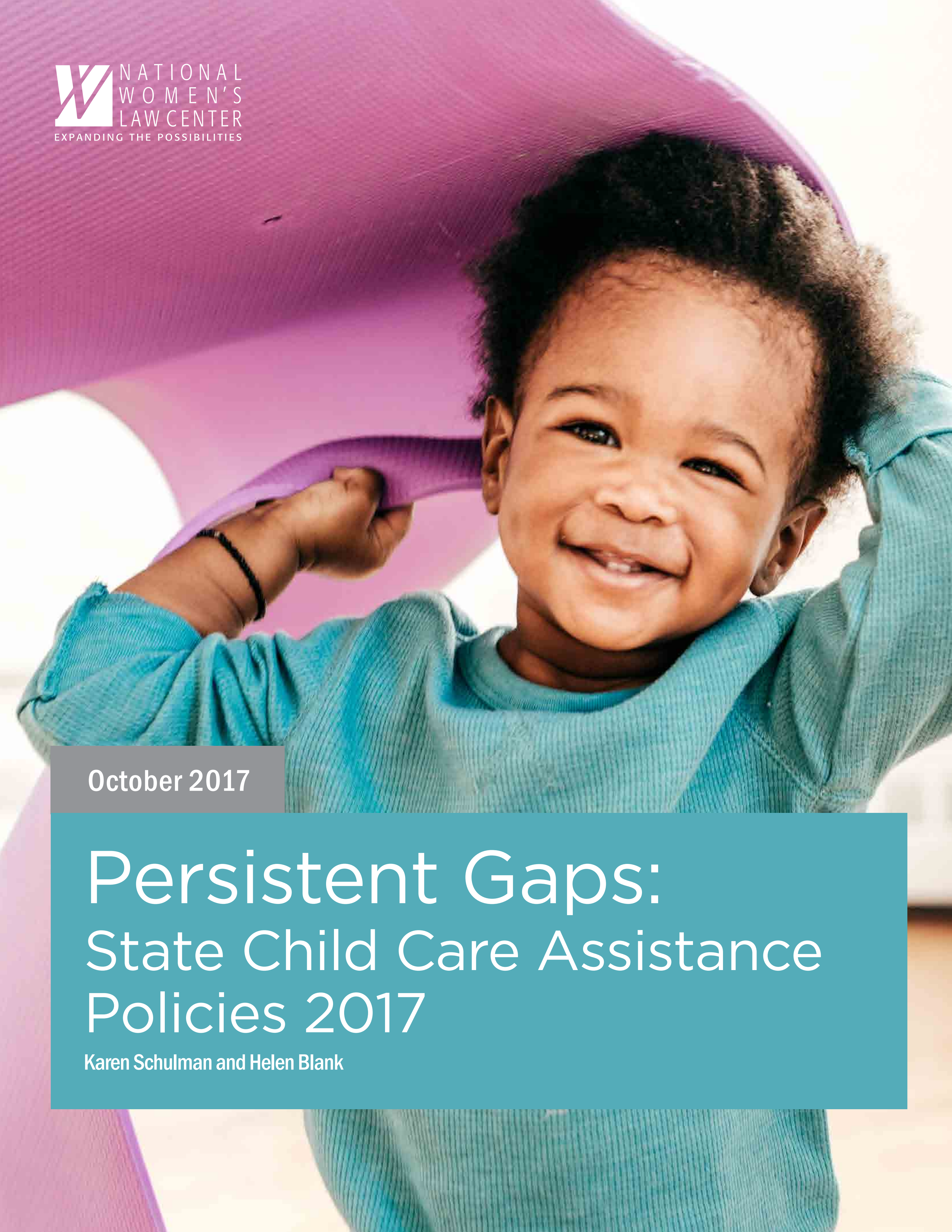

NATIONAL WOMEN'S LAW CENTER
EXPANDING THE POSSIBILITIES

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Persistent Gaps: State Child Care Assistance Policies 2017

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ABOUT THE CENTER

The National Women's Law Center is a non-profit organization working to expand the possibilities for women and their families by removing barriers based on gender, opening opportunities, and helping women and their families lead economically secure, healthy, and fulfilled lives—with a special focus on the needs of low-income women and their families.

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Introduction

CHILD CARE IS CRUCIAL FOR THE WELL-BEING OF PARENTS, CHILDREN, AND OUR NATION. It makes it possible for parents to work and support their families. It gives children a safe, nurturing environment to learn and develop skills they need to succeed in school and in life.[1] And, by strengthening the current and future workforce, it bolsters our nation's economy. Yet many families, particularly low-income families,[2] struggle with the high cost of child care. The average annual cost for full-time care ranges from nearly $3,000 to over $17,000, depending on the age of the child, the type of care, and where the family lives.[3] These costs can strain families' budgets, force parents to use lower-cost care even if they would prefer other options for their children, or prevent parents from working because they cannot afford care. Child care assistance can enable families to overcome these challenges by helping families pay for child care.

Given the importance of child care assistance to families, it is essential for states to have strong child care assistance policies. Under the Child Care and Development Block Grant (CCDBG), the major federal child care assistance program, states have flexibility to set policies within federal parameters. This report examines states' policies in five key areas—income eligibility limits to qualify for child care assistance, waiting lists for child care assistance, copayments required of parents receiving child care assistance, payment rates for child care providers serving families receiving child care assistance, and eligibility for child care assistance for parents searching for a job. These policies are fundamental to determining families' ability to obtain child care assistance and the extent of help that assistance provides.

Although states continue to fall short in their child care assistance policies, they have made some progress in these key areas in recent years. Families in forty-one states were better off—having greater access to assistance and/or receiving greater benefits from assistance—in February 2017 than in February 2016 under one or more child care assistance policies covered in this report.[4] Families in fourteen states were worse off under one or more of these policies in February 2017 than in February 2016.[5]

Overall, this year is the fifth year in a row in which the situation for families improved in more states than it worsened.

- In February 2016, families in thirty-one states were better off under one or more child care assistance policies covered in this report, and families in fifteen states were worse off under one or more of these policies, than in February 2015.[6]
- In February 2015, families in thirty-two states were better off under one or more child care assistance policies covered in this report, and families in sixteen states were worse off under one or more of these policies, than in February 2014.[7]
- In February 2014, families in thirty-three states were better off under one or more child care assistance policies covered in this report, and families in thirteen states were worse off under one or more of these policies, than in February 2013.[8]
- In February 2013, families in twenty-seven states were better off under one or more child care assistance policies covered in this report, and families in twenty-four states were worse off under one or more of these policies, than in February 2012.[9]

The past five years represent a reversal from the previous two years, when the situation worsened for families in more states than it improved.

- In February 2012, families in twenty-seven states were worse off under one or more child care assistance policies covered in this report, and families in seventeen states were better off under one or more of these policies, than in February 2011.[10]
- In February 2011, families in thirty-seven states were worse off under one or more of the child care assistance policies covered in this report, and families in eleven states were better off under one or more of these policies, than in February 2010.[11]

The negative trends between 2010 and 2012 resulted at least in part from states' exhaustion of the $2 billion in additional federal funding for CCDBG for FY 2009 and FY 2010 provided by the American Recovery and Reinvestment Act (ARRA)[12]—states had to obligate all of the funds by September 2010 and expend those funds by September 2011.[13] The slight increases in annual federal funding for CCDBG in FY 2011 and FY 2012 were not sufficient to keep pace with inflation, much less compensate for the loss of ARRA funds.

In contrast, states made some progress on child care assistance policies in the past five years as federal child care funding stabilized. While CCDBG funding declined slightly from FY 2012 to FY 2013, due to across-the-board federal budget cuts under the Budget Control Act (BCA) of 2011[14] (commonly known as the sequester), CCDBG funding increased slightly each year from FY 2013 to FY 2017, and—even after adjusting for inflation—CCDBG funding in FY 2017 was higher than in FY 2011.[15] In addition, states' overall economies and fiscal situations improved, resulting in fewer budget cuts and increased investments in critical areas.[16] However, states may not be able to sustain and grow these investments, as they were experiencing renewed budget pressures in 2017.[17] These pressures would be exacerbated by federal budget cuts currently under consideration that would drastically reduce resources available to states.[18]

Although once again there were more improvements than cutbacks between 2016 and 2017, the improvements states made were generally modest and too small to close persistent, substantial gaps in families' access to assistance and the level of assistance available. In addition, in 2017, with funding for child care far below that in 2001 (after adjusting for inflation), most states were behind where they were in 2001 in one or more policy areas.[19]

States have additional opportunities and challenges in their efforts to improve their child care assistance policies as a result of the Child Care and Development Block Grant Act of 2014, which reauthorized (renewed and updated) the program.[20] The Act makes important changes to the CCDBG program intended to ensure the health and safety of children in child care, enhance the quality of care, and make it easier for families to obtain and retain child care assistance. The Act, for example, requires states to allow families receiving child care assistance to continue to receive that assistance for at least three months while a parent searches for a job.[21] As shown in this report, states have made significant progress in this policy area as they have come into compliance with the law's requirement. The Act does not establish specific new requirements for most of the other key policy areas covered in this report; a separate report by the National Women's Law Center examines policies more directly affected by the Act.[22] However, the policies addressed in this report could be indirectly affected as states shift their insufficient resources toward meeting the Act's requirements, leaving fewer resources for other important policy areas. States are under pressure to make these tradeoffs because the Act was not accompanied by substantial new funding.

The direct and indirect results of the Act will be seen more clearly in the coming years, since the effective dates for various provisions were staggered over several years, with some extending as late as 2019[23] and with states allowed to request waivers for additional time to implement certain provisions. It will be essential to continue to monitor whether states implement the key child care assistance policies, and whether federal and state policymakers provide the necessary investments in child care assistance, to ensure that the Act achieves its goal of improving families' access to stable, high-quality child care.

Changes in states' policies between February 2016 and February 2017 and between 2001 and February 2017 are described in more detail below, but in summary:

- **Income eligibility limits** reveal how generous a state is in determining whether families qualify for child care assistance.[24] Six states increased their income limits for child care assistance by a dollar amount that exceeded inflation between 2016 and 2017. Thirty-two states increased their income limits as a dollar amount to adjust for inflation between 2016 and 2017, as measured against the change in the state median income or federal poverty level.[25] Twelve states kept their income limits the same as a dollar amount between 2016 and 2017. One state lowered its income limit for child care assistance as a dollar amount between 2016 and 2017. In twenty-four states, the income limits were lower as a percentage of the federal poverty level in 2017 than in 2001.[26]

- **Waiting lists** help reveal whether families who qualify for child care assistance actually receive it. Twenty states had waiting lists or frozen intake for child care assistance in 2017, the same number of states as in 2016, and slightly lower than the twenty-one states with waiting lists or frozen intake in 2001. In 2017, five states each had more than 20,000 children on the waiting list for child care assistance. Among the sixteen states that had waiting lists in both 2016 and 2017 and for which comparable data are available, the number of children on the waiting list increased in nine states and decreased in seven states between 2016 and 2017. Among the eleven states that had waiting lists in both 2001 and 2017 and for which there are comparable data, the number of children on the waiting list increased in eight states and decreased in three states between 2001 and 2017.

- **Parent copayment levels** reveal whether low-income parents receiving child care assistance have significant out-of-pocket costs for child care. The nationwide average amount that families who pay for child care spend on child care is 7.2 percent of income, but in 2017, a family at 150 percent of poverty paid a greater percentage of their income in copayments in twenty-nine states, and a family at 100 percent of poverty paid a greater percentage of their income in copayments in twelve states. In all but a handful of states, families receiving child care assistance paid the same percentage of their income in copayments in 2017 as in 2016. For a family at 150 percent of poverty, copayments as a percentage of income increased in two states, decreased in five states, and stayed the same in the remaining states. For a family at 100 percent of poverty, copayments as a percentage of income increased in one state, decreased in four states, and stayed the same in the remaining states. In slightly over half of the states, families paid a higher percentage of their income in copayments in 2017 than in 2001.

- **Provider payment rates** reveal the extent to which families receiving child care assistance may be limited in their choice of child care providers and providers serving families receiving assistance may be limited in the quality of care they can offer to families. Fifteen states increased at least some of their payment rates for providers serving families receiving child care assistance between 2016 and 2017. Yet, only two states had payment rates at the federally recommended level in 2017, only one more than the number of states in 2016, and a significant decrease from the twenty-two states with rates at the recommended level in 2001. Forty-one states had higher payment rates for higher-quality care (tiered rates) in 2017—a slight increase from thirty-eight states in 2016.[27] However, in over two-thirds of these states, even the higher rates were below the federally recommended level in 2017.

- **Eligibility policies for parents searching for work** reveal whether families can receive child care assistance while a parent seeks employment, so as to avoid disrupting a child's care arrangement and have child care available as soon as the parent finds a job. Forty-nine states allowed families receiving child care assistance to continue receiving it while a parent searched for a job in 2017, two more states than in 2016. Between 2016 and 2017, twenty-seven of these states increased the length of time families could receive child care assistance while a parent searched for a job or began allowing families to receive child care assistance while a parent searched for a job. Eleven states allowed families not receiving child care assistance to qualify for assistance while a parent searched for a job in 2017, compared to twelve states in 2016.[28]

Methodology

THE NATIONAL WOMEN'S LAW CENTER COLLECTED THE DATA IN THIS REPORT from state child care administrators in the fifty states and the District of Columbia (counted as a state in this report). The Center sent the state child care administrators a survey in the spring of 2017 requesting data on policies as of February 2017 in five key areas—income eligibility limits, waiting lists, parent copayments, provider payment rates, and eligibility for child care assistance for parents searching for a job. The survey also asked state administrators to report on any policy changes that the state had made since February 2016 or expected to make after February 2017 in each of the five areas. The survey questions about these policy areas were largely the same as in surveys of state child care administrators conducted by the Center in previous years. Center staff contacted state administrators for follow-up information as necessary. The Center obtained supplementary information about states' policies from documents available on state agencies' websites.

The Center collected the 2016 data used in this report for comparison purposes through a similar process and analyzed these data in the Center's October 2016 report, *Red Light Green Light: State Child Care Assistance Policies 2016*. The Children's Defense Fund (CDF) collected the 2001 data used in this report and analyzed these data in CDF's report, *State Developments in Child Care, Early Education and School-Age Care 2001*. CDF staff collected the data through surveys and interviews with state child care advocates and verified the data with state child care administrators. The CDF data reflect policies in effect as of June 1, 2001, unless otherwise indicated. The Center uses 2001 as a basis for comparison because it was the year between the peak year for Temporary Assistance for Needy Families (TANF) funding for child care, FY 2000, and what was the peak year for CCDBG funding, FY 2002, until FY 2010, when ARRA provided a temporary boost in CCDBG funding (see the section below on funding for child care assistance).

Funding for child care assistance for low-income families

TOTAL FEDERAL FUNDING FOR CHILD CARE ASSISTANCE HAS DECLINED SINCE 2001. The primary source of funding for child care assistance is the federal CCDBG program. CCDBG funding was $5.773 billion in FY 2017.[29] While this amount was slightly higher than CCDBG funding in FY 2016 before adjusting for inflation ($5.678 billion[30]), it was below the FY 2016 funding level after adjusting for inflation ($5.814 billion in FY 2017 dollars[31]). In addition, CCDBG funding in FY 2017 was significantly lower than in FY 2010, when ARRA temporarily boosted funding and brought it to its peak level—$6.044 billion before adjusting for inflation,[32] or $6.932 billion in FY 2017 dollars.[33] CCDBG funding in FY 2017 was also far below the FY 2002 funding level after adjusting for inflation—$6.740 billion in FY 2017 dollars[34]—which was the previous peak funding level.

Another important source of child care funding is the TANF block grant. States may transfer up to 30 percent of their TANF block grant funds to CCDBG, or use TANF funds directly for child care without first transferring the money. States' use of TANF dollars for child care (including both transfers and direct funding) was $2.505 billion in FY 2015 (the most recent year for which data are available),[35] below the high of $3.966 billion in FY 2000[36] even without adjusting for inflation. (In FY 2017 dollars, use of TANF funds for child care was $2.610 billion in FY 2015 compared to $5.887 billion in FY 2000.[37])

Total federal child care funding from CCDBG and TANF in FY 2017, assuming use of TANF funds was the same as the FY 2015 inflation-adjusted amount, was $8.383 billion, a dramatic drop from funding in FY 2001 after adjusting for inflation—$11.628 billion in FY 2017 dollars.[38]

Income eligibility limits

A FAMILY'S ACCESS TO CHILD CARE ASSISTANCE DEPENDS ON A STATE'S INCOME ELIGIBILITY LIMIT. The family's ability to obtain child care assistance is affected not only by a state's income limit in a given year, but also by whether the state adjusts the limit for inflation each year so that the family does not become ineligible for assistance simply because its income keeps pace with inflation.

Between 2016 and 2017, approximately three-quarters of the states increased their income eligibility limits as a dollar amount by enough to keep pace with or exceed inflation, as measured against the change in the federal poverty level or state median income, depending on which benchmark the state used.[39] However, nearly one-quarter of the states did not increase their income limits, and one state reduced its income limit. Between 2001 and 2017, most states increased their income limits as a dollar amount; yet, nearly half of the states failed to increase their income limits sufficiently to keep pace with inflation, as measured against the change in the federal poverty level,[40] or reduced their income limits as a dollar amount. Moreover, nearly three-quarters of the states had income limits at or below 200 percent of poverty in 2017.

A family with an income above 150 percent of poverty ($30,630 a year for a family of three) could not qualify for child care assistance in fifteen states in 2017: Alabama, Florida, Georgia, Idaho, Indiana, Iowa, Maryland, Michigan, Missouri, Montana, Nebraska, Nevada, Ohio, South Carolina, and West Virginia.

- Six states increased their income eligibility limits by a dollar amount that exceeded inflation between 2016 and 2017 (*see Table 1a*).[41]
- Thirty-two states increased their income eligibility limits as a dollar amount to adjust for inflation between 2016 and 2017, including thirty states that adjusted for one year of inflation,[42] as well as two states that adjusted for two years of inflation to make up for previous years in which they had not adjusted for inflation.[43]
- Twelve states kept their income eligibility limits the same as a dollar amount between 2016 and 2017.
- One state lowered its income eligibility limit as a dollar amount between 2016 and 2017.[44]
- Forty-six states increased their income eligibility limits as a dollar amount between 2001 and 2017 (*see Table 1b*). In thirteen of these states, the increase was great enough that the income limit was higher as a percentage of the federal poverty level in 2017 than in 2001. In fourteen of these states, the increase was great enough that the income limit stayed the same, or nearly the same, as a percentage of the federal poverty level in 2017 as in 2001.[45] However, in nineteen of these states, the increase was not sufficient to keep pace with the federal poverty level, so the income limit was lower as a percentage of the federal poverty level in 2017 than in 2001.
- Five states lowered their income eligibility limits as a dollar amount between 2001 and 2017. In these states, the income limit decreased as a percentage of the federal poverty level, bringing to twenty-four the total number of states in which the income limit failed to keep pace with the increase in the federal poverty level between 2001 and 2017.
- A family with an income above 100 percent of the federal poverty level ($20,420 a year for a family of three in 2017) could qualify for child care

assistance in all states in 2017. However, a family with an income above 150 percent of poverty ($30,630 a year for a family of three in 2017) could not qualify for assistance in fifteen states. A family with an income above 200 percent of poverty ($40,840 a year for a family of three in 2017) could not qualify for assistance in a total of thirty-six states. Yet, in most communities across the country, a family needs an income equal to at least 200 percent of poverty to meet its basic needs, including housing, food, child care, transportation, health care, and other necessities, according to a study by the Economic Policy Institute.[46]

Waiting lists

EVEN IF FAMILIES ARE ELIGIBLE FOR CHILD CARE ASSISTANCE, THEY MAY NOT NECESSARILY RECEIVE IT. Instead, their state may place eligible families on a waiting list or freeze intake (turn away eligible families without adding their names to a waiting list). Families may remain on the waiting list for a long time before receiving child care assistance, or may never receive it. Without the help they need to afford child care, families on the waiting list must make extremely difficult choices. According to several studies,[47] many of these families struggle to pay for reliable, good-quality child care while paying for other basic necessities such as food and rent, or turn to low-cost—and frequently low-quality—care. Some families simply cannot afford child care at all, which can make it impossible for parents to work.

In 2017, over three-fifths of the states were able to serve eligible families who applied for child care assistance without placing any on waiting lists or freezing intake, but nearly two-fifths of the states had waiting lists or frozen intake for at least some families applying for assistance. The number of states with waiting lists or frozen intake in 2017 was the same as the number in 2016 and lower than the number in 2001. However, among states that had waiting lists in both years, slightly more states' waiting lists increased than decreased between 2016 and 2017. In addition, more states' waiting lists increased than decreased between 2001 and 2017.[48]

The amount of time families spend on the waiting list for child care assistance ranges widely across states, from as little as a few weeks or months to as much as a year or more.

