

TANF: Breaking the Cycle of Poverty with Quality Child Care

The Temporary Assistance for Needy Families (TANF) program provides federal grants to states to design and operate programs that help low income families achieve self-sufficiency. TANF plays a crucial role in offering relief to low-income families through increased access to child care and early education opportunities in order to help parents enter or return to the workforce. States can transfer up to 30 percent of its TANF funds to the Child Care and Development Block Grants (CCDBG), which provides child care assistance for low-income families and funds child care quality-improvement initiatives. TANF funding can also be spent on state preschool and other early education programs. These TANF funds are critical because we know that access to affordable, reliable, and high-quality early learning and child care opportunities provides working families with better job stability and overall economic security.

The Importance of Quality Child Care

The overwhelming research shows that increasing access to a high-quality early childhood education is one of the most effective investments for American families and communities and can save the government money while also reducing intergenerational poverty.

- ▶ For every dollar invested in high-quality early childhood education, society gains up to \$7.30 in economic returns of the long-term.
- Children who attend early learning programs are more likely to be ready for kindergarten and are also less likely to repeat a grade or need special education services.
- ◆ Adults who attended high-quality early learning programs are 46 percent less likely to be incarcerated and 26 percent less likely to receive government assistance.





Unfortunately, the need for high quality child care far surpasses the supply. Less than half the children from low-income families have access to the high-quality early childhood programs that could dramatically improve their opportunities for a better future. For families whose income level makes them eligible to receive support through TANF, the cost of quality child care is far out of reach.

What Congress Can Do

As Congress considers reauthorization of TANF, there is a significant opportunity to recognize the unmistakable role quality early childhood experiences play in helping to break the cycle of poverty. Lawmakers should consider:

- **Reinforcing the connection between federal dollars and quality programs including expanding connections to CCDBG for all TANF funded child care;**
- **Identifying ways to sustain child care funding in order to support TANF families;**
- ◆ **Protecting the states' ability to use federal funds to strengthen their own early care and learning initiatives;**
- **Ensuring states are supplementing rather than supplanting their own spending with TANF dollars. States cannot use the flexibility afforded in the federal TANF grant to replace state spending for low income families.**

