

The Child Care & Development Block Grant (CCDBG) is the primary federal grant program, appropriated by Congress, that provides low-income families access to safe, quality child care while parents work or go to school. In states, territories, and tribal nations (collectively referred to as “states” in this resource) CCDBG is combined with mandatory funding through the Child Care Entitlement to States (CCES) and referred to as the Child Care and Development Fund (CCDF). CCDF is awarded to State Lead Agencies by the Administration for Children and Families (ACF) at the Department of Health and Human Services (HHS) using a funding formula. To receive these funds, states must meet federal oversight and accountability requirements designed to protect children’s health and safety and ensure program integrity.

CCDBG BY THE NUMBERS

\$11,371,116,080 Federal Funding (CCDBG & Mandatory)¹

\$2,490,024,710 State MOE & Matching Funds²

68% Percentage of children served by CCDBG that are 5 and under³

17% Percentage of eligible children 5 and under served by CCDBG at current funding levels (1,049,770 of the 6,005,867 who are eligible)^{4,5}

238,564 Number of child care providers accepting CCDBG subsidies⁶

FINANCIAL IMPACT

CCDBG subsidies help families with lower incomes afford child care.

Without CCDBG

Monthly average for center-based infant care:⁷
\$641 MS •————• **\$2,195 MA**

With CCDBG Subsidy

Maximum monthly copay for family of 3⁸:
\$15 OR •————• **\$1,075 VT**

Savings

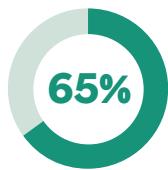
With CCDBG, on average, families save approximately⁹ \$1,013 per month/\$12,156 per year

CCDBG ELIGIBILITY IN THE U.S.

Eligibility for CCDBG is primarily determined by household income and work status.

Employment

A parent(s) must be employed or participating in an education or training program.



Of children 5 and under have all available parents in the workforce (**14,792,254 children**).¹⁰

Income

According to federal rules, household income must be at or below 85% of State Median Income (SMI), though states are permitted to set lower income limits.

69% OF SMI Average state CCDBG eligibility cap.¹¹

\$61,643 OR LESS Average annual income eligibility for a family of 3, or \$5,137 per month.¹²

Prioritized Populations

States have latitude on who receives subsidies but must prioritize children in protective services, from very low-income families, with special needs, or experiencing homelessness.¹³



The statistics in this fact sheet refer to the sum or average across the 50 states and Washington D.C.

DEEPER DIVE INTO POLICY

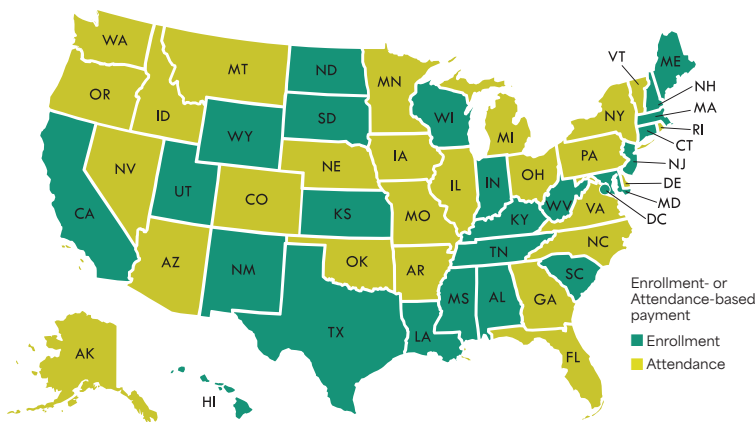
PAYMENT PRACTICES

State lead agencies set child care provider payment rates. Most states use a **market rate survey** to align rates with the prices providers in a geographic area charge private-pay families. In doing so, rates often fail to reflect providers' actual costs, as many only charge what parents can afford to pay. When rates are too low, providers may be forced to make tradeoffs that affect program quality and availability.

Some states are beginning to shift to **cost estimation modeling** as an alternate method to set provider payment rates. These models consider market prices and the actual expenses carried by providers, such as staffing, supplies, and facilities. Cost estimation allows states to set more informed payment rates that better reflect the real cost of care. Market rate surveys are used by **42 states**, while **8 states and D.C.** have moved to cost estimation models to set provider payment rates¹⁴

On average, child care centers serving infants and toddlers with subsidies are paid **61% of what it costs** to provide quality child care for those children.¹⁵ Adequate payment rates help attract more providers to participate in CCDF, support higher quality care, and expand families' child care choices.

ENROLLMENT OR ATTENDANCE



In the U.S., **25 states and D.C. pay based on authorized enrollment** for all provider types, while the remaining **26 states pay providers based on attendance**.¹⁶ Payment based on enrollment aligns with generally accepted payment practices in the private market and better reflects the fixed costs of child care.

Scan or click the QR code for full references and links.



QUALITY

Federal law requires states to meet federal oversight and accountability regulations that protect children's health and well-being and ensure program integrity. States must then establish their own licensing standards to ensure children are in safe, quality settings, and they are given significant flexibility to do so. As such, state standards vary widely across the country.

U.S. Teacher-Child Ratios

Teacher-child ratios are crucial for safety as well as ensuring high-quality and individualized interactions. Providers receiving CCDF funds must adhere to ratios set by the state.

Recommended

The ACF Office of Child Care recommends the following ratios for child care centers:¹⁷

Infant 1:4
Toddler 1:4-1:6 for age 2
Preschool 1:10 for age 4

Actual

Ratios vary significantly from state to state. Across the U.S. they fall within the following ranges for child care centers:¹⁸

Infant 1:3 to 1:6
Toddler 1:3 to 1:11 for age 2
Preschool 1:8 to 1:20 for ages 4

U.S. Teacher Qualifications

Educator requirements are central to program quality, as knowledgeable, well-trained caregivers create healthier, safer, and more stimulating learning environments that support development, school readiness, and long-term success.

In most states, there are multiple pathways to qualifications. Requirements may include minimum age, education level, and/or prior work experience. **33 states** set a minimum age requirement of 18 years old. In **17 states**, a high school diploma or GED is the minimum education requirement.¹⁹

Lead Agencies must conduct comprehensive background checks for all staff members of child care providers that are licensed, regulated, or registered with the state, regardless of whether they receive CCDF funds.