- Twenty states had waiting lists or frozen intake in 2017, the same number of states as in 2016,[49] and slightly lower than the number of states (twenty-one) in 2001 (*see Table 2*).
- Five states each had more than 20,000 children on the waiting list in 2017.
- Of the eighteen states that had waiting lists or frozen intake in both 2016 and 2017, nine states had longer waiting lists in 2017 than in 2016, and seven states had shorter waiting lists. In the remaining two states with waiting lists or frozen intake in both 2016 and 2017, it was not possible to compare the length of waiting lists based on the available data.
- Of the fifteen states that had waiting lists or frozen intake in both 2001 and 2017, eight states had longer waiting lists in 2017 than in 2001, and three states had shorter waiting lists. In the remaining four states with waiting lists or frozen intake in both 2001 and 2017, it was not possible to compare the length of waiting lists based on the available data.
- Among the eight states with waiting lists that reported data on the length of time families spent on the waiting list for 2017, the average length of time families spent on the waiting list before receiving child care assistance was less than six months in three states,[50] between six months and a year in two states,[51] and more than a year in three states.[52] The average length of time on the waiting list was longer in 2017 than in 2016 in five states, the same in 2017 as in 2016 in one state, and shorter in 2017 than in 2016 in two states.[53]

Twenty states had waiting lists or frozen intake for child care assistance in 2017: Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Florida, Georgia, Indiana, Maryland, Massachusetts, Minnesota, Mississippi, Nevada, New Mexico, New York, North Carolina, Pennsylvania, Texas, and Virginia.

Copayments

MOST STATES REQUIRE FAMILIES RECEIVING CHILD CARE ASSISTANCE to contribute toward their child care costs based on a sliding fee scale that is designed to charge progressively higher copayments to families at progressively higher income levels. Some states also take into account the cost of care used by a family in determining the amount of the family's copayment. Copayment levels are important because if they are high, they can create a significant financial strain for families or may discourage families from participating in the child care assistance program.

This report analyzes state copayment policies by considering two hypothetical families: a family of three with an income at 100 percent of the federal poverty level and a family of three with an income at 150 percent of the federal poverty level.[54] In all but a few states, families paid the same percentage of their income in copayments in 2017 as in 2016. In only one or two states, depending on income, families paid a higher percentage of their income in copayments in 2017 than in 2016. In only four or five states, depending on income, families paid a lower percentage of their income in copayments in 2017 than in 2016. However, in slightly over half of the states, families paid a higher percentage of their income in copayments in 2017 than in 2001.

High copayments can create a significant financial strain for families or may discourage families from participating in the child care assistance program.

Many states set relatively high copayments in 2017. Nationwide, families who pay for child care (including those who receive child care assistance and those who do not) spend an average of 7.2 percent of their income on child care.[55] The CCDBG regulations finalized in September 2016 recommend that copayments charged to parents receiving child care assistance not exceed this nationwide average[56]—but thus far few states have changed their policies to meet this benchmark. In nearly one-quarter to nearly three-fifths of the states, depending on income, a family receiving child care assistance was required to pay more than 7.2 percent of its income in copayments in 2017.

- In two states, copayments for a family of three at 150 percent of poverty[57] increased as a percentage of income between 2016 and 2017 (*see Table 3a*). In thirty-seven states, copayments remained the same as a percentage of income. In five states, copayments decreased as a percentage of income. In six states, a family at 150 percent of poverty was eligible for child care assistance in 2017 but not 2016, and in one state, a family at 150 percent of poverty was not eligible in either 2016 or 2017.[58]
- In twenty-six states, copayments for a family of three at 150 percent of poverty[59] increased as a percentage of income between 2001 and 2017. In five states, copayments remained the same as a percentage of income. In sixteen states, copayments decreased as a percentage of income. In three states, a family at 150 percent of poverty was eligible for child care assistance in 2017 but not 2001, and in one state, a family at 150 percent of poverty was eligible in 2001 but not 2017.
- In one state, copayments for a family of three at 100 percent of poverty increased as a percentage of income between 2016 and 2017 (*see Table 3b*). In forty-six states, copayments remained the same as

a percentage of income. In four states, copayments decreased as a percentage of income.

- In twenty-six states, copayments for a family of three at 100 percent of poverty increased as a percentage of income between 2001 and 2017. In twelve states, copayments remained the same as a percentage of income. In thirteen states, copayments decreased as a percentage of income.
- In twenty-nine states, the copayment for a family of three at 150 percent of poverty was above $184 per month (7.2 percent of income) in 2017. This includes thirteen states where the copayment for a family at this income level was $255 per month (10 percent of income) or higher. In one additional state, a family at this income level was not eligible for child care assistance.
- In twelve states, the copayment for a family of three at 100 percent of poverty was above $123 per month (7.2 percent of income) in 2017. This includes six states where the copayment for a family at this income level was $162 per month (10 percent of income) or higher.

Provider payment rates

STATES SET PAYMENT RATES FOR CHILD CARE PROVIDERS who care for children receiving child care assistance. The payment rate is a ceiling on the amount the state will pay providers, and a provider will be paid at that rate if the provider charges private-paying parents a fee that is equal to or greater than the rate. If a provider charges private-paying parents a fee that is below the payment rate, the state will pay the provider an amount equal to the private-pay fee. Payment rates may vary by geographic region, age of the child, type of care, and other factors.

Payment rates help determine whether child care providers have sufficient resources to sustain their businesses, offer salaries that are high enough to attract and retain qualified staff and that allow child care workers to earn enough to support themselves and their families, have low child-staff ratios, maintain facilities, and buy materials and supplies for activities that encourage children's learning and development. Inadequate payment rates can discourage high-quality providers from enrolling families who receive child care assistance and deprive child care providers that do enroll these families of the resources needed to offer high-quality care to the vulnerable children who could benefit most from it—and sometimes make it impossible for providers to even keep their doors open.

Federal regulations recommend, but do not mandate, that rates be set at the 75th percentile of current market rates,[60] a rate that is designed to allow families access to 75 percent of the providers in their communities. In 2017, just two states set their payment rates at the 75th percentile of current market rates, a slight increase from the one state that set its rates at this recommended level in 2016, but a sharp decline from 2001, when twenty-two states set their payment rates at this level.[61] In 2017, the remaining forty-nine states set their payment rates below the 75th percentile of current market rates, including many states that set their rates significantly below the 75th percentile. In addition, nearly half of the states had not updated their payment rates in the previous two years. Without regular updates to payment rates to at least keep pace with increases in the cost of care, payment rates fall further behind the 75th percentile of current market rates.

When the payment rate is below the fee a child care provider charges private-paying parents, over three-quarters of the states allow providers to ask parents receiving child care assistance to cover the difference (beyond any required copayment). Although this approach may prevent child care providers from losing income, it shifts the financial burden to low-income families who struggle to afford the additional charge.

- Two states set their payment rates at the 75th percentile of current market rates (rates from 2015 or 2016) in 2017 (*see Table 4a*).[62] This was a slight increase from the one state that set its payment rates at this level in 2016 (*see Table 4b*). However, it was substantially lower than the number of states—twenty-two—that set their payment rates at this level in 2001.
- Twenty-six states increased at least some of their payment rates between 2015 and 2017,[63] including fifteen states that increased their rates between 2016 and 2017.[64] In one state where payment rates are set at the local level, some counties increased their rates and some counties lowered their rates.[65] No other state reduced its rates between 2015 and 2017. The remaining twenty-four states did not update their payment rates between 2015 and 2017. All states updated their payment rates between 2001 and 2017.

- In thirty-one states, payment rates for center care for a four-year-old in 2017 were at least 20 percent below the 75th percentile of market rates (based on the state's most recent market survey for which it reported data) for this type of care (*see Table 4c*).[66]
- In twenty-three states, payment rates for center care for a one-year-old in 2017 were at least 20 percent below the 75th percentile of market rates (based on the state's most recent market survey for which it reported data) for this type of care.[67]
- In twenty-four states, payment rates for center care for a four-year-old were at least $200 per month below the 75th percentile of market rates (based on the state's most recent market survey for which it reported data) for this type of care. With a gap of $200 per child per month, a classroom of twenty four-year-olds receiving child care assistance would receive $48,000 less per year than it would if the payment rate was at the recommended level.
- In twenty states, payment rates for center care for a one-year-old were at least $200 per month below the 75th percentile of market rates (based on the state's most recent market survey for which it reported data) for this type of care.
- Thirty-nine states allowed child care providers to charge parents receiving child care assistance the difference between the payment rate and the fee that the provider charged private-paying parents if the payment rate was lower in 2017—the same number of states as in 2016.[68]

Only two states set provider payment rates at the federally recommended level in 2017: South Dakota and West Virginia.

Forty-one states had higher payment rates (tiered rates) for child care providers that met higher-quality standards in 2017,[69] three more states than in 2016.[70] Some states had a single higher payment rate; other states had progressively higher payment rates for progressively higher levels of quality. Tiered payment rates can offer child care providers incentives and support to improve the quality of their care. However, it is important for the differential to be large enough to cover the additional costs involved in raising quality sufficiently to qualify for a higher rate. These costs include expenses for additional staff in order to reduce child-staff ratios, increased salaries for staff with advanced education in early childhood development, staff training, facilities upgrades, and/or new equipment and materials. Yet, in more than two-thirds of states with tiered rates, the highest rate fell below the 75th percentile of current market rates. In two-fifths of the states with tiered rates, the highest payment rate was less than 20 percent above the base rate.

- Forty-one states paid higher rates for higher-quality care in 2017, an increase from thirty-eight states in 2016 (*see Table 4d*).[71] While most of these states had tiered rates that applied across different age groups, one state only paid tiered rates for providers caring for children from two years of age to kindergarten entry[72] and one state only paid tiered rates for providers caring for children up to 2.9 years of age.[73]
- Ten of the forty-one states with tiered rates in 2017 had two rate levels (including the base level),[74] six states had three levels, twelve states had four levels, eight states had five levels, two states had six levels, and three states had seven levels.[75]
- In over two-thirds of the forty states with tiered rates for center care for a four-year-old in 2017, the payment rate for this type of care at the highest quality level was below the 75th percentile of current market rates (which includes providers at all levels of quality) for this type of care.[76]
    - In twenty-eight of the forty states, the payment rate at the highest quality level was below the 75th percentile of market rates (based on the state's most recent market survey for which it reported data).[77] In fourteen of these states, the payment rate at the highest quality level was at least 20 percent below the 75th percentile.

- In one of the forty states, the payment rate at the highest quality level was equal to the 75th percentile of market rates.
- In eleven of the forty states, the payment rate at the highest quality level was above the 75th percentile of market rates. In four of these states, the payment rate at the highest quality level was at least 10 percent above the 75th percentile.

- Among the forty states with tiered rates for center care for a four-year-old, the difference between a state's lowest rate and highest rate for this type of care ranged from 5 percent to 74 percent in 2017.[78] The states with a greater percentage difference between the lowest and highest rates were somewhat more likely than other states to have their highest rate equal or exceed the 75th percentile of market rates (based on the state's most recent market survey for which it reported data).
  - In six of the forty states, the highest rate was 5 percent to 9 percent greater than the lowest rate. In five of these six states, the highest rate was below the 75th percentile of market rates.
  - In ten of the forty states, the highest rate was 10 percent to 19 percent greater than the lowest rate. In seven of these ten states, the highest rate was below the 75th percentile of market rates.
  - In ten of the forty states, the highest rate was 20 percent to 29 percent greater than the lowest rate. In six of these ten states, the highest rate was below the 75th percentile of market rates.
  - In fourteen of the forty states, the highest rate was at least 30 percent greater than the lowest rate. In ten of these fourteen states, the highest rate was below the 75th percentile of market rates.
- In six states, the amount of the differential between the lowest and highest rates for center care for a four-year-old was greater in 2017 than in 2016.[79] In two states, the amount of the differential between the lowest and highest rates was smaller in 2017 than in 2016.[80]

Eligibility for families with parents searching for a job

CHILD CARE ASSISTANCE CAN HELP PARENTS get or keep the child care they need while searching for an initial job or a new job. Parents can more readily start work if they can make their child care arrangements before they find a job rather than having to wait until after they find a job to make those arrangements. In addition, children can have greater stability if they can remain in the same child care arrangement without disruption when a parent loses one job and is searching for another job.

As previously described, the CCDBG Act of 2014 requires states to allow families receiving child care assistance to continue receiving it for at least three months while a parent searches for a job, but states had until at least September 30, 2016, to implement this provision,[81] and some states received waivers allowing them additional time beyond that to implement the provision.[82] Neither the law nor the federal regulations require states to allow families to qualify for and begin receiving child care assistance while a parent searches for a job.

In 2017, forty-nine states allowed families receiving child care assistance to continue receiving it for at least some amount of time while a parent searched for a job, two more states than in 2016.[83] Thirty-nine of these states allowed parents to continue receiving child care assistance while searching for a job for up to three months (or an equivalent amount of time) or until the end of their eligibility period—policies that are consistent with the requirements of the CCDBG Act of 2014—including twenty-seven states that revised their policies since 2016. Twelve states still did not allow parents to continue receiving child care assistance while searching for a job for as much time as called for by the law, but—as described in the following section on changes in policies since February 2017—six of these states revised or planned to revise their policies after February 2017 to come into compliance with the law.

Only eleven states allowed families to qualify for and begin receiving child care assistance while a parent searched for a job in 2017,[84] one fewer state than in 2016.[85]

- Forty-nine states allowed families receiving child care assistance to continue receiving it while a parent searched for a job in 2017, compared to forty-seven states in 2016 (*see Table 5*).[86]
  - Six states allowed families to continue receiving child care assistance while a parent searched for a job until the end of the family's twelve-month eligibility period in 2017. Four of these states changed the length of time families could continue receiving child care assistance while a parent searched for a job between 2016 and 2017; in 2016, the length of time families could continue receiving child care assistance while a parent searched for a job in these four states ranged from four weeks to ninety days.
  - One state allowed families to continue receiving child care assistance while a parent searched for a job for up to 180 days in 2017. This state had a time limit of three months in 2016.
  - Thirty-two states allowed families to continue receiving child care assistance while a parent searched for a job for up to three months or the equivalent (ninety, ninety-one, or ninety-two days, or twelve or thirteen weeks) in 2017.[87] Twenty-two of these states increased the length of time families could continue receiving child

care assistance while a parent searched for a job between 2016 and 2017; in 2016, two of these twenty-two states did not allow parents to continue receiving child care assistance while searching for a job, two states only allowed parents to continue receiving child care assistance until the end of the month in which they lost their job, and the other eighteen states had time limits that ranged from four weeks to two months.

  - Among the remaining ten states that allowed families to continue receiving child care assistance while a parent searched for a job, the time limit ranged from 80 hours to two months in 2017.

- One state permitted localities to determine whether families receiving child care assistance could continue receiving it while a parent searched for a job in 2017, the same as in 2016. Localities in this state could allow families to continue receiving child care assistance while a parent searched for a job for up to six months (if funds were available).
- One state did not allow families receiving child care assistance to continue receiving it while a parent searched for a job in 2017, compared to three states in 2016.
- Eleven states allowed families not receiving child care assistance to qualify for assistance while a parent searched for a job in 2017, compared to twelve states in 2016.[88]
  - Two states allowed families to qualify to receive child care assistance while a parent searched for a job for up to three months in 2017. One of these states increased the length of time families could qualify to receive child care assistance while a parent searched for a job from one month, and one of these states did not allow families to qualify for child care assistance while a parent searched for a job in 2016.
  - Among the remaining nine states that allowed families to qualify to receive child care assistance while a parent searched for a job, the time limit ranged from 80 hours to two months in 2017.
- Two states permitted localities to determine whether families not receiving child care assistance could qualify for assistance while a parent searched for a job in 2017, the same as in 2016.
  - One state permitted localities to allow families to qualify for child care assistance while a parent searched for a job for up to six months (if funds were available) in 2017.
  - One state permitted localities to allow families to qualify for child care assistance while a parent searched for a job and if localities chose to do so, they had to allow these families to receive child care assistance for at least thirteen weeks in 2017 (up from sixty days in 2016).
- Thirty-eight states did not allow families not receiving child care assistance to qualify for assistance while a parent searched for a job in 2017, compared to thirty-seven states in 2016.

Children can have greater stability if they can remain in the same child care arrangement without disruption when a parent loses one job and is searching for another job.

Looking ahead: developments since February 2017

ALTHOUGH THIS REPORT PRIMARILY FOCUSES ON CHANGES BETWEEN FEBRUARY 2016 AND FEBRUARY 2017, states reported on some changes they made or expected to make after February 2017. Nineteen states reported they had made or expected to make improvements in one or more of the policies covered in this report after February 2017. Eleven states reported they had made or expected to make cutbacks in one or more of the policies covered in this report after February 2017.[89]

- Five states increased, or planned to increase, their income eligibility limits for child care assistance by an amount that exceeds annual inflation after February 2017.[90]
  - California increased its income limit to qualify for assistance from 70 percent of the 2007 state median income ($42,216 a year for a family of three) to 70 percent of the 2015 state median income ($52,076 a year for a family of three) as of July 2017.[91]
  - The District of Columbia increased its income limit to qualify for assistance from 250 percent of the 2009 federal poverty level ($45,775 a year for a family of three) to 250 percent of the 2017 federal poverty level ($51,050 a year for a family of three) as of October 2017.[92]
  - Illinois increased its income limit to qualify for assistance from 162 percent of the 2017 federal poverty level ($33,084 a year for a family of three) to 185 percent of the 2017 federal poverty level ($37,788 a year for a family of three) as of October 2017.
  - Maryland planned to increase its income limit to qualify for assistance from 50 percent of the 2001 state median income ($29,990 a year for a family of three) to 60 percent of the 2017 state median income ($55,058 a year for a family of three); the state had not yet determined when this change would be implemented.[93]
  - West Virginia increased its income limit to qualify for assistance from 150 percent of the 2014 federal poverty level ($29,688 a year for a family of three) to 150 percent of the 2017 federal poverty level ($30,636 a year for a family of three) as of July 2017.[94]
- Two states reduced, or planned to reduce, their income eligibility limits for child care assistance after February 2017.
  - Delaware planned to reduce its income limit to qualify for assistance from 200 percent of the 2016 federal poverty level ($40,320 a year for a family of three) to 185 percent of the 2017 federal poverty level ($37,777 a year for a family of three) as of January 2018.[95]
  - New Hampshire reduced its income limit to qualify for assistance from 250 percent of the 2016 federal poverty level ($50,400 a year for a family of three) to 220 percent of the 2017 federal poverty level ($44,924 a year for a family of three) as of July 2017.[96]
- Three states reduced the number of children on the waiting list for child care assistance after February 2017.
  - Alabama's waiting list decreased from 6,632 children as of February 2017 to 694 children as of September 2017.
  - Pennsylvania's waiting list decreased from 12,520 children as of February 2017 to 5,652 children as of September 2017.

- Virginia's waiting list decreased from 9,611 children as of February 2017 to 6,272 children as of September 2017.

- Two states started placing families who applied for child care assistance on a waiting list and five states increased the number of children on the waiting list after February 2017.
  - Colorado's waiting list increased from 767 children as of February 2017 to 1,391 children as of September 2017.
  - Connecticut's waiting list increased from 3,540 families as of May 2017 to 4,544 families as of August 2017.
  - Florida's waiting list increased from 28,835 children as of February 2017 to 33,593 children as of August 2017.
  - Indiana's waiting list increased from 5,658 children as of February 2017 to 13,275 children as of September 2017.
  - Louisiana, which served all eligible families who applied as of February 2017, started a waiting list as of July 2017 and had 699 children on it as of August 2017.
  - North Carolina's waiting list increased from 26,608 children as of March 2017 to 31,872 children as of June 2017.
  - Oregon, which served all eligible families who applied as of February 2017, started a waiting list as of October 2017.

- Two states reduced copayments for families receiving child care assistance after February 2017.[97]
  - California reduced copayments for families as of July 2017. For example, the monthly copayment for a family of three at 150 percent of poverty ($30,630 a year) was reduced from $128 to $64. The state also increased the income up to which families can receive assistance without a copayment from 39 percent of the 2007 state median income ($23,400 a year for a family of three) to 39 percent of the 2015 state median income ($29,016 a year for a family of three).
  - The District of Columbia reduced copayments for families as of October 2017. For example, the monthly copayment for a family of three at 150 percent of poverty was reduced from $118 to $50. The state also increased the income up to which families can receive assistance without a copayment from 50 percent of the 2009 federal poverty level ($9,155 a year for a family of three) to 100 percent of the 2017 federal poverty level ($20,420 a year for a family of three).

- One state increased copayments for families receiving child care assistance after February 2017.
  - Wisconsin increased copayments for many families as of June 2017. For example, the monthly copayment for a family of three at 150 percent of poverty was increased from $238 to $244, and the monthly copayment for a family of three at 100 percent of poverty was increased from $95 to $105.

- Nine states increased their payment rates[98] for providers serving families receiving child care assistance after February 2017.[99]
  - Alaska increased its payment rates from the 75th percentile of 2009 market rates for infant and toddler care and the 50th percentile of 2009 market rates for all other categories of care to the 15th percentile of 2015 market rates as of October 2017. For example, the monthly payment rate for center care for a four-year-old in Anchorage increased from $650 to $700.
  - California planned to increase its payment rates for licensed care from the 75th percentile of 2014 market rates to the 75th percentile of 2016 market rates as of January 2018. For example, the monthly payment rate for center care for a four-year-old in Los Angeles County will increase from $1,039 to $1,124.
  - The District of Columbia increased its payment rates for infant care by 4 percent for centers and

10 percent for family child care as of October 2017. For example, the monthly payment rate for center care for a one-year-old increased from $1,013 to $1,054.

