

## State Child Care Assistance Policies: New Jersey

- **Income eligibility limit:** In 2011, a family of three in New Jersey could qualify for child care assistance with an annual income up to \$36,620 (198 percent of poverty, 43 percent of state median income).<sup>1</sup>
- **Waiting list:** New Jersey had 8,559 children on a waiting list for child care assistance as of May 2011.
- **Parent copayments:** In 2011, a family of three with an income at 100 percent of poverty (\$18,530 a year) receiving child care assistance paid \$77 per month, or 5 percent of its income, in copayments. A family of three with an income at 150 percent of poverty (\$27,795 a year) receiving child care assistance paid \$106 per month, or 5 percent of its income, in copayments.
- **Reimbursement rates:** In 2011, New Jersey's reimbursement rates for child care providers serving families receiving child care assistance were below the federally recommended level—the 75<sup>th</sup> percentile of current market rates, which is the level designed to give families access to 75 percent of the providers in their community.
  - New Jersey's monthly reimbursement rate for center care for a four-year-old was \$573,<sup>2</sup> which was \$401 (41 percent) below the 75<sup>th</sup> percentile of current market rates for this type of care.
  - New Jersey's monthly reimbursement rate for center care for a one-year-old was \$695,<sup>3</sup> which was \$432 (38 percent) below the 75<sup>th</sup> percentile of current market rates for this type of care.
- **Tiered reimbursement rates:** In 2011, New Jersey paid higher reimbursement rates for higher-quality care.
  - The reimbursement rate for center care for a four-year-old at the highest quality tier was 5 percent higher than the rate at the lowest quality tier.
  - The reimbursement rate for center care for a four-year-old at the highest quality tier was still below the 75<sup>th</sup> percentile of current market rates.
- **Eligibility for parents searching for a job:** In 2011, New Jersey allowed parents to continue receiving child care assistance for up to 90 days while searching for a job.<sup>4</sup> However, New Jersey did not allow parents to qualify for child care assistance while searching for a job.

Source: Karen Schulman and Helen Blank, *State Child Care Assistance Policies 2011: Reduced Support for Families in Challenging Times* (Washington, DC: National Women's Law Center, 2011). These data reflect policies as of February 2011, unless otherwise indicated.

1 In February 2011, families already receiving assistance could continue doing so until their income reached \$45,775. As of October 2011, the income limit to qualify for assistance was expected to increase to \$37,060 (200 percent of poverty), and the exit eligibility limit was expected to increase to \$46,325 (250 percent of poverty) to adjust for the 2011 federal poverty level.

2 The state has higher rates for higher-quality care; this is the base (lowest) rate, which is the most common rate level.

3 This is the base (lowest) rate, which is the most common rate level.

4 Parents receiving child care assistance could continue to receive it after losing a job for up to 90 days from the date of a layoff notice. Parents could not continue to receive child care assistance while searching for a job if they voluntarily quit employment.