resource and referral programs and before and after school services. The remaining \$937 million was advance appropriated for fiscal year 1998.

Source: Administration for Children and Families, U.S. Department of Health and Human Services.

### REFERENCES

- Adams, G. (1995, October). *How safe? The status of State efforts to protect children in day care*. Washington, DC: Children's Defense Fund.
- Casper, L. (1995, September). What does it cost to mind our preschoolers? *Current Population Reports* (Series P70-52). Washington, DC: U.S. Bureau of the Census.
- 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.
- Joint Committee on taxation. (1996). *Estimates of Federal tax expenditures for fiscal years 1997-2001* (JCS-11-96). Washington, DC: U.S. Government Printing Office.
- Kisker, E.E., Hofferth, S.L., Phillips, D.A., & Farquhar, E. (1991). *A profile of child care settings: Early education and care in 1990*. (Prepared under contract for the U.S. Department of Education by Mathematica Policy Research, Inc.). Washington, DC: U.S. Department of Health and Human Services.
- National Association for the Education of Young Children. (1991). *The demand and supply of child care in 1990, joint findings from the national child care survey, 1990 and the profile of child care settings*. Washington, DC: Author.
- U.S. Bureau of the Census. (1995). *Statistical abstract of the United States: 1995* (115th ed.). Washington, DC: U.S. Government Printing Office.
- U.S. General Accounting Office. (1994a). *Early childhood programs: Multiple programs and overlapping target groups* (GAO/HEHS-95-4FS). Washington, DC: Author.

- U.S. General Accounting Office. (1994b). *Child care: Working poor and welfare recipients face service gaps* (GAO/HEHS-94-87). Washington, DC: Author.
- U.S. General Accounting Office. (1995). *Welfare to work: Child care assistance limited; Welfare reform may expand needs* (GAO/HEHS-95-220). Washington, DC: Author.
- U.S. General Accounting Office. (1997). *Welfare reform: Implications of increased work participation for child care* (GAO/HEHS-97-75). Washington, DC: Author.
- U.S. General Accounting Office. (1998). *Child care: Federal funding for fiscal year 1997* (GAO/HEHS-98-70R). Washington, DC: Author.