- Maryland increased its payment rates by 2 percent as of July 2017. For example, the monthly payment rate for center care for a four-year-old in Region W (which includes Anne Arundel, Calvert, Carroll, Charles, and Prince George's Counties) increased from $546 to $559.
- Massachusetts increased its payment rates by 6 percent effective July 2017. For example, the monthly payment rate for center care for a four-year-old in Boston increased from $869 to $922.
- Michigan increased its payment rates by 25 cents per hour as of July 2017. For example, the monthly payment rate for center care for a four-year-old statewide increased from $487 to $536.
- Nebraska increased its payment rates from the 60th percentile of 2015 market rates to the 50th percentile of 2017 market rates (unless rates were already higher, in which case they were not changed) as of July 2017. For example, the monthly payment rate for center care for a four-year-old in urban counties (which include Dakota, Douglas, Lancaster, and Sarpy Counties) increased from $779 to $801.
- New Hampshire increased its payment rates from the 50th percentile of 2014 market rates to the 50th percentile of 2016 market rates as of July 2017. For example, the monthly payment rate for center care for a four-year-old statewide increased from $779 to $801.
- Washington increased its payment rates for licensed centers by 6 percent as of September 2017.[100] For example, the monthly payment rate for center care for a four-year-old in King County increased from $758 to $803.

- Five states increased their tiered payment rates for higher-quality care, or began implementing tiered rates, after February 2017.
    - The District of Columbia increased its tiered payment rates for infant care for providers at the silver and gold levels of the city's quality rating and improvement system (which has three levels) as of October 2017. For example, the monthly payment rate for care for a one-year-old increased from $1,176 to $1,223 for a silver-tier center and from $1,355 to $1,409 for a gold-tier center, compared to the base rate (which also increased and is paid to bronze-tier centers) of $1,054.
    - Michigan increased its tiered payment rates as of July 2017. The state increased payment rates by 25 cents per hour for centers and family child care providers with ratings of one or two stars in the state's quality rating and improvement system (which has five star levels); by 50 cents per hour for three- and four-star centers and family child care providers; and by 75 cents per hour for five-star centers and family child care providers.[101] For example, the monthly payment rate for care for a four-year-old statewide increased from $487 to $536 for a one-star center, $536 to $585 for a two-star center, $585 to $682 for a three-star center, $633 to $731 for a four-star center, and $682 to $828 for a five-star center, compared to the base rate (which also increased) of $536.
    - Nebraska increased its tiered payment rates for accredited providers in certain categories of care as of July 2017. For example, the monthly payment rate for accredited center care for a toddler in urban counties increased from $929 to $974, compared to the base rate (which also increased) of $866.[102]
    - North Carolina increased its tiered payment rates for providers with ratings of three stars or higher in the state's quality rating and improvement system (which has five star levels) and serving children birth through age two in twenty of the state's 100 counties as of October 2017.[103] For example, the monthly payment rate for care for a one-year-old in Mecklenburg County increased from $787 to $963 for a three-star center, from $822 to $1,050 for a four-star center, and from $870 to $1,194 for a five-star center, compared to the base rate of $536.

- Pennsylvania increased its tiered payment rates for providers with ratings of three or four stars in the state's quality rating and improvement system (which has four levels) as of August 2017. For example, the monthly payment rate for care for a four-year-old in Philadelphia increased from $811 to $835 for a three-star center and from $869 to $906 for a four-star center, compared to the base rate of $707.[104]

- Eight states increased, or planned to increase, the amount of time families can receive child care assistance while a parent searches for a job, or began allowing families to qualify or continue to receive child care assistance while a parent searches for a job, after February 2017.[105]
  - Alaska extended the amount of time families can continue receiving child care assistance while a parent searches for a job from 80 hours per year to three consecutive months as of October 2017.
  - Iowa extended the amount of time families not already receiving child care assistance can qualify to receive assistance while a parent searches for a job from thirty days to three months as of July 2017.
  - Kentucky began allowing families not already receiving child care assistance to qualify to receive assistance while a parent searches for a job for up to three months as of October 2017.
  - Maryland planned to extend the amount of time families can continue receiving child care assistance while a parent searches for a job from thirty days to three months as of November 2017.
  - Minnesota planned to begin allowing families to continue receiving child care assistance while a parent searches for a job for up to three months as of December 2017, in addition to the 240 hours per year families could receive child care assistance while searching for a job as of February 2017.
  - New Hampshire extended the amount of time families can qualify or continue to receive child care assistance while a parent searches for a job from forty days in a six-month period to ninety-two days as of July 2017.
  - Virginia, which did not allow families to receive child care assistance while a parent searched for a job as of February 2017, was in the process of promulgating regulations to allow families to continue receiving assistance while a parent searches for a job until the end of their twelve-month eligibility period as of September 2017.
  - Wisconsin planned to extend the amount of time families can continue receiving child care assistance while a parent searches for a job from through the end of the month in which s/he lost his or her job to three months as of November 2017.

- One state stopped allowing families to qualify to receive child care assistance while a parent searches for a job after February 2017.
  - Alaska, which allowed families not already receiving child care assistance to qualify to receive assistance while a parent searched for a job for up to 80 hours per year as of February 2017, no longer allows families to qualify for child care assistance while a parent searches for a job as of October 2017.

Conclusion

FAMILIES' ACCESS TO CHILD CARE ASSISTANCE AND/OR THE EXTENT OF ASSISTANCE THEY COULD RECEIVE INCREASED under one or more key child care assistance policies in approximately four-fifths of the states, while families' access to assistance and/or the extent of assistance decreased under one or more key policies in approximately one-quarter of states (including some states that had both improvements and cutbacks), between February 2016 and February 2017. This year marks the fifth straight year in which families experienced improvements in more states than they experienced cutbacks.

Despite this progress, there are still serious shortfalls in state policies. Many states' income limits for child care assistance remain too low, leaving families that are struggling financially unable to qualify for help. A number of states have long waiting lists for child care assistance—some with tens of thousands of children on them—shutting out families even when they are eligible for help. In many states, families able to receive child care assistance still have a heavy financial burden due to high copayments. And most states' payment rates—even for higher-quality care—are so low that families' child care options are limited and providers willing to serve families receiving assistance strain to cover their costs. All of these barriers combine to make it extremely challenging for children and families to access the affordable, high-quality care they need and for providers—particularly those in low-income neighborhoods—to stay in business.

In addition, although many states made at least some progress in the key child care assistance policy areas addressed in this report, they are steadily losing ground in another important area: the number of children served. The number of children receiving child care assistance in 2015 (the most recent year for which data are available) was 1.40 million,[106] slightly lower than the 1.44 million children receiving assistance in 2014,[107] and much lower than the 1.81 million children receiving in assistance in 2001,[108] even though the number of children living in low-income families in 2015 was higher than in 2001.[109] The ongoing decline in children served exacerbates the unmet need—as it is, fewer than one in six children eligible for federal child care assistance receives it.[110]

It will only be possible to increase the number of children and families able to receive child care assistance, to make further improvements in the key policy areas examined in this report, and to meet both the specific requirements and broader goals of the CCDBG reauthorization law if federal and state funding for child care is significantly increased. Additional investments are essential for parents to have the affordable, reliable child care they need to work, for children to have the early learning opportunities they need to learn and thrive, and for our nation to have the strong workforce it needs now and in the future for a growing economy.

Endnotes

1 Research demonstrates the important role that high-quality child care plays in giving children a strong start. Suzanne Helburn, Mary L. Culkin, Carollee Howes, Donna Bryant, Richard Clifford, Debby Cryer, Ellen Peisner-Feinberg, and Sharon Lynn Kagan, Cost, Quality, and Child Outcomes in Child Care Centers (Denver, CO: University of Colorado, 1995); Ellen S. Peisner-Feinberg, Richard M. Clifford, Mary L. Culkin, Carollee Howes, Sharon Lynn Kagan, et al., The Children of the Cost, Quality, and Outcomes Study Go to School (Chapel Hill, NC: University of North Carolina, Frank Porter Graham Child Development Center, 1999); Eric Dearing, Kathleen McCartney, and Beck A. Taylor, Does Higher Quality Early Child Care Promote Low-Income Children's Math and Reading Achievement in Middle Childhood?, Child Development, 80 (5), 2009, 1329-1349; National Research Council and the Institute of Medicine, From Neurons to Neighborhoods: The Science of Early Childhood Development (Washington, DC: National Academy Press, 2000).

2 In 2016 (the most recent year for which data are available), 6.4 million families with children under age six (39.5 percent) had incomes under 200 percent of poverty. U.S. Census Bureau, Current Population Survey, 2017 Annual Social and Economic Supplement, Detailed Table POV08: Families With Related Children Under 6 by Number of Working Family Members and Family Structure: 2016, *available at* https://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pov/pov-08.2016.html.

3 Child Care Aware of America, Parents and the High Cost of Child Care: 2016 Appendices (Arlington, VA: Child Care Aware of America, 2016), 4-5, *available at* http://usa.childcareaware.org/advocacy-public-policy/resources/costofcare/.

4 These forty-one states are Alabama, Arizona, Arkansas, California, Colorado, Connecticut, District of Columbia, Florida, Georgia, Idaho, Indiana, Iowa, Kansas, Kentucky, Maine, Massachusetts, Michigan, Minnesota, Mississippi, Missouri, Nebraska, Nevada, New Jersey, New Mexico, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, West Virginia, Wisconsin, and Wyoming. Families were considered better off under state child care assistance policies between 2016 and 2017 if during that time period the state increased its income eligibility limit to qualify for child care assistance by an amount that exceeded an annual inflation adjustment; reduced its waiting list, served all families on the waiting list, or unfroze intake; reduced parent copayments for families at 100 percent of poverty and/or 150 percent of poverty as a percentage of income; increased provider payment rates as a dollar amount; increased or began implementing payment rate differentials for higher-quality care; and/or increased the amount of time families could receive child care assistance while a parent searched for a job or started allowing families to qualify for or continue receiving child care assistance while a parent searched for a job.

5 These fourteen states are Alaska, Arizona, Colorado, Connecticut, Florida, Georgia, Maryland, Mississippi, Nevada, North Carolina, North Dakota, Oregon, Pennsylvania, and Texas. Eleven of these states are also included in the list of forty-one states above because in these states, families were worse off under some policies, but better off under other policies. Families were considered worse off under state child care assistance policies between 2016 and 2017 if during that time period the state reduced its income eligibility limit to qualify for child care assistance as a dollar amount; implemented a waiting list, increased its waiting list, or froze intake; increased parent copayments for families at 100 percent of poverty and/or 150 percent of poverty as a percentage of income; reduced provider payment rates as a dollar amount or stopped paying providers at the federally recommended level, the 75th percentile of current market rates; reduced payment rate differentials for higher-quality care; and/or reduced the length of time families could receive child care assistance while a parent searched for a job or stopped allowing families to qualify for or continue receiving child care assistance while a parent searched for a job.

6 Karen Schulman and Helen Blank, Red Light Green Light: State Child Care Assistance Policies 2016 (Washington, DC: National Women's Law Center, 2016), *available at* https://nwlc.org/wp-content/uploads/2016/10/NWLC-State-Child-Care-Assistance-Policies-2016-final.pdf. These counts include eight states in which families were better off under some policies and worse off under others.

7 Karen Schulman and Helen Blank, Building Blocks: State Child Care Assistance Policies 2015 (Washington, DC: National Women's Law Center, 2015), *available at* https://nwlc.org/wp-content/uploads/2015/11/CC_RP_Building_Blocks_Assistance_Policies_2015.pdf. These counts include eleven states in which families were better off under some policies and worse off under others.

8 Karen Schulman and Helen Blank, Turning the Corner: State Child Care Assistance Policies 2014 (Washington, DC: National Women's Law Center, 2014), *available at* http://www.nwlc.org/sites/default/files/pdfs/nwlc_2014statechildcareassistancereport-final.pdf. These counts include eight states in which families were better off under some policies and worse off under others.

9 Karen Schulman and Helen Blank, Pivot Point: State Child Care Assistance Policies 2013 (Washington, DC: National Women's Law Center, 2013), *available at* http://www.nwlc.org/sites/default/files/pdfs/final_nwlc_2013statechildcareassistancereport.pdf. These counts include twelve states in which families were better off under some policies and worse off under others.

10 Karen Schulman and Helen Blank, Downward Slide: State Child Care Assistance Policies 2012 (Washington, DC: National Women's Law Center, 2012), *available at* http://www.nwlc.org/sites/default/files/pdfs/NWLC2012_StateChildCareAssistanceReport.pdf. These counts include six states in which families were better off under some policies and worse off under others.

11 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), *available at* http://www.nwlc.org/sites/default/files/pdfs/state_child_care_assistance_policies_report2011_final.pdf. These counts include seven states in which families were better off under some policies and worse off under others.

12 American Recovery and Reinvestment Act, Pub. L. No. 111–8, 123 Stat. 524 (2009).

13 Program Instruction (CCDF-ACF-PI-2009-03), Issued April 9, 2009, *available at* http://www.acf.hhs.gov/sites/default/files/occ/pi2009_03.pdf.

14 Budget Control Act of 2011, Pub. L. No. 112–25, 125 Stat. 240 (2011).

15 CCDBG funding was $5.140 billion in FY 2011 ($5.771 billion in FY 2017 dollars), $5.195 billion in FY 2012 ($5.713 billion in FY 2017 dollars), $5.123 billion in FY 2013 ($5.540 billion in FY 2017 dollars), $5.275 billion in FY 2014 ($5.601 billion in FY 2017 dollars), $5.352 billion in FY 2015 ($5.576 billion in FY 2017 dollars), $5.678 billion in FY 2016 ($5.814 billion in FY 2017 dollars), and $5.773 billion in FY 2017. FY 2011 and FY 2012 funding levels from U.S. Department of Health and Human Services, Fiscal Year 2013 Budget in Brief (Washington, DC: U.S. Department of Health and Human Services, 2012), 88, 92, *available at* http://www.hhs.gov/about/agencies/asfr/budget/budgets-in-brief-performance-reports/index.html#. FY 2013 funding level from U.S. Department of Health and Human Services, Fiscal Year 2015 Budget in Brief (Washington, DC: U.S. Department of Health and Human Services, 2014), 108, 113, *available at* http://www.hhs.gov/sites/default/files/budget/fy2015/fy-2015-budget-in-brief.pdf. FY 2014 and FY 2015 funding levels from U.S. Department of Health and Human Services, FY 2016 President's Budget for HHS (Washington, DC: U.S. Department of Health and Human Services, 2015), 120, 125, *available at* http://www.hhs.gov/sites/default/files/budget/fy2016/fy-2016-budget-in-brief.pdf. FY 2016 funding level from U.S. Department of Health and Human Services, FY 2017 President's Budget for HHS (Washington, DC: U.S. Department of Health and Human Services, 2016), 132, 139, *available at* http://www.hhs.gov/sites/default/files/fy2017-budget-in-brief.pdf. FY 2017 funding level from Consolidated Appropriations Act of 2017, H.R. 244, 115th Cong. 398 (2017) (enacted), *available at* https://www.congress.gov/115/bills/hr244/BILLS-115hr244enr.pdf; Office of Management

and Budget, Appendix, Budget of the U.S. Government, Fiscal Year 2018 (2017), 461, *available at* https://www.govinfo.gov/content/pkg/BUDGET-2018-APP/pdf/BUDGET-2018-APP.pdf. Inflation adjustments calculated by National Women's Law Center using Congressional Budget Office, The Budget and Economic Outlook report series; figures are adjusted for inflation using the average of the Consumer Price Index and the Employment Cost Index. *See* section on funding for child care assistance for more details.

16 National Association of State Budget Officers, The Fiscal Survey of States: Spring 2016 (Washington, DC: NASBO, 2016), *available at* http://www.nasbo.org/mainsite/reports-data/fiscal-survey-of-states/fiscal-survey-archives; National Association of State Budget Officers, The Fiscal Survey of States: Spring 2015 (Washington, DC: NASBO, 2015), *available at* http://www.nasbo.org/mainsite/reports-data/fiscal-survey-of-states/fiscal-survey-archives; National Association of State Budget Officers, The Fiscal Survey of States: Spring 2014 (Washington, DC: NASBO, 2014), *available at* http://www.nasbo.org/mainsite/reports-data/fiscal-survey-of-states/fiscal-survey-archives; National Conference of State Legislatures, State Budget Update: Spring 2014 (Denver, CO: NCSL, 2014), *available at* http://www.ncsl.org/documents/fiscal/SPRING_SBU_2014_free.pdf; National Conference of State Legislatures, State Budget and Tax Actions: Preliminary Report (August 2013) (Denver, CO: NCSL, 2013), *available at* http://www.ncsl.org/Portals/1/Documents/fiscal/SBTA_PreliminaryReport_final.pdf; Elizabeth McNichol, States Should React Cautiously to Recent Income Tax Growth: April Surge Provides Opportunity to Invest in Infrastructure, Boost Reserves (Washington, DC: Center on Budget and Policy Priorities, 2013), *available at* http://www.cbpp.org/files/6-13-13sfp.pdf.

17 National Association of State Budget Officers, The Fiscal Survey of States: Spring 2017 (Washington, DC: NASBO, 2017), *available at* http://www.nasbo.org/reports-data/fiscal-survey-of-states.

18 Iris J. Lav and Michael Leachman, The Trump Budget's Massive Cuts to State and Local Services and Programs (Washington, DC: Center on Budget and Policy Priorities, 2017), *available at* https://www.cbpp.org/research/state-budget-and-tax/the-trump-budgets-massive-cuts-to-state-and-local-services-and.

19 This report uses 2001 policies as the basis for comparison because, until 2010, it was the year between the peak year for CCDBG funding, 2002, and the peak year for Temporary Assistance for Needy Families (TANF) funding used for child care, 2000. *See* section on funding for child care assistance.

20 Child Care and Development Block Grant Act of 2014, Pub. L. 113-186, 128 Stat. 1971 (2014).

21 *See* Child Care and Development Block Grant Act of 2014, Pub. L. 113-186, 128 Stat. 1971, 1979 (2014). The federal Office of Child Care allowed states until September 30, 2016, to implement provisions in the law for which an effective date is not specified, including this provision. *See* U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Care, Draft Child Care and Development Fund Plan Preprint for Public Comment, September 14, 2015, 5, *available at* https://www.acf.hhs.gov/sites/default/files/occ/fy2016_2018_ccdf_plan_preprin_draft_for_public_comment_91415.pdf. In addition, the Office of Child Care granted waivers to a number of states for certain provisions, including this provision. *See* National Women's Law Center, Child Care and Development Fund Plans FY 2016-2018: State Waivers and Corrective Actions (2016), *available at* https://nwlc.org/wp-content/uploads/2016/08/CCDF-State-Plans-FY-2016-2018-State-Waivers-and-Corrective-Actions-FINAL.pdf.

22 Karen Schulman, The Child Care and Development Block Grant Act of 2014: Uneven State Implementation of Key Policies (Washington, DC: National Women's Law Center, 2017), *available at* https://nwlc.org/wp-content/uploads/2017/09/NWLC-report-on-state-implementation-of-CCDBG-reauthorization.pdf.

23 *See* Child Care and Development Block Grant Act of 2014, Pub. L. 113-186, 128 Stat. 1971 (2014).

24 This study focuses on the income criteria used to determine a family's eligibility when it first applies for assistance because this traditionally has been used as the measure of access to benefit programs and determines whether a family can enter the program. However, some states allow families to continue to receive assistance up to a higher income level than the initial eligibility limit. Information about states that have different entrance and exit income eligibility limits is provided in the notes to Tables 1a and 1b.

25 The federal poverty level for a family of three was $20,420 in 2017. U.S. Department of Health and Human Services, 2017 Poverty Guidelines, *available at* https://aspe.hhs.gov/poverty-guidelines. The federal poverty level for a family of three was $20,160 in 2016. U.S. Department of Health and Human Services, 2016 Poverty Guidelines, *available at* https://aspe.hhs.gov/computations-2016-poverty-guidelines.

26 The federal poverty level for a family of three was $14,630 in 2001. U.S. Department of Health and Human Services, The 2001 HHS Poverty Guidelines, *available at* http://aspe.hhs.gov/2001-hhs-poverty-guidelines.

27 Comparable data were not collected for 2001.

28 Comparable data were not collected for 2001.

29 This amount includes $2.856 billion in discretionary funding and $2.917 billion in mandatory (entitlement) funding. Consolidated Appropriations Act of 2017, H.R. 244, 115th Cong. 398 (2017) (enacted); Appendix, Budget of the U.S. Government, Fiscal Year 2018, 461.

30 This amount includes $2.761 billion in discretionary funding and $2.917 billion in mandatory (entitlement) funding. FY 2017 President's Budget for HHS, 132, 139.

31 Inflation adjustment calculated by National Women's Law Center using Congressional Budget Office, The Budget and Economic Outlook report series; figures are adjusted for inflation using the average of the Consumer Price Index and the Employment Cost Index.

32 This amount includes $2.127 billion in discretionary funding, $2.917 billion in mandatory (entitlement) funding, and $1 billion in ARRA funding (assuming that the additional $2 billion in CCDBG funding for states to obligate in FY 2009 and FY 2010 provided through ARRA allowed for $1 billion in ARRA funds each year for FY 2009 and FY 2010). U.S. Department of Health and Human Services, Fiscal Year 2011 Budget in Brief (Washington, DC: U.S. Department of Health and Human Services, 2010), 75, 79, *available at* https://www.hhs.gov/about/agencies/asfr/budget/budgets-in-brief-performance-reports/index.html.

33 National Women's Law Center calculations using Congressional Budget Office, The Budget and Economic Outlook report series; figures are adjusted for inflation using the average of the Consumer Price Index and the Employment Cost Index.

34 CCDBG funding in FY 2002, before adjusting for inflation, was $4.817 billion. This amount includes $2.1 billion in discretionary funding and $2.717 billion in mandatory (entitlement) funding. U.S. Department of Health and Human Services, FY 2003 President's Budget for HHS (Washington, DC: U.S. Department of Health and Human Services, 2002), 83, 92, *available at* https://www.hhs.gov/about/agencies/asfr/budget/budgets-in-brief-performance-reports/index.html. Inflation adjustment calculated by National Women's Law Center using Congressional Budget Office, The Budget and Economic Outlook report series; figures are adjusted for inflation using the average of the Consumer Price Index and the Employment Cost Index.

35 This total includes $1.251 billion transferred to CCDBG and $1.253 billion spent directly on child care (including both that categorized as "assistance" and "non-assistance"). National Women's Law Center analysis of data from U.S. Department of Health and Human Services, Administration for Children and Families, Fiscal Year 2015 TANF Financial Data, Table A.1.: Federal TANF and State MOE Expenditures Summary by ACF-196 Spending Category, FY 2015, *available at* http://www.acf.hhs.gov/ofa/resource/tanf-financial-data-fy-2015.

36 This total includes $2.413 billion transferred to CCDBG, $353 million spent on child care categorized as "assistance," and $1.200 billion spent on child care categorized as "non-assistance." National Women's Law Center analysis of data from U.S. Department of Health and Human

Services, Administration for Children and Families, Fiscal Year 2000 TANF Financial Data, Table A. Combined Federal Funds Spent in FY 2000 Through the Fourth Quarter, *available at* http://archive.acf.hhs.gov/programs/ofs/data/tanf_2000.html.

37 National Women's Law Center calculations using Congressional Budget Office, The Budget and Economic Outlook report series; figures are adjusted for inflation using the average of the Consumer Price Index and the Employment Cost Index.

38 In FY 2001, CCDBG funding was $4.567 billion ($6.550 billion in FY 2017 dollars) and TANF funding used for child care was $3.541 billion ($5.078 billion in FY 2017 dollars). The CCDBG funding amount includes $2.0 billion in discretionary funding and $2.567 billion in mandatory (entitlement) funding. U.S. Department of Health and Human Services, FY 2002 President's Budget for HHS (Washington, DC: U.S. Department of Health and Human Services, 2001), 89-90, *available at* http://archive.hhs.gov/budget/pdf/hhs2002.pdf. The TANF funding amount includes $1.899 billion transferred to CCDBG, $285 million spent on child care categorized as "assistance," and $1.357 billion spent on child care categorized as "non-assistance." National Women's Law Center analysis of data from U.S. Department of Health and Human Services, Administration for Children and Families, Fiscal Year 2001 TANF Financial Data, Table A. Combined Federal Funds Spent in FY 2001 Through the Fourth Quarter, *available at* http://archive.acf.hhs.gov/programs/ofs/data/tanf_2001.html. CCDBG and TANF amounts in FY 2017 dollars calculated by National Women's Law Center using Congressional Budget Office, The Budget and Economic Outlook report series; figures are adjusted for inflation using the average of the Consumer Price Index and the Employment Cost Index.

39 In states that allow localities to set their income limits within a state-specified range, the maximum of that range is used for the analysis in this report.

40 State median income is not used to measure inflation between 2001 and 2017 because variations among states in state median income adjustments and in the benchmark states use to set their income eligibility limits are more difficult to track than changes in the federal poverty level over a long-term period.

41 These six states are Georgia (which increased its income limit from 160 percent of the 2008 federal poverty level to 50 percent of the 2017 state median income), Kentucky (which increased its income limit from 150 percent of the 2011 federal poverty level to 160 percent of the 2016 federal poverty level), Michigan (which changed its income limit for the first time since 2003, bringing it to 125 percent of the 2016 federal poverty level), Mississippi (which increased its income limit from 85 percent of the 2004 state median income to 85 percent of a current state median income estimate), Tennessee (which increased its income limit from 60 percent of the 2014 state median income to 85 percent of the 2017 state median income), and Vermont (which increased it income limit from 200 percent of the 2014 federal poverty level to 300 percent of the 2016 federal poverty level). In most instances, the states included in the counts referenced in the text of this report are discernible from the tables following the endnotes. When the states are not easily discernible from the tables, the endnotes identify the states referenced.

42 These thirty states include twenty-four states (Alabama, Arizona, Delaware, Idaho, Illinois, Indiana, Iowa, Kansas, Missouri, Montana, Nebraska, Nevada, New Hampshire, New Mexico, New York, Ohio, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Virginia, Washington, and Wyoming) that set their income limits based on the federal poverty level and adjusted their income limits for the 2016 federal poverty level; five states (Colorado, Connecticut, Massachusetts, Minnesota, and Texas) that set their income limits based on state median income and adjusted their income limits for the 2017 state median income; and one state (Arkansas) that set its income limit based on state median income and adjusted its income limit for the 2015 state median income between February 2016 and February 2017.

43 These two states include one state (New Jersey) that set its income limit based on the federal poverty level and adjusted its income limit from the 2014 to 2016 federal poverty level; and one state (Wisconsin) that set its income limit based on the federal poverty level and adjusted its income limit from the 2015 to 2017 federal poverty level between February 2016 and February 2017.

44 This state is North Dakota (which reduced its income limit from 85 percent of the 2016 state median income to 60 percent of the 2017 state median income).

45 These fourteen states include one state in which the income limit decreased by five percentage points, three states in which the income limit decreased by three percentage points, three states in which the income limit decreased by two percentage points, one state in which the income limit decreased by one percentage point, two states in which the income limit stayed the same, two states in which the income limit increased by three percentage points, one state in which the income limit increased by four percentage points, and one state in which the income limit increased by five percentage points as a percentage of the federal poverty level.

46 National Women's Law Center analysis of data from Elise Gould, Tanyell Cooke, and Will Kimball, What Families Need to Get By: EPI's 2015 Family Budget Calculator (Washington, DC: Economic Policy Institute, 2015), *available at* http://www.epi.org/publication/what-families-need-to-get-by-epis-2015-family-budget-calculator/; and from Sylvia Allegretto, Basic Family Budgets: Working Families' Incomes Often Fail to Meet Living Expenses Around the U.S. (Washington, DC: Economic Policy Institute, 2005), *available at* http://www.epi.org/page/-/old/briefingpapers/165/bp165.pdf.

47 *See,* e.g., Karen Schulman and Helen Blank, In Their Own Voices: Parents and Providers Struggling with Child Care Cuts (Washington, DC: National Women's Law Center, 2005), 10; Children's Action Alliance, The Real Reality of Arizona's Working Families—Child Care Survey Highlights (Phoenix, AZ: Children's Action Alliance, 2004); Deborah Schlick, Mary Daly, and Lee Bradford, Faces on the Waiting List: Waiting for Child Care Assistance in Ramsey County (Ramsey County, MN: Ramsey County Human Services, 1999) (Survey conducted by the Minnesota Center for Survey Research at the University of Minnesota); Philip Coltoff, Myrna Torres, and Natasha Lifton, The Human Cost of Waiting for Child Care: A Study (New York, NY: Children's Aid Society, 1999); Jennifer Gulley and Ann Hilbig, Waiting List Survey: Gulf Coast Workforce Development Area (Houston, TX: Neighborhood Centers, Inc., 1999); Jeffrey D. Lyons, Susan D. Russell, Christina Gilgor, and Amy H. Staples, Child Care Subsidy: The Costs of Waiting (Chapel Hill, NC: Day Care Services Association, 1998); Casey Coonerty and Tamsin Levy, Waiting for Child Care: How Do Parents Adjust to Scarce Options in Santa Clara County? (Berkeley, CA: Policy Analysis for California Education, 1998); Philadelphia Citizens for Children and Youth, et al., Use of Subsidized Child Care by Philadelphia Families (Philadelphia, PA: Philadelphia Citizens for Children and Youth, 1997); Greater Minneapolis Day Care Association, Valuing Families: The High Cost of Waiting for Child Care Sliding Fee Assistance (Minneapolis, MN: Greater Minneapolis Day Care Association, 1995).

48 Waiting lists are not a perfect measure of unmet need, however. For example, waiting lists may increase due to expanded outreach efforts that make more families aware of child care assistance programs, and may decrease due to a state's adoption of more restrictive eligibility criteria.

49 Tennessee is characterized in this report as a state with frozen intake in 2016 because as of February 2016 it generally did not serve families that were eligible for child care assistance under its eligibility criteria unless they were families receiving or transitioning from TANF, teen-parent families, foster families, or families with children receiving protective services.

50 These three states are Indiana, Nevada, and Pennsylvania.

51 These two states are Florida and Texas.

52 These three states are Alabama, Arkansas, and Massachusetts.

53 Comparable data were not collected for 2001.

54 If a state determines its copayments based on the cost of care, this report assumes that the family had a four-year-old in a licensed center charging the state's maximum base payment rate. If a state allows localities to set their copayments within a state-specified range, the maximum of that range is used for the analysis in this report.

55 U.S. Census Bureau, Who's Minding the Kids? Child Care Arrangements: 2011, Detailed Tables, Table 6: Average Weekly Child Care Expenditures of Families with Employed Mothers that Make Payments, by Age Groups and Selected Characteristics: Spring 2011 (2013), *available at* http://www.census.gov/data/tables/2008/demo/2011-tables.html.

56 Child Care and Development Fund (Preamble to Final Rule), 81 Fed. Reg. 190 (September 30, 2016), *available at* https://www.federalregister.gov/documents/2016/09/30/2016-22986/child-care-and-development-fund-program.

57 For a family of three, 150 percent of the federal poverty level was equal to an income of $30,240 in 2016 and $30,630 in 2017.

58 These seven states do not include states that had income eligibility limits to initially qualify for assistance at or below 150 percent of poverty but allowed families already receiving assistance to remain eligible with incomes above 150 percent of poverty, as was the case for ten states in 2016 (Florida, Indiana, Kentucky, Michigan, Missouri, Nebraska, Nevada, Ohio, South Carolina, and West Virginia) and fourteen states in 2017 (Alabama, Florida, Georgia, Idaho, Indiana, Iowa, Michigan, Missouri, Montana, Nebraska, Nevada, Ohio, South Carolina, and West Virginia).

59 For a family of three, 150 percent of the federal poverty level was equal to an income of $21,945 in 2001.

60 This recommendation to set payment rates at the 75th percentile of current market rates is in the preamble to both the previous regulations, *see* Child Care and Development Fund (Preamble to Final Rule), 63 Fed. Reg. 142 (July 24, 1998), *available at* http://www.gpo.gov/fdsys/pkg/FR-1998-07-24/pdf/98-19418.pdf, and the new regulations issued in September 2016, *see* Child Care and Development Fund (Preamble to Final Rule), 81 Fed. Reg. 190 (September 30, 2016). Under the CCDBG Act of 2014, which codified the ways in which states must set payment rates, states must set their rates using a market rate survey or alternative methodology that they have "developed and conducted (not earlier than 2 years before the date of the submission of the application containing the State plan)." Child Care and Development Block Grant Act of 2014, Pub. L. 113-186, 128 Stat. 1971, 1985-1986 (2014). Since the law also requires states to submit their plans only once every three years, Child Care and Development Block Grant Act of 2014, Pub. L. 113-186, 128 Stat. 1971, 1972 (2014), the effect of the statutory language is to permit rates to be set based on a market rate survey older than two years. However, this report, as in previous years, considers rates to be current if based on a market rate survey conducted no more than two years earlier.

61 For this analysis, a state's payment rates are not considered to be at the 75th percentile of market rates if only some of its rates—for example, for certain regions, age groups, or higher-quality care—are at the 75th percentile.

62 Arkansas and South Carolina are not counted as setting their payment rates at the 75th percentile of market rates, even though some of their payment rates—including some rates shown in Table 4c—were at or above the 75th percentile of market rates, because the states' payment rates for some other categories fell below the 75th percentile of market rates in 2017.

63 These twenty-six states are Alabama, California, Connecticut, Florida, Idaho, Kansas, Kentucky, Louisiana, Maine, Massachusetts, Missouri, Montana, Nebraska, New Hampshire, New Mexico, New York, North Carolina, Oregon, Rhode Island, South Carolina, South Dakota, Texas, Utah, Vermont, Washington, and West Virginia. Connecticut is included because it increased its rates for family child care, although not for centers. Florida is included because some of its local early learning coalitions—which set rates and determine when to update them—increased their rates. New Mexico is included because it increased its rates for care for preschool- and school-age children. North Carolina is included because it increased its rates in eighty of the state's 100 counties. Texas is included because fourteen of its twenty-eight local boards—which set rates and determine when to update them—increased at least some of their rates. Vermont is included because it increased its rates for infant care. States are generally not included here if they increased only their higher rates for higher-quality care (tiered rates) and not their base rates; *see* note 79 and accompanying text for discussion of increases in tiered rates. However, North Carolina, which increased rates only for providers with three stars or higher in the state's quality rating and improvement system (which has five levels), is included here because the state requires all providers serving families receiving child care assistance (except religious-sponsored providers and providers with a temporary license) to have a rating of three stars or higher. Differences between rates shown in Table 4c of this report and rates shown in Table 4c of the State Child Care Assistance Policies 2015 and 2016 reports for any states other than those identified in this and the following endnote are due to revisions or recalculations of the data or changes in the category for which data are reported rather than policy changes.

64 These fifteen states are Alabama, California, Connecticut, Florida, Idaho, Maine, Massachusetts, Missouri, New York, North Carolina, South Dakota, Texas, Vermont, Washington, and West Virginia. Connecticut is included because it increased its rates for family child care, although not for centers. Florida is included because some of its local early learning coalitions increased their rates. North Carolina is included because it increased its rates for care for children ages three to five in eighty of the state's 100 counties. Texas is included because seven of its twenty-eight local boards increased at least some of their rates. Vermont is included because it increased its rates for infant care.

65 This state is Colorado.

66 This analysis is based on rates in each state's most populous city, county, or region. For states that pay higher rates for higher-quality care, this analysis uses the state's most common payment rate level (the level representing the greatest number of providers). Also note that states were asked to report the 75th percentile of market rates based on their most recent market rate survey, and most states reported data from 2015 or more recent surveys. However, nine states—Alabama, Arizona, District of Columbia, Illinois, Iowa, Kansas, Louisiana, New Jersey, and Oklahoma—reported data from 2012 or 2014. Alabama, Arizona, District of Columbia, Illinois, Iowa, New Jersey, and Oklahoma are included in these thirty-one states because their payment rates were 20 percent or more below the 75th percentile of market rates based on their outdated surveys, and so presumably their payment rates would be 20 percent or more below the 75th percentile of current market rates. Kansas and Louisiana are not included in the thirty-one states because their payment rates were less than 20 percent below the 75th percentile of market rates based on their outdated surveys, and thus it is not possible to calculate whether their payment rates were 20 percent or more below the 75th percentile of current market rates.

67 Alabama, Arizona, District of Columbia, Illinois, and New Jersey are included in these twenty-three states because their payment rates were 20 percent or more below the 75th percentile of market rates based on their outdated surveys, and so presumably their payment rates would be 20 percent or more below the 75th percentile of current market rates. Iowa, Kansas, Louisiana, and Oklahoma are not included in the twenty-three states because their payment rates were less than 20 percent below the 75th percentile of market rates based on their outdated surveys, and thus it is not possible to calculate whether their payment rates were 20 percent or more below the 75th percentile of current market rates.

68 Comparable data were not collected for 2001. However, comparable data were collected for 2000 and 2005. In each of these years, thirty-seven states permitted child care providers to charge parents the difference between the state payment rate and the provider's private fee. Karen Schulman and Helen Blank, Child Care Assistance Policies 2005: States Fail to Make Up Lost Ground, Families Continue to Lack Critical Supports (Washington, DC: National Women's Law Center, 2005), 5, 18; Karen Schulman, Helen Blank, and Danielle Ewen, A Fragile Foundation: State Child Care Assistance Policies (Washington, DC: Children's Defense Fund, 2001), 103.

69 This analysis is based on tiered rates in each state's most populous city, county, or region. Within each state, the use and structure of tiered rates may vary across cities, counties, or regions.

70 Comparable data on tiered rates were not collected for 2001.

71 The three states that adopted tiered rates between 2016 and 2017 are Alabama, Iowa, and Oregon.
72 This state is Hawaii.
73 This state is Massachusetts.
74 This analysis is based on the number of different rate levels, not based on the number of quality levels. The base rate refers to the lowest rate level, regardless of whether the base level is incorporated into the state's quality rating and improvement system (for example, a base rate that is the initial one-star rate in a five-star rating system) or is not a level of the quality rating and improvement system (for example, a base rate that is the rate for providers not participating in a voluntary five-star rating system).
75 Between 2016 and 2017, three states changed how many rate levels they used. Mississippi reduced the number of its rates levels from five to two. Nevada increased the number of its rate levels from four to five. Ohio increased the number of its rate levels from six to seven.
76 Massachusetts is not included in this analysis because it does not have higher rates for higher-quality care for four-year-olds. Massachusetts' highest rate for center care for a one-year-old was 19 percent below the 75th percentile of current market rates for this type of care.
77 These twenty-eight states include Florida, Indiana, and North Carolina, which determined a separate 75th percentile of current market rates for child care providers at each quality level. In North Carolina, the payment rate at the highest quality level was lower than the 75th percentile for each of the state's quality levels. Similarly, in Florida, the payment rate at the highest quality was lower than the 75th percentile for each of the state's quality levels. In Indiana, the payment rate at the highest quality level was lower than the 75th percentile for the state's highest quality level.
78 Massachusetts' highest rate for center care for a one-year-old was 3 percent above its lowest rate for this type of care.
79 These six states are Colorado, Georgia, Indiana, Nevada, North Carolina, and Ohio. North Carolina is included because it increased the differential between the lowest and highest rates for care for preschoolers in eighty of its 100 counties, although not the county shown in Table 4d. Colorado, where counties set their own tiered rates, is included because some of its counties (including Denver) increased the differential between the lowest and highest rates for care.
80 These two states are Mississippi, which eliminated its highest rate tiers, and West Virginia, which increased its highest rate but had a reduction in the differential because it increased its base rate as well.
81 *See* Draft Child Care and Development Fund Plan Preprint for Public Comment, 5.
82 National Women's Law Center, Child Care and Development Fund Plans FY 2016-2018: State Waivers and Corrective Actions.
83 These two states are Alabama and Wyoming. *See* Table 5 for more details about these and other states' policy changes.
84 This analysis is based on policies for families not connected to the TANF program. Additional states allowed families receiving or transitioning from TANF to qualify for child care assistance while a parent searched for a job.
85 Two states (Mississippi and North Dakota) allowed parents to qualify for child care assistance while a parent searched for a job in 2016 but not 2017, and one state (West Virginia) allowed parents to qualify for child care assistance while a parent searched for a job in 2017 but not 2016.
86 The total reported here for the number of states that allowed families to continue receiving child care assistance while a parent searched for a job in 2016 differs from that reported in the Red Light Green Light: State Child Care Assistance Policies 2016 due to a correction in data for New York.
87 Some of these states allowed parents to continue receiving child care assistance for three months (or the equivalent) even if they reached the end of their eligibility period before the end of that three-month period for job search, while some of these states only allowed parents to continue receiving child care assistance until the end of their eligibility period, even if the parent had not yet had a full three months to search for a job; *see* Table 5 notes for more details on each state's policy.
88 The total reported here for the number of states that allowed families to qualify to receive child care assistance while a parent searched for a job in 2016 differs from that reported in the Red Light Green Light: State Child Care Assistance Policies 2016 due to corrections in data for the District of Columbia and Nevada.
89 These states include four states (Alaska, New Hampshire, North Carolina, and Wisconsin) that improved their policies in one or more areas and had cutbacks in one or more other areas.
90 States are only counted here if they increased their income limit to qualify for assistance since, as discussed in the methodology section above, this report focuses on the income criteria used to determine a family's eligibility when it first applies for assistance. Some states have a separate exit eligibility limit for families already receiving child care assistance. Two of the states that increased their income limits to qualify for child care assistance (California and Maryland) established, or planned to establish, a separate exit eligibility limit and two of the states that increased their income limits to qualify for child care assistance (District of Columbia and West Virginia) increased their exit eligibility limits as well, as described in the following endnotes. In addition, Kentucky, which did not increase its income limit to qualify for assistance beyond an adjustment for inflation, began allowing families already receiving assistance whose income exceeds the initial eligibility limit to qualify for assistance to continue receiving assistance, for up to an additional twelve months following recertification, if their income does not exceed 85 percent of state median income ($49,042 a year for a family of three) as of July 2017; previously, the state did not have a separate exit eligibility limit. Louisiana, which did not increase its income limit to qualify for assistance beyond an adjustment for inflation, planned to begin allowing families already receiving assistance to continue doing so until their income reaches 85 percent of state median income ($49,776 a year for a family of three) as of January 2018; the state does not currently have a separate exit eligibility limit. Oklahoma, which did not increase its income limit to qualify for assistance, began allowing families already receiving assistance to continue doing so until their income reaches 85 percent of state median income ($47,712 a year for a family of three) as of October 2017; previously, the state did not have a separate exit eligibility limit. Vermont, which did not increase its income limit to qualify for assistance beyond an adjustment for inflation, began allowing families already receiving assistance to continue doing so until their income reaches 85 percent of state median income ($62,676 a year for a family of three) as of April 2017; previously, the state did not have a separate exit eligibility limit. (The CCDBG Act of 2014 requires states to allow families to continue receiving child care assistance until the end their twelve-month eligibility period, regardless of temporary changes in their participation in work, training, or education or changes in their income, as long as their income does not exceed 85 percent of state median income, Child Care and Development Block Grant Act of 2014, Pub. L. 113-186, 128 Stat. 1978, 1979 (2014), and some states began implementing this provision after February 2017. However, states are not cited in this endnote if they started allowing families to remain eligible for child care assistance with incomes up to 85 percent of state median income until the end of their eligibility period, but did not change the income limit used to determine whether to renew the family's eligibility for another full twelve months at the beginning of a new period.)
91 California also began allowing families already receiving child care assistance to continue receiving it until their income reaches 85 percent of state median income ($63,235 a year for a family of three) as of July 2017; previously, the state did not have a separate exit eligibility limit.
92 The District of Columbia also increased its exit eligibility limit from 280 percent of the 2009 federal poverty level ($51,101 a year for a family of three) to 280 percent of the 2017 federal poverty level ($57,176 a year for a family of three) as of October 2017.
93 Maryland also planned to begin allowing families already receiving assistance to continue doing so until their income reaches 85 percent of state median income ($78,013 a year for a family of three); the state does not currently have a separate exit eligibility limit.

94 West Virginia also increased its exit eligibility limit from 185 percent of the 2014 federal poverty level ($36,612 a year for a family of three) to 185 percent of the 2017 federal poverty level ($37,776 a year for a family of three) as of July 2017.

95 Delaware planned to allow families already receiving child care assistance to continue receiving it until their income reaches 200 percent of the 2017 federal poverty level ($40,840 a year for a family of three) after January 2018.

96 New Hampshire allows families already receiving child care assistance to continue receiving it until their income reaches 250 percent of the 2017 federal poverty level ($51,050 a year for a family of three) as of July 2017.

97 States are not included here if they had, or expected to have, a reduction in copayments resulting from an annual inflation adjustment to their copayment schedule and its income brackets.

98 For states that pay tiered rates, only if the state increased its base rate (the lowest rate) is it included here, and the payment rate increase described is an increase in the base rate. *See* notes 101 to 104 and accompanying text for discussion of increases in tiered rates.

99 In addition to these nine states, Maine increased its rates for center care for school-age children and for licensed family child care (for all age groups) from the 50th to the 75th percentile of 2015 market rates as of June 2017, but the state did not increase its rates for center care for infants, toddlers, or preschoolers.

100 Washington also increased its payment rates for licensed and license-exempt family child care providers as of July 2017.

101 Michigan also increased its payment rates for license-exempt family child care providers at level two (providers that complete additional training).

102 In addition to a higher rate for accredited care, Nebraska has higher rates for providers at steps three, four, and five of its quality rating and improvement system (which has five steps). For some categories of care, these tiered rates increased, because they are calculated by adding a percentage to the base rate, and the base rate increased, but the differential between the base rate and these tiered rates did not increase.

103 North Carolina ranks its 100 counties based on economic well-being and assigns them tier designations, with the forty most distressed counties designated as tier one, the next forty as tier two, and the twenty least distressed as tier three. The state increased tiered payment rates for providers serving children birth through age two in tier three counties. In addition, the state increased tiered payment rates for providers with ratings of three stars or higher and serving school-age children in tier one and tier two counties.

104 Pennsylvania's rate for two-star providers did not change. The state also stopped paying a higher rate to one-star providers; their rate was lowered to the base rate.

105 A number of states reported that they planned to extend the amount of time families receiving child care assistance could continue to receive it while a parent searches for a job to three months to comply with the requirements of the CCDBG Act of 2014. States are only counted here if they reported that they planned to implement the change before February 2018.

106 U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Care, FY 2015 Preliminary Data Table 1 - Average Monthly Adjusted Number of Families and Children Served, *available at* https://www.acf.hhs.gov/occ/resource/fy-2015-preliminary-data-table-1.

107 U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Care, FY 2014 CCDF Data Tables, Table 1 - Average Monthly Adjusted Number of Families and Children Served, *available at* https://www.acf.hhs.gov/occ/resource/fy-2014-final-data-table-1.

108 U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Care, FY 2001 CCDF Data Tables and Charts, Table 1 - Child Care and Development Fund Average Monthly Adjusted Number of Families and Children Served, *available at* http://www.acf.hhs.gov/sites/default/files/occ/fy2001tables1.pdf.

109 The number of related children under age six living in low-income families (families with incomes below 200 percent of poverty) was 10.3 million in 2015, compared to 9.5 million in 2001. Bernadette D. Proctor, Jessica L. Semega, and Melissa A. Kollar, U.S. Census Bureau, Current Population Reports, P60-256(RV), Income and Poverty in the United States: 2015 (Washington, DC: U.S. Government Printing Office, 2016), 17, *available at* http://www.census.gov/content/dam/Census/library/publications/2016/demo/p60-256.pdf; U.S. Census Bureau, Current Population Survey, March 2002, Detailed Poverty Table 22. Age, Gender, Household Relationship, Race and Hispanic Origin - Poverty Status of People by Selected Characteristics in 2001, *retrieved from* http://www.census.gov/hhes/www/cpstables/macro/032002/pov/new22_008.htm.

110 U.S. Department of Health and Human Services, Office of Human Services Policy, Office of the Assistant Secretary for Planning and Evaluation, Estimates of Child Care Eligibility and Receipt for Fiscal Year 2012 (Washington, DC: U.S. Department of Health and Human Services, 2015), *available at* https://aspe.hhs.gov/pdf-report/estimates-child-care-eligibility-and-receipt-fiscal-year-2012.

TABLE 1A: INCOME ELIGIBILITY LIMITS FOR A FAMILY OF THREE IN 2016 AND 2017

	Income limit in 2017			Income limit in 2016			Change in income limit 2016 to 2017		
State	As annual dollar amount	As percent of 2017 federal poverty level ($20,420 a year)	As percent of state median income	As annual dollar amount	As percent of 2016 federal poverty level ($20,160 a year)	As percent of state median income	As annual dollar amount	As percent of poverty	As percent of state median income
Alabama*	$26,208	128%	46%	$26,112	130%	47%	$96	-1%	-1%
Alaska*	$54,288	266%	67%	$54,288	269%	72%	$0	-3%	-4%
Arizona*	$33,264	163%	59%	$33,168	165%	61%	$96	-2%	-2%
Arkansas*	$30,926	151%	61%	$29,760	148%	61%	$1,166	4%	0%
California*	$42,216	207%	62%	$42,216	209%	65%	$0	-3%	-3%
Colorado*	$33,264-$62,781	163%-307%	45%-85%	$33,149-$61,343	164%-304%	46%-85%	$115-$1,438	-2%-3%	-1%-0%
Connecticut*	$45,609	223%	50%	$44,601	221%	50%	$1,008	2%	0%
Delaware*	$40,320	197%	54%	$40,188	199%	56%	$132	-2%	-2%
District of Columbia*	$45,775	224%	55%	$45,775	227%	65%	$0	-3%	-10%
Florida*	$30,240	148%	53%	$30,240	150%	55%	$0	-2%	-2%
Georgia*	$29,456	144%	50%	$28,160	140%	49%	$1,296	5%	1%
Hawaii	$47,124	231%	63%	$47,124	234%	65%	$0	-3%	-2%
Idaho*	$26,208	128%	49%	$26,124	130%	50%	$84	-1%	-2%
Illinois*	$32,664	160%	45%	$32,544	161%	47%	$120	-1%	-1%
Indiana*	$25,608	125%	42%	$25,512	127%	42%	$96	-1%	0%
Iowa*	$29,232	143%	43%	$29,136	145%	44%	$96	-1%	0%
Kansas*	$37,296	183%	57%	$37,164	184%	58%	$132	-2%	-1%
Kentucky*	$32,256	158%	55%	$27,795	138%	48%	$4,461	20%	7%
Louisiana*	$31,860	156%	52%	$31,860	158%	53%	$0	-2%	-1%
Maine*	$54,589	267%	83%	$54,589	271%	85%	$0	-3%	-2%
Maryland*	$29,990	147%	33%	$29,990	149%	33%	$0	-2%	-1%
Massachusetts*	$45,771	224%	50%	$44,593	221%	50%	$1,178	3%	0%
Michigan*	$25,116	123%	38%	$23,880	118%	38%	$1,236	5%	1%
Minnesota*	$37,264	182%	47%	$36,365	180%	47%	$899	2%	0%
Mississippi	$42,999	211%	86%	$34,999	174%	73%	$8,000	37%	13%
Missouri*	$27,816	136%	45%	$27,720	138%	45%	$96	-1%	-1%
Montana*	$30,240	148%	50%	$30,132	149%	52%	$108	-1%	-2%
Nebraska*	$26,208	128%	40%	$26,112	130%	40%	$96	-1%	-1%
Nevada*	$26,208	128%	45%	$26,124	130%	47%	$84	-1%	-2%
New Hampshire*	$50,400	247%	60%	$50,225	249%	61%	$175	-2%	-1%
New Jersey*	$40,320	197%	44%	$39,580	196%	45%	$740	1%	-1%
New Mexico*	$40,320	197%	78%	$40,180	199%	79%	$140	-2%	-1%
New York*	$40,320	197%	54%	$40,180	199%	55%	$140	-2%	-1%
North Carolina*	$40,176	197%	68%	$40,176	199%	71%	$0	-3%	-2%
North Dakota*	$44,724	219%	60%	$63,348	314%	85%	-$18,624	-95%	-25%
Ohio*	$26,208	128%	40%	$26,124	130%	40%	$84	-1%	-1%
Oklahoma*	$35,100	172%	63%	$35,100	174%	64%	$0	-2%	-1%
Oregon*	$37,296	183%	61%	$37,188	184%	63%	$108	-2%	-2%
Pennsylvania*	$40,320	197%	56%	$40,180	199%	57%	$140	-2%	-1%
Rhode Island*	$36,288	178%	47%	$36,162	179%	48%	$126	-2%	-1%
South Carolina*	$30,240	148%	54%	$30,135	149%	56%	$105	-1%	-2%
South Dakota*	$36,750	180%	57%	$36,625	182%	59%	$125	-2%	-1%
Tennessee*	$47,856	234%	85%	$32,268	160%	58%	$15,588	74%	27%
Texas*	$37,296-$50,913	183%-249%	62%-85%	$37,167-$49,635	184%-246%	64%-85%	$129-$1,278	-2%-3%	-1%-0%
Utah*	$35,676	175%	58%	$35,676	177%	60%	$0	-2%	-2%
Vermont*	$60,480	296%	85%	$39,576	196%	57%	$20,904	100%	28%
Virginia*	$30,240-$50,400	148%-247%	38%-63%	$30,144-$50,232	150%-249%	39%-65%	$96-$168	-2%- -1%	-1%
Washington*	$40,320	197%	55%	$40,200	199%	56%	$120	-2%	-1%
West Virginia*	$29,688	145%	51%	$29,688	147%	52%	$0	-2%	-1%
Wisconsin*	$37,777	185%	54%	$37,164	184%	54%	$613	1%	0%
Wyoming*	$37,680	185%	55%	$37,560	186%	56%	$120	-2%	-1%

TABLE 1B: INCOME ELIGIBILITY LIMITS FOR A FAMILY OF THREE IN 2001 AND 2017

	Income limit in 2017			Income limit in 2001			Change in income limit 2001 to 2017		
State	As annual dollar amount	As percent of 2017 federal poverty level ($20,420 a year)	As percent of state median income	As annual dollar amount	As percent of 2001 federal poverty level ($14,630 a year)	As percent of state median income	As annual dollar amount	As percent of poverty	As percent of state median income
Alabama*	$26,208	128%	46%	$18,048	123%	41%	$8,160	5%	5%
Alaska*	$54,288	266%	67%	$44,328	303%	75%	$9,960	-37%	-8%
Arizona*	$33,264	163%	59%	$23,364	160%	52%	$9,900	3%	6%
Arkansas*	$30,926	151%	61%	$23,523	161%	60%	$7,403	-9%	1%
California*	$42,216	207%	62%	$35,100	240%	66%	$7,116	-33%	-4%
Colorado*	$33,264-$62,781	163%-307%	45%-85%	$19,020-$32,000	130%-219%	36%-61%	$14,244-$30,781	33%-89%	9%-24%
Connecticut*	$45,609	223%	50%	$47,586	325%	75%	-$1,977	-102%	-25%
Delaware*	$40,320	197%	54%	$29,260	200%	53%	$11,060	-3%	1%
District of Columbia*	$45,775	224%	55%	$34,700	237%	66%	$11,075	-13%	-11%
Florida*	$30,240	148%	53%	$20,820	142%	45%	$9,420	6%	9%
Georgia*	$29,456	144%	50%	$24,278	166%	50%	$5,178	-22%	0%
Hawaii*	$47,124	231%	63%	$46,035	315%	83%	$1,089	-84%	-19%
Idaho*	$26,208	128%	49%	$20,472	140%	51%	$5,736	-12%	-3%
Illinois*	$32,664	160%	45%	$24,243	166%	43%	$8,421	-6%	2%
Indiana*	$25,608	125%	42%	$20,232	138%	41%	$5,376	-13%	0%
Iowa*	$29,232	143%	43%	$19,812	135%	41%	$9,420	8%	3%
Kansas*	$37,296	183%	57%	$27,060	185%	56%	$10,236	-2%	1%
Kentucky*	$32,256	158%	55%	$24,140	165%	55%	$8,116	-7%	0%
Louisiana*	$31,860	156%	52%	$29,040	205%	75%	$2,820	-49%	-23%
Maine*	$54,589	267%	83%	$36,452	249%	75%	$18,137	18%	7%
Maryland*	$29,990	147%	33%	$25,140	172%	40%	$4,850	-25%	-7%
Massachusetts*	$45,771	224%	50%	$28,968	198%	48%	$16,803	26%	2%
Michigan*	$25,116	123%	38%	$26,064	178%	47%	-$948	-55%	-9%
Minnesota*	$37,264	182%	47%	$42,304	289%	76%	-$5,040	-107%	-29%
Mississippi	$42,999	211%	86%	$30,999	212%	77%	$12,000	-1%	9%
Missouri*	$27,816	136%	45%	$17,784	122%	37%	$10,032	15%	7%
Montana*	$30,240	148%	50%	$21,948	150%	51%	$8,292	-2%	-1%
Nebraska*	$26,208	128%	40%	$25,260	173%	54%	$948	-44%	-14%
Nevada*	$26,208	128%	45%	$33,420	228%	67%	-$7,212	-100%	-22%
New Hampshire*	$50,400	247%	60%	$27,797	190%	50%	$22,603	57%	9%
New Jersey*	$40,320	197%	44%	$29,260	200%	46%	$11,060	-3%	-2%
New Mexico*	$40,320	197%	78%	$28,300	193%	75%	$12,020	4%	3%
New York*	$40,320	197%	54%	$28,644	202%	61%	$11,676	-5%	-7%
North Carolina*	$40,176	197%	68%	$32,628	223%	69%	$7,548	-26%	-1%
North Dakota*	$44,724	219%	60%	$29,556	202%	69%	$15,168	17%	-9%
Ohio*	$26,208	128%	40%	$27,066	185%	57%	-$858	-57%	-17%
Oklahoma*	$35,100	172%	63%	$29,040	198%	66%	$6,060	-27%	-3%
Oregon*	$37,296	183%	61%	$27,060	185%	60%	$10,236	-2%	1%
Pennsylvania*	$40,320	197%	56%	$29,260	200%	58%	$11,060	-3%	-2%
Rhode Island*	$36,288	178%	47%	$32,918	225%	61%	$3,370	-47%	-13%
South Carolina*	$30,240	148%	54%	$21,225	145%	45%	$9,015	3%	9%
South Dakota*	$36,750	180%	57%	$22,826	156%	52%	$13,924	24%	5%
Tennessee*	$47,856	234%	85%	$24,324	166%	56%	$23,532	68%	29%
Texas*	$37,296-$50,913	183%-249%	62%-85%	$21,228-$36,516	145%-250%	47%-82%	$14,397-$16,068	0%-38%	3%-15%
Utah*	$35,676	175%	58%	$28,248	193%	59%	$7,428	-18%	0%
Vermont*	$60,480	296%	85%	$31,032	212%	64%	$29,448	84%	21%
Virginia*	$30,240-$50,400	148%-247%	38%-63%	$21,948-$27,060	150%-185%	41%-50%	$8,292-$23,340	-2%-62%	-3%-13%
Washington*	$40,320	197%	55%	$32,916	225%	63%	$7,404	-28%	-7%
West Virginia*	$29,688	145%	51%	$28,296	193%	75%	$1,392	-48%	-23%
Wisconsin*	$37,777	185%	54%	$27,060	185%	51%	$10,717	0%	3%
Wyoming*	$37,680	185%	55%	$21,948	150%	47%	$15,732	35%	8%

NOTES FOR TABLES 1A AND 1B: INCOME ELIGIBILITY LIMITS

The income eligibility limits shown in the tables represent the maximum income families can have when they apply for child care assistance. Some states allow families, once receiving assistance, to continue receiving assistance up to a higher income level than that initial limit. These higher exit eligibility limits are reported below for states that have them. (The CCDBG Act of 2014 requires states to allow families receiving assistance to continue doing so until the end of their 12-month eligibility period, regardless of temporary changes in participation in work, training, or education or increases in income, unless their income exceeds 85 percent of state median income. However, exit eligibility limits are only reported below if they apply not solely prior to the end of the eligibility period, but also when determining whether a family can renew its eligibility for assistance at the beginning of a new certification period.)

Changes in income limits were calculated using raw data, rather than the rounded numbers shown in the table. All income limits given as dollar amounts below are annual amounts for a family of three.

State income limits were calculated in the table as a percentage of state median income using the state median income estimates reported annually in the Federal Register for use in the Low Income Home Energy Assistance Program (LIHEAP); these estimates are prepared by the U.S. Census Bureau based on multiple years of American Community Survey data. Some states use alternative state median income estimates as the basis for setting their income limits.

Data in the tables for 2017 reflect policies as of February 2017, data in the tables for 2016 reflect policies as of February 2016, and data in the tables for 2001 reflect policies as of June 2001, unless otherwise indicated. Certain changes in policies since February 2017 are noted below.

Alabama: In 2001, families already receiving assistance could continue doing so until their income reached $27,756. In 2016, the exit eligibility limit was $30,132, and in 2017, it was $47,304. As of October 2017, the income limit to qualify for assistance was expected to be increased to $26,312 (130 percent of poverty) to adjust for the 2017 federal poverty level, and the exit eligibility limit was expected to be increased to $48,786 (85 percent of state median income) to adjust for the updated state median income estimate.

Alaska: The Alaska Permanent Fund Dividend (PFD) payment, which the majority of families in the state receive, is not counted when determining eligibility.

Arizona: As of October 2017, the income limit was increased to $33,693 (165 percent of poverty) to adjust for the 2017 federal poverty level.

Arkansas: In 2017, families already receiving assistance could continue doing so until their income reached $43,812 (85 percent of the 2015 state median income). The state did not have a separate exit eligibility limit in 2016 or 2001. Also note that the income limit shown in Table 1b for 2001 takes into account a deduction of $100 per month ($1,200 per year) that was allowed for an adult household member who worked at least 30 hours per week, assuming there was one working parent. The stated income limit, in policy, was $22,323 in 2001. The state no longer used the deduction in 2016 or 2017.

California: Under policies in effect in 2001, families that had been receiving assistance as of January 1, 1998 could continue doing so until their income reached $46,800 since they were subject to higher income limits previously in effect. Also note that two counties (San Mateo and San Francisco) allowed families already receiving assistance to continue doing so up to an income of $56,904 in 2016 and 2017. As of July 2017, the income limit to qualify for assistance was increased to $52,076 (70 percent of the 2015 state median income), and the state began allowing families already receiving assistance to continue doing so until their income reached $63,235 (85 percent of the 2015 state median income).

Colorado: Counties set their income limits to qualify for assistance within state guidelines; the ranges in the tables reflect the minimum and maximum income limits allowed by the state. Counties may allow families already receiving assistance to continue doing so up to an exit eligibility limit that is higher than the county's initial eligibility limit. As of October 2017, the maximum level at which counties are allowed to set their income limits was increased to $63,889 (85 percent of state median income) to adjust for the updated state median income estimate.

Connecticut: Between July 1, 2016 and July 31, 2016, the income limit to qualify for assistance was temporarily reduced to $26,761. During this time, families already receiving assistance could continue doing so until their income reached $44,601, the income limit in effect before and after the temporary reduction. Also note, as of October 2017, the income limit was increased to $46,263 (50 percent of state median income) to adjust for the updated state median income estimate.

Delaware: As of January 2018, the income limit to qualify for assistance was expected to be reduced to $37,777 (185 percent of poverty); the state planned to allow families already receiving assistance to continue doing so until their income reaches $40,840 (200 percent of poverty).

District of Columbia: In 2001, families already receiving assistance could continue doing so until their income reached $41,640. In 2016 and 2017, the exit eligibility limit was $51,101. As of October 2017, the income limit to qualify for assistance was expected to be increased to $51,050 (250 percent of poverty), and the exit eligibility limit was expected to be increased to $57,176 (280 percent of poverty).

Florida: In 2016, families already receiving assistance could continue doing so until their income reached $40,320 (200 percent of the 2016 federal poverty level). In 2017, the exit eligibility limit was $46,955. As of July 2017, the income limit to qualify for assistance was increased to $30,630 (150 percent of poverty) to adjust for the 2017 federal poverty level, and the exit eligibility limit was increased to $48,297 (85 percent of state median income) to adjust for the updated state median income estimate.

Georgia: In 2017, families already receiving assistance could continue doing so until their income reached $50,070 (85 percent of state median income). The state did not have a separate exit eligibility limit in 2016 or 2001.

Hawaii: The income limit shown in Table 1b for 2001 takes into account a 20 percent deduction of all countable income. The stated income limit, in policy, was $36,828. The state no longer used the deduction in 2016 or 2017.

Idaho: In 2017, families already receiving assistance whose income exceeded the initial eligibility limit to qualify for assistance could continue receiving assistance, for up to an additional three months after their recertification, if their income did not exceed $45,864 (85 percent of state median income). The state did not have a separate exit eligibility limit in 2016 or 2001. As of October 2017, the income limit to qualify for assistance was increased to $26,556 (130 percent of poverty) to adjust for the 2017 federal poverty level.

Illinois: In 2016, families already receiving assistance could continue doing so until their income reached $37,176. In 2017, the exit eligibility limit was $37,296. The state did not have a separate exit eligibility limit in 2001. As of July 2017, the income limit to qualify for assistance was increased to $33,084 (162 percent of poverty), and the exit eligibility limit was increased to $37,788 (185 percent of poverty), to adjust for the 2017 federal poverty level. As of October 2017, the income limit to qualify for assistance was increased to $37,788. Also note that the income limit shown in Table 1b for 2001 takes into account a 10 percent earned income deduction. The stated income limit, in policy, was $21,819. The state no longer used the deduction in 2016 or 2017.

Indiana: In 2016, families already receiving assistance could continue doing so until their income reached $50,736. In 2017, the exit eligibility limit was $51,624. As of April 2017, the income limit to qualify for assistance was increased to $25,932 (127 percent of poverty) to adjust for the 2017 federal poverty level, and the exit eligibility limit was increased to $52,416 (85 percent of state median income) to adjust for the updated state median income estimate.

Iowa: In 2017, families already receiving assistance whose income exceeded the initial eligibility limit to qualify for assistance could continue receiving assistance, for up to an additional 12 months after their recertification, if their income did not exceed $56,616. The state did not have a separate exit eligibility limit in

2016 or 2001. Also note that for special needs care, the income limit to qualify for assistance was $40,188 in 2016 and $40,320 in 2017. As of July 2017, the income limit to qualify for assistance was increased to $29,616 (145 percent of poverty) for standard care and $40,840 (200 percent of poverty) for special needs care to adjust for the 2017 federal poverty level, and the exit eligibility limit was increased to $57,336 (85 percent of state median income) to adjust for the updated state median income estimate.

Kansas: In 2017, families already receiving assistance whose income exceeded the initial eligibility limit to qualify for assistance could continue receiving assistance, for up to an additional three months after their recertification, if their income did not exceed $54,060. The state did not have a separate exit eligibility limit in 2016 or 2001. As of May 2017, the income limit to qualify for assistance was increased to $37,788 (185 percent of poverty) to adjust for the 2017 federal poverty level, and the exit eligibility limit was increased to $55,524 (85 percent of state median income) to adjust for the updated state median income estimate.

Kentucky: In 2016, families already receiving assistance could continue doing so until their income reached $30,574. In 2017, the exit eligibility limit was $33,264. The state did not have a separate exit eligibility limit in 2001. As of April 2017, the income limit to qualify for assistance was increased to $32,672 (160 percent of poverty), and the exit eligibility limit was increased to $33,693 (165 percent of poverty), to adjust for the 2017 federal poverty level.

Louisiana: As of June 2017, the income limit to qualify for assistance was increased to $32,208 (55 percent of state median income) to adjust from the 2014 to the 2015 state median income estimate. As of January 2018, the state plans to begin allowing families already receiving assistance to continue doing so until their income reaches $49,776 (85 percent of the 2015 state median income). Also note that data on the state's policies as of 2001 are not available, so data on policies as of March 15, 2000 are used instead.

Maine: As of May 2017, the income limit was increased to $56,227 (85 percent of state median income) to adjust for the updated state median income estimate.

Maryland: The state planned to increase its income limit to qualify for assistance to $55,058 (60 percent of state median income), and to begin allowing families already receiving assistance to continue doing so until their income reaches $78,013 (85 percent of state median income). The state had not yet determined when these new income limits would be implemented.

Massachusetts: In 2001, families already receiving assistance could continue doing so until their income reached $49,248. In 2016, the exit eligibility limit was $75,808, and in 2017, it was $77,810. Also note that, for special needs care, the income limit to qualify for assistance was $75,808 in 2016 and $77,810 in 2017, and the exit eligibility limit was $89,185 in 2016 and $91,542 in 2017. As of November 2017, the income limit to qualify for assistance was expected to be increased to $46,280 (50 percent of state median income) for standard care and $78,676 (85 percent of state median income) for special needs care, and the exit eligibility limit was expected to be increased to $78,676 for standard care and $92,560 (100 percent of state median income) for special needs care, to adjust for the updated state median income estimate.

Michigan: In 2016, families already receiving assistance could continue doing so until their income reached $48,828 (250 percent of the 2013 federal poverty level). In 2017, the exit eligibility limit was $53,532 (85 percent of the 2015 state median income). The state did not have a separate exit eligibility limit in 2001.

Minnesota: In 2016, families already receiving assistance could continue doing so until their income reached $51,840. In 2017, the exit eligibility limit was $53,121. The state did not have a separate exit eligibility limit in 2001. As of October 2017, the income limit to qualify for assistance was increased to $37,961 (47 percent of state median income), and the exit eligibility limit was increased to $54,115 (67 percent of state median income), to adjust for the updated state median income estimate.

Missouri: In 2016, families already receiving assistance could continue doing so until their income reached $43,188. In 2017, the exit eligibility limit was $43,344 (215 percent of the 2016 federal poverty level). The state did not have a separate exit eligibility limit in 2001.

Montana: In 2017, families already receiving assistance whose income exceeded the initial eligibility limit to qualify for assistance could continue receiving assistance, for up to an additional six months after their recertification, if their income did not exceed $37,296 (185 percent of the 2016 federal poverty level); this exit eligibility limit was established as of July 2016.

Nebraska: In 2016, families already receiving assistance could continue doing so until their income reached $37,164. In 2017, the exit eligibility limit was $37,296. The state did not have a separate exit eligibility limit in 2001. In addition, as of July 2014, the state began disregarding 10 percent of a family's income at redetermination if the family had been continuously eligible for assistance for 12 months. As of September 2017, the income limit to qualify for assistance was increased to $26,544 (130 percent of poverty), and the exit eligibility limit was increased to $37,776 (185 percent of poverty), to adjust for the 2017 federal poverty level. Also note that for families transitioning from TANF, the income limit was $37,164 in 2016 and $37,296 in 2017, and, as of September 2017, was adjusted to $37,776.

Nevada: For contracted slots (which are mostly used for before- and after-school programs) and wrap-around services (which are services provided before and after Head Start programs), the income limit to qualify for assistance was $47,448 in 2016 and $49,248 in 2017. Also note that in 2016, families already receiving assistance (through either certificates or contracts) could continue doing so until their income reached $47,448. In 2017, the exit eligibility limit was $49,248 (85 percent of state median income). The state did not have a separate exit eligibility limit in 2001.

New Hampshire: As of July 2017, the income limit to qualify for assistance was reduced to $44,924 (220 percent of poverty); families already receiving assistance can continue doing so until their income reaches to $51,050 (250 percent of poverty). The state did not have a separate exit eligibility limit prior to July 2017.

New Jersey: In 2001, families already receiving assistance could continue doing so until their income reached $36,575. In 2016, the exit eligibility limit was $49,475, and in 2017, it was $50,400. As of March 2017, the income limit to qualify for assistance was increased to $40,840 (200 percent of poverty), and the exit eligibility limit was increased to $51,050 (250 percent of poverty), to adjust for the 2017 federal poverty level.

New Mexico: As of April 2017, the income limit was increased to $40,840 (200 percent of poverty) to adjust for the 2017 federal poverty level.

New York: Data on the state's policies as of 2001 are not available, so data on policies as of March 15, 2000 are used instead. As of June 2017, the income limit was increased to $40,840 (200 percent of poverty) to adjust for the 2017 federal poverty level. Also note that a few small demonstration projects set the income limit at $51,230 in 2016 and $51,408 in 2017.

North Carolina: The income limits shown in the tables for 2016 and 2017 apply to families with children birth through age five and families with children of any age who have special needs; the income limit for families with children ages six to 13 without special needs was $26,724 in 2016 and 2017. This separate income limit for families with older children went into effect in October 2014. Also note that, in 2017, families already receiving assistance whose income exceeded the initial eligibility limit to qualify for assistance could continue receiving assistance, for up to an additional three months after their recertification, if their income did not exceed $48,342. The state did not have a separate exit eligibility limit in 2016 or 2001. As of April 2017, the income limit to qualify for assistance was increased to $40,836 (200 percent of poverty) for families with children birth through age five and families with children of any age who have special needs and to $27,156 (133 percent of poverty) for families with children ages six to 13 without special needs to adjust for the 2017 federal poverty level, and the exit eligibility limit was increased to $49,980 (85 percent of state median income) to adjust for the updated state median income estimate.

North Dakota: As of March 2017, the income limit was changed to $44,664 (60 percent of state median income) to adjust for the updated state median income estimate.

Ohio: In 2016, families already receiving assistance could continue doing so until their income reached $60,264. In 2017, the exit eligibility limit was $60,480. The state did not have a separate exit eligibility limit in 2001. As of October 2017, the income limit to qualify for assistance was increased to $26,556 (130 percent of poverty), and the exit eligibility limit was increased to $61,260 (300 percent of poverty), to adjust for the 2017 federal poverty level.

Oklahoma: The income limit depends on how many children are in child care. The income limits shown in the tables assume that the family was receiving assistance for two children in care. The income limit for a family receiving assistance for only one child in care was $29,100 in 2016 and 2017. As of October 2017, the state began allowing families already receiving assistance to continue doing so until their income reached $47,712 (85 percent of state median income); the state did not previously have a separate exit eligibility limit.

Oregon: In 2016, families already receiving assistance could continue doing so until their income reached $52,344. In 2017, the exit eligibility limit was $50,400. The state did not have a separate exit eligibility limit in 2001. As of March 2017, the income limit to qualify for assistance was increased to $37,788 (185 percent of poverty) to adjust for the 2017 federal poverty level, and the exit eligibility limit was increased to $51,780 (85 percent of state median income) to adjust for the updated state median income estimate. (The exit eligibility limit is set at 85 percent of state median income or 250 percent of poverty, whichever is higher.)

Pennsylvania: In 2001, families already receiving assistance could continue doing so until their income reached $34,381. In 2016, the exit eligibility limit was $47,212, and in 2017, it was $47,376. As of May 2017, the income limit to qualify for assistance was increased to $40,840 (200 percent of poverty), and the exit eligibility limit was increased to $47,987 (235 percent of poverty), to adjust for the 2017 federal poverty level.

Rhode Island: In 2016, families already receiving assistance could continue doing so until their income reached $45,203, under a pilot program begun in October 2013 and extended through September 2017. In 2017, the exit eligibility limit was $45,360. As of May 2017, the income limit to qualify for assistance was increased to $36,756 (180 percent of poverty), and the exit eligibility limit was increased to $45,945 (225 percent of poverty), to adjust for the 2017 federal poverty level.

South Carolina: In 2001, families already receiving assistance could continue doing so until their income reached $24,763. In 2016, the exit eligibility limit was $35,158 (175 percent of the 2015 federal poverty level), and in 2017, it was $47,511. As of October 2017, the income limit to qualify for assistance was increased to $31,122 (55 percent of state median income); in addition, the exit eligibility limit was increased to $48,098 (85 percent of state median income) to adjust for the updated state median income estimate.

South Dakota: The income limits shown in the tables take into account that the state disregards 4 percent of earned income. The stated income limits, in policy, were $21,913 in 2001, $35,160 in 2016, and $35,280 in 2017. As of March 2017, the stated income limit to qualify for assistance was increased to $35,736 (175 percent of poverty) to adjust for the 2017 federal poverty level. Also note that in 2017, families already receiving assistance whose income exceeded the initial eligibility limit to qualify for assistance could continue receiving assistance, for up to an additional two months after their recertification, if their income did not exceed $54,629 (85 percent of state median income). The state did not have a separate exit eligibility limit in 2016 or 2001.

Tennessee: The income limit shown in the table for 2017 applies to teen parents and families receiving assistance through Smart Steps—a program launched in June 2016 that serves parents who are working or pursuing postsecondary education and who are not receiving or transitioning from TANF. The income limit for other families in 2017 was $33,780.

Texas: Local workforce development boards set their income limits within state guidelines; the ranges shown in the tables indicate the lowest and highest income limits set by local boards. In addition, some local boards allow families an extended year of assistance up to a higher income than the initial eligibility limit; however, this exit eligibility limit cannot exceed 85 percent of state median income ($49,635 in 2016 and $50,913 in 2017). As of October 2017, the maximum income at which local boards can set their eligibility limits was expected to be increased to $51,778 (85 percent of state median income) to adjust for the updated state median income estimate.

Utah: The income limits shown in the tables take into account a standard deduction of $100 per month ($1,200 per year) for each working parent, assuming there is one working parent in the family, and a standard deduction of $100 per month ($1,200 per year) for all families to help cover any medical expenses. The stated income limits, in policy, were $25,848 in 2001 and $33,276 in 2016 and 2017. Also note that in 2016 and 2017, families already receiving assistance could continue doing so up to a stated income limit of $41,592. The stated income limit to qualify for assistance for special needs care was $50,508 in 2016 and 2017. As of October 2017, for standard care, the stated income limit to qualify for assistance was increased to $34,248 (56 percent of state median income) and the stated exit eligibility limit was increased to $42,804 (70 percent of state median income), and for special needs care, and the stated income limit to qualify for assistance was increased to $51,984 (85 percent of state median income), to adjust for the updated state median income estimate.

Vermont: As of April 2017, the state began allowing families already receiving assistance to continue receiving it up to an income of $62,676 (85 percent of state median income); the state did not previously have a separate exit eligibility limit. As of September 2017, the income limit to qualify for assistance was increased to $61,260 (300 percent of poverty) to adjust for the 2017 federal poverty level.

Virginia: The state has different income limits for different regions of the state. In 2001, the state had three separate regional income limits, which were: $21,948, $23,400, and $27,060. In 2016, the state had four separate regional income limits: $30,144, $32,148, $37,176, and $50,232. In 2017, the state also had four separate regional income limits: $30,240, $32,256, $37,296, and $50,400. As of October 2017, the income limits were increased to $30,630 (150 percent of poverty), $32,672 (160 percent of poverty), $37,777 (185 percent of poverty), and $51,060 (250 percent of poverty) to adjust for the 2017 federal poverty level.

Washington: In 2017, families already receiving assistance whose income exceeded the initial eligibility limit to qualify for assistance could continue receiving assistance, for up to an additional three months after their recertification, if their income did not exceed $44,352. The state did not have a separate exit eligibility limit in 2016 or 2001. As of April 2017, the income limit to qualify for assistance was increased to $40,848 (200 percent of poverty), and the exit eligibility limit was increased to $44,928 (220 percent of poverty), to adjust for the 2017 federal poverty level.

West Virginia: In 2016 and 2017, families already receiving assistance could continue doing so until their income reached $36,612. The state did not have a separate exit eligibility limit in 2001. As of July 2017, the income limit to qualify for assistance was increased to $30,636 (150 percent of poverty), and the exit eligibility limit was increased to $37,776 (185 percent of poverty), to adjust from the 2014 to the 2017 federal poverty level.

Wisconsin: In 2001, families already receiving assistance could continue doing so until their income reached $29,256. In 2016, the exit eligibility limit was $40,176, and in 2017, it was $40,840 (200 percent of poverty).

Wyoming: The income limits shown in the tables for 2016 and 2017 take into account a standard deduction of $200 per month ($2,400 per year) for each working parent, assuming there is one working parent in the family. The stated income limits, in policy, were $35,160 in 2016 and $35,280 in 2017. Also note that in 2001, families already receiving assistance could continue doing so until their income reached $27,060. In 2016, the stated exit eligibility limit was $45,204, and in 2017, it was $45,360. As of April 2017, the stated income limit to qualify for assistance was increased to $35,736 (175 percent of poverty), and the stated exit eligibility limit was increased to $45,948 (225 percent of poverty), to adjust for the 2017 federal poverty level.

TABLE 2: WAITING LISTS FOR CHILD CARE ASSISTANCE

State	Number of children or families on waiting lists as of early 2017	Number of children or families on waiting lists as of early 2016	Number of children or families on waiting lists as of December 2001
Alabama*	6,632 children	8,363 children	5,089 children
Alaska	No waiting list	No waiting list	588 children
Arizona*	6,493 children	4,865 children	No waiting list
Arkansas*	1,870 children	2,703 children	8,000 children
California*	Waiting lists at local level	Waiting lists at local level	280,000 children (estimated)
Colorado*	767 children	24 children	Waiting lists at local level
Connecticut*	3,540 families	No waiting list	No waiting list
Delaware	No waiting list	No waiting list	No waiting list
District of Columbia*	No waiting list	No waiting list	9,124 children
Florida*	28,835 children	25,774 children	46,800 children
Georgia*	Frozen intake	No waiting list	16,099 children
Hawaii	No waiting list	No waiting list	No waiting list
Idaho	No waiting list	No waiting list	No waiting list
Illinois	No waiting list	No waiting list	No waiting list
Indiana*	5,658 children	6,226 children	11,958 children
Iowa	No waiting list	No waiting list	No waiting list
Kansas	No waiting list	No waiting list	No waiting list
Kentucky	No waiting list	No waiting list	No waiting list
Louisiana*	No waiting list	No waiting list	No waiting list
Maine	No waiting list	No waiting list	2,000 children
Maryland*	4,042 children	3,407 children	No waiting list
Massachusetts*	24,202 children	24,243 children	18,000 children
Michigan	No waiting list	No waiting list	No waiting list
Minnesota*	5,267 families	7,200 families	4,735 children
Mississippi*	21,050 children	9,444 children	10,422 children
Missouri	No waiting list	No waiting list	No waiting list
Montana	No waiting list	No waiting list	Waiting lists at local level
Nebraska	No waiting list	No waiting list	No waiting list
Nevada*	2,114 children	30 children	No waiting list
New Hampshire	No waiting list	No waiting list	No waiting list
New Jersey*	No waiting list	No waiting list	9,800 children
New Mexico*	751 children	1,085 children	No waiting list
New York*	Waiting lists at local level	Waiting lists at local level	Waiting lists at local level
North Carolina*	26,608 children	20,330 children	25,363 children
North Dakota	No waiting list	No waiting list	No waiting list
Ohio	No waiting list	No waiting list	No waiting list
Oklahoma*	No waiting list	No waiting list	No waiting list
Oregon*	No waiting list	5,675 children	No waiting list
Pennsylvania*	12,520 children	6,473 children	540 children
Rhode Island	No waiting list	No waiting list	No waiting list
South Carolina	No waiting list	No waiting list	No waiting list
South Dakota	No waiting list	No waiting list	No waiting list
Tennessee*	No waiting list	See notes	9,388 children (and frozen intake)
Texas*	41,593 children	20,412 children	36,799 children
Utah	No waiting list	No waiting list	No waiting list
Vermont	No waiting list	No waiting list	No waiting list
Virginia*	9,611 children	17,516 children	4,255 children
Washington	No waiting list	No waiting list	No waiting list
West Virginia	No waiting list	No waiting list	No waiting list
Wisconsin	No waiting list	No waiting list	No waiting list
Wyoming	No waiting list	No waiting list	No waiting list

NOTES FOR TABLE 2: WAITING LISTS FOR CHILD CARE ASSISTANCE

Data in the tables for 2017 reflect policies as of February 2017, and data in the tables for 2016 reflect policies as of February 2016, unless otherwise indicated.

Alabama: Families receiving TANF that are participating in the JOBS employment program, families that have transitioned from TANF assistance within the past six months and are employed, minor parents working toward the completion of a high school diploma or a GED, families receiving protective services, foster families, homeless families, and children participating in the Early Head Start-Child Care Partnership program are served without being placed on the waiting list. Also note that data for December 2001 are not available so data from November 2001 are used instead.

Arizona: Families receiving or transitioning from TANF who need child care for employment, families receiving TANF and with parents participating in the state's employment and training program, families referred by the Department of Child Safety, and families who reside in a homeless or domestic violence shelter are served without being placed on the waiting list.

Arkansas: The waiting list total for 2017 is from July 2017. Families receiving TANF, families receiving Extended Support Services (which are available to certain families who lose eligibility for TANF due to earnings), foster families, and families receiving protective services are served without being placed on the waiting list. In 2016, additional priority populations—including foster care transition families, homeless families, teen parents, children with special needs, and deployed parents—were also served without being placed on the waiting list; in 2017, these populations were served on case-by-case basis, but were not automatically exempt from the waiting list.

California: The waiting list total for 2001 is an estimated figure. The state no longer has a centralized waiting list; most local contractors and some counties maintain waiting lists.

Colorado: Waiting lists are kept at the county level, rather than at the state level. Four counties had waiting lists in 2001, but data on the total number of children on waiting lists in counties that had them are not available. In addition, four counties had frozen intake in 2001. The waiting list totals for 2016 and 2017 are the totals of reported county waiting lists. Counties have the option to allow certain groups of families to be served without being placed on the waiting list; these groups include households with incomes at or below 130 percent of poverty, teen parents, children with additional care needs, homeless families, and other groups defined by the county based on local needs.

Connecticut: Families receiving TANF are served without being placed on the waiting list; all other families applying for child care assistance were being placed on the waiting list in 2017. The waiting list total for 2017 is from May 2017.

District of Columbia: The waiting list total for 2001 may include some children living in the wider metropolitan area that encompasses parts of Maryland and Virginia.

Florida: Families receiving TANF and subject to federal work requirements and children up to age nine receiving protective services, although not statutorily exempt from the waiting list, are prioritized for child care assistance.

Georgia: As of August 2016, the state froze intake for families who did not meet priority criteria. Children and families that receive priority for child care assistance include families applying for, receiving, or transitioning from TANF, children with special needs, grandparents raising grandchildren, children with court-ordered supervision, children receiving protective services, children in Division of Family and Children Services custody, parents under age 18, homeless families, victims of domestic violence, families with children participating in the state-funded prekindergarten program, victims of state- or federally declared natural disasters, and families with incomes below 50 percent of poverty.

Indiana: In 2001, in addition to the waiting list, some counties had frozen intake. Families receiving TANF and with parents participating in the state's employment and training program are served without being placed on the waiting list.

Louisiana: The state implemented a waiting list as of July 2017. Families with parents participating in the TANF employment and training program, children participating in the Early Head Start-Child Care Partnership program, foster children, homeless families, and children with special needs are served without being placed on the waiting list.

Maryland: Families receiving or transitioning from TANF, families receiving Supplemental Security Income (SSI), and children with documented disabilities are served without being placed on the waiting list.

Massachusetts: The state does not determine children's eligibility at the time they are added to the waiting list. Also note that families receiving TANF and participating in the employment services program, families referred by the child welfare agency based on open cases of abuse or neglect, siblings of children already in care, and children of actively deployed members of the military are served without being placed on the waiting list.

Minnesota: Families receiving TANF, families transitioning from TANF (for up to one year after their TANF case closes), and parents under 21 years of age pursuing a high school degree or GED (and not receiving TANF) are served without being placed on the waiting list.

Mississippi: Families receiving or transitioning from TANF, homeless children, foster children, children served by the home visiting program, children with special needs, and families with very low incomes are served without being placed on the waiting list. The figures reported in the table for 2016 and 2017 represent the number of applications received; the state does not determine children's eligibility at the time they are added to the waiting list. Also note that the waiting list total for 2016 is from July 2016.

Nevada: Families receiving or transitioning from TANF, families with foster care or child protective services placements, and homeless families are served without being placed on the waiting list.

New Jersey: Data for 2001 are not available, so data from March 2002 are used instead.

New Mexico: In 2016 and 2017, families with incomes at or below 150 percent of poverty were served without being placed on the waiting list. In addition, families receiving or transitioning from TANF, teen parents in school, families with children who have special needs, and homeless families are served without being placed on the waiting list.

New York: Waiting lists are kept at the local district level and statewide data are not available. Each local district also has the authority to freeze intake and stop adding names to its waiting list.

North Carolina: The waiting list total for 2017 is from March 2017.

Oklahoma: The state temporarily froze intake from June 1, 2016 to July 31, 2016. During this time, families receiving TANF and participating in approved work activities, children receiving child welfare services, children adopted through the Department of Human Services who met certain criteria, and children in trial reunification were served and not subject to the freeze.

Oregon: Families with at least one member who has received TANF in the state in the current or previous three months; caretakers reapplying after a break of less than two months; families referred from child welfare services when an ongoing safety plan states that child care is needed to keep (or return) a child home, with a relative, or other known adult; families with a member who is currently eligible or has been eligible for domestic violence survivor benefits in any of the preceding three months; and families applying for an open slot with a contracted child care program are served without being placed on the waiting list when the state has a list in effect. The waiting list total for 2016 is from July 2016. As of August 2016, the state deactivated the waiting list, serving families who had been on the waiting list and serving new applicants without placing them on the waiting list. The state started placing families on the waiting list again as of October 2017.

Pennsylvania: The waiting list total for 2016 is from December 2015. Families receiving or transitioning from TANF are served without being placed on the waiting list.

Tennessee: When the state reported its data in 2001, intake was frozen for all families other than those receiving or transitioning from TANF. The waiting list total for 2001 represents the number of children on the waiting list when intake was closed. In 2016, the state did not serve any families or children other than families receiving or transitioning from TANF, teen-parent families, children in foster care or receiving protective services, children receiving TANF and being cared for by someone other than their parents, and families qualifying for Diversion Child Care (families that meet TANF eligibility criteria, have an identifiable one-time financial need, have not received cash assistance in any state in the last two years, and have a recent work history); however, the state no longer referred to this policy as frozen intake. As of June 2016, the state launched a new program, Smart Steps, that provides child care assistance to families not receiving or transitioning from TANF. To be eligible, parents must be employed at least 30 hours per week, or be enrolled in and attending a postsecondary education program full time, or participate in a combination of employment and postsecondary education activities; must have a child between ages six weeks and five years; must live in a county that does not have a state-funded prekindergarten program or that has a waiting list for the prekindergarten program; and must have an income below 85 percent of state median income.

Texas: Local workforce development boards maintain waiting lists. The totals in the table represent the aggregate number of children on waiting lists across all of the state's 28 boards. In addition, some boards have frozen intake. In 2016, 17 boards had a waiting list and 7 boards had frozen intake (including some of which may have had both a waiting list and frozen intake). In 2017, 27 boards had a waiting list and 10 boards had frozen intake (including some of which may have had both a waiting list and frozen intake). Families in the TANF work program (Choices), families transitioning from TANF, families in the Supplemental Nutrition Assistance Program (SNAP) Employment and Training program, and children receiving protective services are served without being placed on the waiting list.

Virginia: Data for December 2001 are not available, so data from January 2001 are used instead. Families receiving or transitioning from TANF and families participating in the TANF work program are served without being placed on the waiting list.

TABLE 3A: PARENT COPAYMENTS FOR A FAMILY OF THREE WITH AN INCOME AT 150 PERCENT OF POVERTY AND ONE CHILD IN CARE

	Monthly copayment in 2017		Monthly copayment in 2016		Monthly copayment in 2001		Change 2016 to 2017		Change 2001 to 2017	
State	As a dollar amount	As a percent of income	As a dollar amount	As a percent of income	As a dollar amount	As a percent of income	In dollar amount	In percent of income	In dollar amount	In percent of income
Alabama*	$229	9%	Not eligible	Not eligible	$215	12%	N/A	N/A	$14	-3%
Alaska*	$152	6%	$124	5%	$71	4%	$28	1%	$81	2%
Arizona*	$65	3%	$152	6%	$217	12%	-$87	-3%	-$152	-9%
Arkansas*	$31	1%	Not eligible	Not eligible	$224	12%	N/A	N/A	-$193	-11%
California*	$128	5%	$128	5%	$0	0%	$0	0%	$128	5%
Colorado*	$281	11%	$277	11%	$185	10%	$4	0%	$96	1%
Connecticut*	$153	6%	$151	6%	$110	6%	$2	0%	$43	0%
Delaware*	$264	10%	$264	10%	$159	9%	$0	0%	$105	2%
District of Columbia*	$118	5%	$118	5%	$91	5%	$0	0%	$27	0%
Florida*	$195	8%	$217	9%	$104	6%	-$22	-1%	$91	2%
Georgia*	$208	8%	Not eligible	Not eligible	$139	8%	N/A	N/A	$69	1%
Hawaii*	$473	19%	$473	19%	$38	2%	$0	0%	$435	16%
Idaho*	$150	6%	Not eligible	Not eligible	Not eligible	Not eligible	N/A	N/A	N/A	N/A
Illinois*	$221	9%	$221	9%	$134	7%	$0	0%	$87	1%
Indiana*	$231	9%	$227	9%	$154	8%	$4	0%	$77	1%
Iowa*	$174	7%	Not eligible	Not eligible	Not eligible	Not eligible	N/A	N/A	N/A	N/A
Kansas*	$207	8%	$207	8%	$162	9%	$0	0%	$45	-1%
Kentucky*	$281	11%	$281	11%	$177	10%	$0	0%	$104	1%
Louisiana*	$65	3%	$65	3%	$114	6%	$0	0%	-$49	-4%
Maine*	$230	9%	$226	9%	$183	10%	$4	0%	$47	-1%
Maryland*	Not eligible	Not eligible	Not eligible	Not eligible	$236	13%	N/A	N/A	N/A	N/A
Massachusetts*	$325	13%	$325	13%	$160	9%	$0	0%	$165	4%
Michigan*	$65	3%	$54	2%	$24	1%	$11	0%	$41	1%
Minnesota*	$84	3%	$82	3%	$53	3%	$2	0%	$31	0%
Mississippi*	$155	6%	$180	7%	$105	6%	-$25	-1%	$50	0%
Missouri*	$210	8%	$201	8%	Not eligible	Not eligible	$9	0%	N/A	N/A
Montana*	$357	14%	Not eligible	Not eligible	$256	14%	N/A	N/A	$101	0%
Nebraska*	$88	3%	$190	8%	$129	7%	-$102	-4%	-$41	-4%
Nevada*	$149	6%	$149	6%	$281	15%	$0	0%	-$132	-10%
New Hampshire*	$319	12%	$315	13%	$2	0%	$4	0%	$317	12%
New Jersey*	$106	4%	$106	4%	$133	7%	$0	0%	-$27	-3%
New Mexico*	$178	7%	$171	7%	$115	6%	$7	0%	$63	1%
New York*	$305	12%	$296	12%	$191	10%	$9	0%	$114	2%
North Carolina*	$255	10%	$252	10%	$159	9%	$3	0%	$96	1%
North Dakota*	$218	9%	$109	4%	$293	16%	$109	4%	-$75	-7%
Ohio*	$228	9%	$227	9%	$88	5%	$1	0%	$140	4%
Oklahoma*	$237	9%	$226	9%	$146	8%	$11	0%	$91	1%
Oregon*	$473	19%	$460	18%	$319	17%	$13	0%	$154	1%
Pennsylvania*	$229	9%	$229	9%	$152	8%	$0	0%	$77	1%
Rhode Island*	$204	8%	$201	8%	$19	1%	$3	0%	$185	7%
South Carolina*	$87	3%	$87	3%	$77	4%	$0	0%	$10	-1%
South Dakota*	$368	14%	$363	14%	$365	20%	$5	0%	$3	-6%
Tennessee*	$178	7%	$173	7%	$112	6%	$5	0%	$66	1%
Texas*	$125-$270	5%-11%	$125-$270	5%-11%	$165-$256	9%-14%	$0	0%	-$40-$14	-4%- -3%
Utah*	$167	7%	$221	9%	$220	12%	-$54	-2%	-$53	-5%
Vermont*	$260	10%	$260	10%	$123	7%	$0	0%	$137	3%
Virginia*	$204	8%	$201	8%	$183	10%	$3	0%	$21	-2%
Washington*	$186	7%	$174	7%	$87	5%	$12	0%	$99	3%
West Virginia*	$119	5%	$119	5%	$54	3%	$0	0%	$65	2%
Wisconsin*	$238	9%	$247	10%	$160	9%	-$9	0%	$78	1%
Wyoming*	$43	2%	$43	2%	$98	5%	$0	0%	-$55	-4%

TABLE 3B: PARENT COPAYMENTS FOR A FAMILY OF THREE WITH AN INCOME AT 100 PERCENT OF POVERTY AND ONE CHILD IN CARE

	Monthly copayment in 2017		Monthly copayment in 2016		Monthly copayment in 2001		Change 2016 to 2017		Change 2001 to 2017	
State	As a dollar amount	As a percent of income	As a dollar amount	As a percent of income	As a dollar amount	As a percent of income	In dollar amount	In percent of income	In dollar amount	In percent of income
Alabama*	$67	4%	$67	4%	$65	5%	$0	0%	$2	-1%
Alaska*	$51	3%	$49	3%	$14	1%	$2	0%	$37	2%
Arizona*	$65	4%	$65	4%	$65	5%	$0	0%	$0	-2%
Arkansas*	$0	0%	$31	2%	$0	0%	-$31	-2%	$0	0%
California*	$0	0%	$0	0%	$0	0%	$0	0%	$0	0%
Colorado*	$34	2%	$34	2%	$113	9%	$0	0%	-$79	-7%
Connecticut*	$68	4%	$67	4%	$49	4%	$1	0%	$19	0%
Delaware*	$120	7%	$120	7%	$55	5%	$0	0%	$65	3%
District of Columbia*	$53	3%	$53	3%	$32	3%	$0	0%	$21	0%
Florida*	$129	8%	$130	8%	$69	6%	-$1	0%	$60	2%
Georgia*	$143	8%	$143	9%	$21	2%	$0	0%	$122	7%
Hawaii*	$270	16%	$270	16%	$0	0%	$0	0%	$270	16%
Idaho*	$50	3%	$50	3%	$65	5%	$0	0%	-$15	-2%
Illinois*	$86	5%	$86	5%	$65	5%	$0	0%	$21	0%
Indiana*	$85	5%	$84	5%	$0	0%	$1	0%	$85	5%
Iowa*	$9	1%	$9	1%	$22	2%	$0	0%	-$13	-1%
Kansas*	$58	3%	$58	3%	$22	2%	$0	0%	$36	2%
Kentucky*	$132	8%	$132	8%	$97	8%	$0	0%	$35	0%
Louisiana*	$43	3%	$43	3%	$49	4%	$0	0%	-$6	-1%
Maine*	$102	6%	$100	6%	$97	8%	$2	0%	$5	-2%
Maryland*	$244	14%	$244	15%	$90	7%	$0	0%	$154	7%
Massachusetts*	$162	10%	$162	10%	$40	3%	$0	0%	$122	6%
Michigan*	$32	2%	$32	2%	$24	2%	$0	0%	$8	0%
Minnesota*	$48	3%	$48	3%	$5	0%	$0	0%	$43	2%
Mississippi*	$88	5%	$97	6%	$47	4%	-$10	-1%	$41	1%
Missouri*	$108	6%	$108	6%	$43	4%	$0	0%	$65	3%
Montana*	$68	4%	$67	4%	$49	4%	$1	0%	$19	0%
Nebraska*	$58	3%	$63	4%	$30	2%	-$5	0%	$28	1%
Nevada*	$50	3%	$50	3%	$0	0%	$0	0%	$50	3%
New Hampshire*	$128	7%	$126	8%	$0	0%	$2	0%	$128	7%
New Jersey*	$77	4%	$77	5%	$71	6%	$0	0%	$6	-1%
New Mexico*	$79	5%	$75	4%	$47	4%	$4	0%	$32	1%
New York*	$8	0%	$4	0%	$4	0%	$4	0%	$4	0%
North Carolina*	$170	10%	$168	10%	$106	9%	$2	0%	$64	1%
North Dakota*	$75	4%	$38	2%	$158	13%	$37	2%	-$83	-9%
Ohio*	$123	7%	$123	7%	$43	4%	$0	0%	$80	4%
Oklahoma*	$139	8%	$139	8%	$54	4%	$0	0%	$85	4%
Oregon*	$180	11%	$176	10%	$90	7%	$4	0%	$90	3%
Pennsylvania*	$134	8%	$134	8%	$65	5%	$0	0%	$69	3%
Rhode Island*	$34	2%	$34	2%	$0	0%	$0	0%	$34	2%
South Carolina*	$61	4%	$61	4%	$43	4%	$0	0%	$18	0%
South Dakota*	$0	0%	$0	0%	$0	0%	$0	0%	$0	0%
Tennessee*	$121	7%	$117	7%	$39	3%	$4	0%	$82	4%
Texas*	$55-$180	3%-11%	$55-$180	3%-11%	$109-$170	9%-14%	$0	0%	-$54-$10	-6%- -3%
Utah*	$0	0%	$17	1%	$36	3%	-$17	-1%	-$36	-3%
Vermont*	$6	0%	$6	0%	$0	0%	$0	0%	$6	0%
Virginia*	$102	6%	$100	6%	$122	10%	$2	0%	-$20	-4%
Washington*	$65	4%	$65	4%	$20	2%	$0	0%	$45	2%
West Virginia*	$76	4%	$76	5%	$27	2%	$0	0%	$49	2%
Wisconsin*	$95	6%	$113	7%	$61	5%	-$18	-1%	$34	1%
Wyoming*	$0	0%	$0	0%	$10	1%	$0	0%	-$10	-1%

NOTES FOR TABLES 3A AND 3B: PARENT COPAYMENTS

For a family of three, an income at 100 percent of poverty was equal to $14,630 a year in 2001, $20,160 a year in 2016, and $20,420 a year in 2017.

For a family of three, an income at 150 percent of poverty was equal to $21,945 a year in 2001, $30,240 a year in 2016, and $30,630 a year in 2017.

For states that calculate their copayments as a percentage of the cost of care, it is assumed that the family was purchasing care at the state's maximum base payment rate for licensed center care for a four-year-old.

Monthly copayments were calculated from hourly, daily, and weekly copayments assuming the child was in care 9 hours a day, 5 days a week, 4.33 weeks a month.

Copayments for states with standard income deductions were determined based on adjusted income.

Changes in copayments were calculated using raw data, rather than the rounded numbers shown in the table.

Data in the tables for 2017 reflect policies as of February 2017, data in the tables for 2016 reflect policies as of February 2016, and data in the tables for 2001 reflect policies as of June 2001, unless otherwise indicated.

Alabama: Children receiving protective services and children participating in the Early Head Start-Child Care Partnership program are exempt from copayments on a case-by-case basis.

Alaska: Families applying for or receiving TANF and foster children are exempt from copayments.

Arizona: Families receiving TANF, families receiving protective services, and foster children are exempt from copayments.

Arkansas: As of March 2014, the copayment varies with the quality level of the care a family uses, with a family paying 6 percent of the cost of care if using a provider with a one-star rating in the state's quality rating and improvement system (which has three star levels), 4 percent if using a two-star provider, and 2 percent if using a three-star provider. The copayment amounts for 2016 and 2017 shown in the tables assume the family is using a one-star provider, given that, as of January 2016, all providers serving families receiving child care assistance must be at the one-star level or higher. Also note that families receiving TANF, families in their first year of transitioning from TANF, foster children, children receiving protective services, homeless children, children with special needs, and teen parents are exempt from copayments. In addition, families with incomes below 40 percent of the 2014 state median income ($19,845 a year for a family of three) were exempt from copayments in 2016, and families with incomes below 40 percent of the 2015 state median income ($20,618 a year for a family of three) were exempt from copayments in 2017.

California: Families receiving TANF, families whose children are participating in the state-funded part-day prekindergarten program, and children with severe disabilities are exempt from copayments. In addition, families receiving child care assistance on the basis of a child being at risk of abuse, neglect, or exploitation may be exempt from copayments for up to three months and families receiving child care assistance on the basis of needing protective services may be exempt from copayments for up to 12 months. Also note that the state reduced copayments for families as of July 2017.

Colorado: Families receiving TANF and with parents enrolled in activities other than paid employment, families receiving child welfare child care, and parents without income are exempt from copayments. In addition, families receiving protective services child care are exempt from copayments unless the child has countable income. Homeless families do not have a copayment during a 60-day stabilization period. Teen parents may have their copayment waived if it produces a hardship.

Connecticut: Families receiving TANF and with parents participating in an approved training or education activity (but not working) and foster children are exempt from copayments.

Delaware: Families receiving TANF, grandparents, foster parents, and families referred from the Division of Family Services are exempt from copayments.

District of Columbia: Families receiving TANF, foster children, and homeless children are exempt from copayments. In 2016 and 2017, families with incomes at or below 50 percent of the 2009 federal poverty level ($9,155 a year for a family of three) were also exempt from copayments. As of October 2017, the state planned to exempt families with incomes up to 100 percent of the 2017 federal poverty level from copayments and to reduce copayments for other families.

Florida: Local early learning coalitions set their copayments, subject to state approval; the copayments in the tables reflect the maximum copayment levels allowed under state policy and used by a local coalition. Also note that a coalition may, on a case-by-case basis, waive the copayment for an at-risk child or temporarily waive the copayment for a family whose income is at or below the federal poverty level and who experiences a natural disaster or an event that limits the parent's ability to pay, such as incarceration, placement in residential treatment, or becoming homeless, or an emergency situation such as a household fire or burglary, or while the parent is participating in parenting classes.

Georgia: As of July 2015, in four areas of the state (covering Bibb, Brooks, Catoosa, Clarke, Colquitt, Cook, Echols, Gilmer, Gordon, Lowndes, Murray, and Whitfield counties), families using providers with ratings of one star or higher in the state's quality rating and improvement system (which has three star levels) have lower copayments than families using providers that are not rated; the copayment is $15 per week ($65 per month) for families using one-star providers, $10 per week ($43 per month) for families using two-star providers, and $5 per week ($22 per month) for families using three-star providers, regardless of the family's income level. Also note that families applying for or receiving TANF, children in Division of Family and Children Services custody, and parents under age 18 are exempt from copayments.

Hawaii: Families receiving protective services and foster children are exempt from copayments. In 2016 and 2017, families with incomes at or below 50 percent of the 2004 federal poverty level for Hawaii ($9,012 a year for a family of three) were also exempt from copayments.

Idaho: Families receiving TANF and foster children are exempt from copayments.

Illinois: Representative payees of children who are receiving TANF or general assistance benefits, who are not parents or stepparents, and who work outside the home are exempt from copayments. In addition, households in which a single parent is called to active duty or both parents are called to active duty at the same time are exempt from copayments during deployment.

Indiana: Copayments vary depending on how long the family has been receiving child care assistance, with families paying a higher percentage of income the longer they receive assistance. The copayments shown in the tables assume it is the first year the family is receiving assistance. Also note that families with incomes at or below 100 percent of the 2015 federal poverty level ($20,090 a year for a family of three) were exempt from copayments in 2016, and families with incomes at or below 100 percent of the 2016 federal poverty level were exempt from copayments in 2017.

Iowa: In 2016, a family with an income at 150 percent of poverty would have been eligible for assistance if the family were using special needs care; for this family, the copayment would have been $163 per month. (A family with an income at 100 percent of poverty using special needs care would have had the same copayment as a family using standard care in 2016 and 2017). The state calculates copayments based on units of care; a unit is a half day (up to 5 hours of service per 24-hour period), so 9 hours of care a day, 5 days a week, 4.33 weeks a month would equal 44 units. Also note that families receiving TANF and families receiving protective services are exempt from copayments. In addition, families with incomes below 100 percent of the 2015 federal poverty level ($20,090 a year for a family of three) were exempt from copayments in 2016, and families with incomes below 100 percent of the 2016 federal poverty level were exempt from copayments in 2017.

Kansas: Families receiving TANF, families in the first two months following the loss of TANF eligibility, parents participating in the Food Assistance Education and Training work program, families receiving child care for social service reasons, and families participating in the Early Head Start-Child Care Partnership program are exempt from copayments. In addition, families with incomes at or below 70 percent of the 2015 federal poverty level ($14,063 a year for a family of three) were exempt from copayments in 2016, and families with incomes at or below 70 percent of the 2016 federal poverty level ($14,112 a year for a family of three) were exempt from copayments in 2017.

Kentucky: Families with incomes at or below $899 per month ($10,788 a year), regardless of family size, were exempt from copayments in 2016 and 2017.

Louisiana: Data are not available for June 2001, so data from March 2000 are used instead. Also note that families receiving TANF, foster children, homeless families, and families participating in the Early Head Start-Child Care Partnership program are exempt from copayments.

Maine: Foster children and children living with a legal guardian are exempt from copayments.

Maryland: The state determines copayments based on maximum state payment rates in the region where the family lives. Also note that families receiving TANF or SSI are exempt from copayments.

Massachusetts: Families receiving or transitioning from TANF, foster parents, guardians, caretakers, and families receiving protective services are exempt from copayments. In addition, families at the lowest income levels (in 2016 and 2017, $14,160 for a family of three) are exempt from copayments.

Michigan: Children attending a program with a three-, four-, or five-star rating in the state's quality rating and improvement system (which has five levels), families receiving TANF, children receiving protective services, foster children, families receiving SSI benefits, migrant families, and homeless families are exempt from copayments.

Minnesota: Families with incomes below 75 percent of the 2015 federal poverty level ($15,068 a year for a family of three) were exempt from copayments in 2016, and families with incomes below 75 percent of the 2016 federal poverty level ($15,120 a year for a family of three) were exempt from copayments in 2017.

Mississippi: Families receiving TANF and homeless families with no countable income are exempt from copayments. Children receiving protective services, children participating in the home visitation program, children with special needs, and parents with a disability who are receiving SSI benefits have a copayment of $10 per month.

Missouri: Children with disabilities who are receiving SSI benefits, children receiving services through the Department of Mental Health, children with developmental delays, foster children, adoptive children, and children under court-ordered supervision are exempt from copayments.

Montana: Children receiving protective services are exempt from copayments.

Nebraska: Foster children and children who have subsidized adoption or guardianship agreements are exempt from copayments. In addition, families with incomes below 100 percent of the 2015 federal poverty level ($20,090 a year for a family of three) were exempt from copayments in 2016, and families with incomes below 100 percent of the 2016 federal poverty level were exempt from copayments in 2017.

Nevada: Families receiving TANF and with parents participating in work or work-related activities, families receiving protective services, foster families, homeless families, and families receiving wrap-around services (services provided before and after Head Start programs) are exempt from copayments.

New Hampshire: Foster children may be exempted from copayments on a case-by-case basis. As of July 2017, homeless families may be exempted from copayments for up to 30 calendar days to allow time for them to submit information required for eligibility determination.

New Jersey: Foster children under the supervision of the child protective services agency and children who were formerly in foster placement and that have been adopted may have their copayment waived. In addition, families with incomes below 100 percent of the 2014 federal poverty level ($19,790 a year for a family of three) were exempt from copayments in 2016, and families with incomes below 100 percent of the 2016 federal poverty level were exempt from copayments in 2017.

New Mexico: Grandparents or legal guardians who have taken custody/guardianship of a child and families receiving protective services and at-risk child care are exempt from copayments.

New York: Local social services districts set their copayments within a state-specified range; the copayments in the tables reflect the maximum amount allowed in that range. Families receiving TANF and participating in their required activity are exempt from copayments. In addition, children receiving protective services, foster children, families receiving services to address domestic violence, and families participating in substance abuse treatment programs may be exempted from copayments on a case-by-case basis. As of March 2017, homeless families are exempt from copayments as well. Also note that data are not available for June 2001, so data from March 2000 are used instead.

North Carolina: Children receiving protective services or child welfare services, foster families, and children with no income who reside in the home of an adult other than their parents, stepparents, or nonparent relative caretaker are exempt from copayments.

North Dakota: Families receiving services through the Crossroads program (which provides support to parents up to age 21 so they can continue their education), families receiving TANF, and families receiving Diversion Assistance (short-term benefits and services) are exempt from copayments.

Ohio: Homeless families and families receiving protective child care services are exempt from copayments. In addition, families with incomes at or below 100 percent of the 2015 federal poverty level ($20,090 a year for a family of three) were exempt from copayments in 2016, and families with incomes at or below 100 percent of the 2016 federal poverty level were exempt from copayments in 2017.

Oklahoma: The copayment amounts shown in Table 3a for a family with an income at 150 percent of poverty in 2016 and 2017 assume the family had two children in care; if the family had one child in care, it would not have been eligible for child care assistance. Also note that families receiving TANF, foster children, children under age six adopted through the foster care system, families headed by a caretaker who is not legally or financially responsible for the children, children receiving SSI, and children participating in the Early Head Start-Child Care Partnership program are exempt from copayments. Children receiving protective services may be exempted from copayments on a case-by-case basis. In addition, families with incomes at or below $850 per month ($10,200 a year), regardless of family size, were exempt from copayments in 2016 and 2017.

Oregon: Families receiving TANF and with a working parent, families with a parent searching for a job following the loss of employment or with an unemployed parent who has moved into the home, and families who qualify for a six-month military transition period are exempt from copayments.

Pennsylvania: Families receiving either TANF or SNAP and with parents who are not working, but who are participating in employment and training programs, are exempt from copayments.

Rhode Island: Foster families are exempt from copayments. In addition, families with incomes below 100 percent of the 2015 federal poverty level ($20,090 a year for a family of three) were exempt from copayments in 2016, and families with incomes below 100 percent of the 2016 federal poverty level were exempt from copayments in 2017.

South Carolina: Families receiving TANF, foster children, and homeless families are exempt from copayments.

South Dakota: Families receiving TANF and foster children are exempt from copayments. In addition, families with adjusted incomes at or below 100 percent of the 2015 federal poverty level ($20,090 a year for a family of three) were exempt from copayments in 2016, and families with adjusted incomes at or below 100 percent of the 2016 federal poverty level were exempt from copayments in 2017.

Tennessee: Families receiving TANF and foster families are exempt from copayments.

Texas: Local workforce development boards set their copayments within state guidelines; the copayments in the tables reflect the range of copayments set by local boards. Also note that parents participating in the TANF work program (Choices), families transitioning from TANF, families participating in the SNAP Employment and Training program, children receiving protective services, and homeless families are exempt from copayments.

Utah: Families receiving TANF are exempt from copayments, and families transitioning from TANF are exempt from copayments for up to six months. In addition, families with adjusted incomes at or below 100 percent of the 2016 federal poverty level were exempt from copayments in 2017.

Vermont: Children who are in protective custody may be exempted from copayments if requested by their social worker.

Virginia: Families eligible for TANF and families enrolled in Head Start, or participating in the SNAP Employment and Training program, whose income is at or below poverty are exempt from copayments.

Washington: Homeless families who cannot document participation in approved activities can have their copayment waived for four months.

West Virginia: Foster families and families receiving protective services are exempt from copayments.

Wisconsin: Families with court-ordered kinship or guardianship care, foster families, and teen parents attending high school are exempt from copayments. Also note that the state revised its copayment structure as of June 2017, increasing copayments for many families.

Wyoming: Families with adjusted incomes at or below 100 percent of the 2015 federal poverty level ($20,090 a year for a family of three) were exempt from copayments in 2016, and families with adjusted incomes at or below 100 percent of the 2016 federal poverty level were exempt from copayments in 2017.

TABLE 4A: STATE PAYMENT RATES IN 2017

State	State payment rates in 2017 compared to market rates	Year when payment rates last changed	If state rate is lower than rate provider charges, is provider allowed to charge parents the difference?
Alabama*	17th-55th percentile of 2014 rates	2016	Yes
Alaska*	50th-75th percentile of 2009 rates	2010	Yes
Arizona*	75th percentile of 2000 rates	2009	Yes
Arkansas*	Above or below the 75th percentile of 2015 rates	2014	Yes, for 2- and 3-star
California*	75th percentile of 2014 rates	2017	Yes
Colorado*	Locally determined	Varies by locality	No
Connecticut*	1st-86th percentile of 2015 rates	2015/2017	Yes
Delaware*	50 cents/day above 65% of the 75th percentile of 2011 rates	2011/2014	Yes
District of Columbia*	Equal to or 15% above the 75th percentile of 2001 rates	2006/2013/2016	No
Florida*	Locally determined	Varies by locality	Yes
Georgia*	20th-35th percentile of 2013 rates	2006	Yes
Hawaii*	75th percentile of 2007 rates	2008/2010	Yes
Idaho*	65th percentile of 2015 rates	2016	Yes
Illinois*	17th-95th percentile of 2014 rates	2012/2014	Yes, unless contracted
Indiana*	55th-85th percentile of 2016 rates	2014/2015/2016	Yes
Iowa*	2%, 2%, and 4% increases above the 75th percentile of 2004 rates	2013	No
Kansas*	40th percentile of 2014 rates	2016	Yes
Kentucky*	$1 a day above the 68th percentile of 2005 rates	2016	Yes
Louisiana*	25th-50th percentile of 2014 rates	2016	Yes
Maine*	50th percentile of 2015 rates	2016	No
Maryland*	2.5% above the 51st percentile of 2005 rates	2015	Yes
Massachusetts*	At or below the 60th percentile of 2015 rates	2016	No
Michigan*	At or below the 75th percentile of 2015 rates	2009/2015	Yes
Minnesota*	25th percentile of 2011 rates	2014	Yes
Mississippi*	36th-75th percentile of 2009 rates	2007	Yes
Missouri*	51st-81st percentile of 2016 rates	2016	Yes
Montana*	Three 2% increases above the 75th percentile of 2009 rates	2016	Yes
Nebraska*	60th percentile of 2015 rates	2015	No
Nevada*	75th percentile of 2004 market rates	2004/2016	Yes
New Hampshire*	50th percentile of 2014 rates	2015	Yes
New Jersey*	Below the 75th percentile of 2010 rates	2008/2014	Yes
New Mexico*	Above or below the 75th percentile of 2015 rates	2014/2015	No
New York*	69th percentile of 2015 rates	2016	Yes
North Carolina*	At or below the 75th percentile of 2015 rates	2015/2016	Yes
North Dakota	50th percentile of 2013 rates	2012	Yes
Ohio*	26th percentile of 2008 rates	2011/2016	No
Oklahoma	Below the 75th percentile of 2012 rates	2013	No
Oregon*	75th percentile of 2014 rates	2016	Yes
Pennsylvania*	0th-100th percentile of 2015-16 rates	2013/2015	Yes
Rhode Island*	12th-56th percentile of 2015 rates	2015	No
South Carolina*	60th-75th percentile of 2015 rates	2016	Yes
South Dakota*	75th percentile of 2015 rates	2016	Yes
Tennessee	45th-75th percentile of 2006-07 rates	2008	Yes
Texas*	19th-75th percentile of 2015 rates	Varies by locality	Yes
Utah	70th percentile of 2015 rates	2015	Yes
Vermont*	0th-90th percentile of 2015 rates	2013/2016	Yes
Virginia	18th-42nd percentile of 2015 rates	2014	Yes
Washington*	45th percentile (on average) of 2015 rates	2016	No
West Virginia*	75th percentile of 2015 rates	2016	No
Wisconsin*	Below the 75th percentile of 2014 rates	2014	Yes
Wyoming*	11th-53rd percentile of 2015 rates	2012	Yes

TABLE 4B: STATE PAYMENT RATES COMPARED TO THE 75TH PERCENTILE OF CURRENT MARKET RATES IN 2017, 2016, AND 2001

	Rates equal to or above the 75th percentile of current market rates....		
State	In 2017?	In 2016?	In 2001?
Alabama	No	No	Yes
Alaska	No	No	No
Arizona	No	No	No
Arkansas	No	No	Yes
California*	No	No	Yes
Colorado*	No	No	Yes
Connecticut	No	No	No
Delaware	No	No	No
District of Columbia	No	No	No
Florida*	No	No	Yes
Georgia	No	No	No
Hawaii	No	No	No
Idaho	No	No	Yes
Illinois*	No	No	No
Indiana	No	No	Yes
Iowa	No	No	No
Kansas	No	No	No
Kentucky	No	No	Yes
Louisiana	No	No	Yes
Maine*	No	No	Yes
Maryland	No	No	Yes
Massachusetts	No	No	No
Michigan	No	No	No
Minnesota	No	No	Yes
Mississippi	No	No	Yes
Missouri	No	No	No
Montana*	No	No	No
Nebraska	No	No	No
Nevada	No	No	Yes
New Hampshire	No	No	No
New Jersey*	No	No	No
New Mexico*	No	No	No
New York	No	No	Yes
North Carolina*	No	No	No
North Dakota	No	No	Yes
Ohio	No	No	No
Oklahoma	No	No	No
Oregon*	No	Yes	No
Pennsylvania	No	No	No
Rhode Island	No	No	Yes
South Carolina*	No	No	No
South Dakota*	Yes	No	Yes
Tennessee	No	No	No
Texas*	No	No	Yes
Utah	No	No	No
Vermont	No	No	No
Virginia	No	No	No
Washington	No	No	No
West Virginia*	Yes	No	Yes
Wisconsin	No	No	Yes
Wyoming	No	No	Yes

TABLE 4C: STATE PAYMENT AMOUNT IN 2017 COMPARED TO MARKET RATE FOR CHILD CARE CENTERS

		Center care for a four-year-old					Center care for a one-year-old				
State	City/county/ region	Monthly state payment rate	75th percentile of market rate	Year of market rate	Difference between state rate and 75th percentile	Percentage difference between state rate and 75th percentile	Monthly state payment rate	75th percentile of market rate	Year of market rate	Difference between state rate and 75th percentile	Percentage difference between state rate and 75th percentile
Alabama*	Birmingham Region	$468	$585	2014	-$117	-20%	$511	$658	2014	-$147	-22%
Alaska*	Anchorage	$650	$880	2015	-$230	-26%	$850	$1,020	2015	-$170	-17%
Arizona	Maricopa County (Phoenix)	$515	$883	2014	-$368	-42%	$576	$1,005	2014	-$429	-43%
Arkansas*	Urban Areas	$511	$520	2015	-$9	-2%	$618	$615	2015	$3	1%
California*	Los Angeles County	$1,039	$1,124	2016	-$85	-8%	$1,466	$1,594	2016	-$129	-8%
Colorado*	Denver County	$693	$1,201	2015	-$509	-42%	$1,088	$1,529	2015	-$441	-29%
Connecticut	North Central	$693	$1,178	2015	-$485	-41%	$870	$1,407	2015	-$537	-38%
Delaware	New Castle County	$574	$898	2015	-$325	-36%	$622	$1,024	2015	-$402	-39%
District of Columbia*	Citywide	$909	$1,409	2012	-$500	-35%	$1,355	$1,829	2012	-$474	-26%
Florida*	Miami-Dade County	$419	$563	2015	-$144	-26%	$464	$628	2015	-$164	-26%
Georgia*	Zone 1	$494	$884	2017	-$390	-44%	$559	$996	2017	-$437	-44%
Hawaii	Statewide	$675	$875	2016	-$200	-23%	$1,395	$1,490	2016	-$95	-6%
Idaho*	Cluster 2 (Boise)	$623	$673	2015	-$50	-7%	$696	$745	2015	-$49	-7%
Illinois*	Metropolitan Region	$708	$1,061	2014	-$352	-33%	$1,007	$1,287	2014	-$280	-22%
Indiana*	Marion County (Indianapolis)	$1,065	$1,161	2015	-$96	-8%	$1,269	$1,594	2015	-$325	-20%
Iowa*	Statewide	$595	$770	2014	-$175	-23%	$738	$902	2014	-$164	-18%
Kansas	Sedgwick	$526	$620	2014	-$94	-15%	$694	$844	2014	-$150	-18%
Kentucky*	Central Region	$487	$628	2015	-$141	-22%	$553	$714	2015	-$161	-23%
Louisiana	Statewide	$465	$541	2014	-$76	-14%	$487	$585	2014	-$97	-17%
Maine*	Cumberland County	$909	$1,018	2015	-$109	-11%	$1,057	$1,185	2015	-$128	-11%
Maryland*	Region W	$546	$855	2017	-$310	-36%	$865	$1,298	2017	-$433	-33%
Massachusetts*	Boston (Region 6)	$869	$1,299	2015	-$430	-33%	$1,292	$1,637	2015	-$345	-21%
Michigan*	Statewide	$585	$865	2015	-$281	-32%	$828	$1,027	2015	-$199	-19%
Minnesota	Hennepin County	$870	$1,230	2016	-$359	-29%	$1,160	$1,624	2016	-$463	-29%
Mississippi	Statewide	$339	$433	2016	-$94	-22%	$375	$520	2016	-$145	-28%
Missouri*	St. Louis County	$406	$778	2016	-$372	-48%	$695	$1,013	2016	-$318	-31%
Montana	Yellowstone County (Billings)	$662	$736	2016	-$74	-10%	$758	$801	2016	-$43	-5%
Nebraska*	Urban Counties	$779	$801	2015	-$22	-3%	$927	$953	2015	-$26	-3%
Nevada	Clark County	$498	$863	2015	-$365	-42%	$606	$1,039	2015	-$433	-42%
New Hampshire*	Statewide	$779	$931	2016	-$152	-16%	$931	$1,147	2016	-$217	-19%
New Jersey	Statewide	$573	$1,021	2012	-$448	-44%	$695	$1,200	2012	-$505	-42%
New Mexico*	Statewide	$491	$706	2015	-$215	-31%	$721	$736	2015	-$15	-2%
New York*	New York City	$1,048	$1,117	2015	-$69	-6%	$1,606	$1,650	2015	-$43	-3%
North Carolina*	Mecklenburg County	$776	$1,040	2014-15	-$264	-25%	$870	$1,170	2014-15	-$300	-26%
North Dakota	Statewide	$565	$665	2015	-$100	-15%	$663	$770	2015	-$107	-14%
Ohio	Cuyahoga County (Cleveland)	$570	$911	2016	-$341	-37%	$713	$1,125	2016	-$412	-37%
Oklahoma*	Enhanced Area Counties	$461	$602	2014	-$141	-23%	$624	$714	2014	-$90	-13%
Oregon*	Group Area A	$965	$1,035	2016	-$70	-7%	$1,255	$1,370	2016	-$115	-8%
Pennsylvania	Philadelphia	$707	$866	2015-16	-$159	-18%	$902	$1,039	2015-16	-$137	-13%
Rhode Island	Statewide	$700	$931	2015	-$231	-25%	$838	$1,037	2015	-$199	-19%
South Carolina*	Statewide	$628	$628	2015	$0	0%	$688	$688	2015	$0	0%
South Dakota*	Minnehaha County (Sioux Falls)	$692	$692	2015	$0	0%	$770	$770	2015	$0	0%
Tennessee*	Top Tier Counties	$515	$713	2016	-$198	-28%	$684	$844	2016	-$160	-19%
Texas	Gulf Coast Area	$507	$708	2015	-$201	-28%	$713	$807	2015	-$95	-12%
Utah	Statewide	$568	$598	2015	-$30	-5%	$758	$780	2015	-$22	-3%
Vermont*	Statewide	$809	$961	2015	-$152	-16%	$846	$1,039	2015	-$193	-19%
Virginia	Fairfax County	$1,147	$1,407	2015	-$260	-18%	$1,364	$1,645	2015	-$281	-17%
Washington*	King County	$788	$1,300	2015	-$512	-39%	$939	$1,519	2015	-$580	-38%
West Virginia*	Statewide	$606	$606	2015	$0	0%	$693	$693	2015	$0	0%
Wisconsin	Milwaukee County	$830	$1,100	2015	-$270	-25%	$1,070	$1,426	2015	-$356	-25%
Wyoming	Statewide	$521	$714	2015	-$194	-27%	$573	$740	2015	-$168	-23%

TABLE 4D: STATE TIERED PAYMENT RATES FOR CENTER CARE FOR A FOUR-YEAR-OLD IN 2017

State	City/county/ region	Number of quality tier levels (including base rate)	Payment rate for lowest tier	Payment rate for highest tier	Payment rates between highest and lowest tiers	Difference between lowest and highest tiers	Percentage difference between lowest and highest tiers	75th percentile of market rate	Difference between highest rate and 75th percentile	Percentage difference between highest rate and 75th percentile
Alabama*	Birmingham Region	6	$468	$515	$476, $485, $498, $507	$48	10%	$585	-$69	-12%
Alaska	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Arizona	Maricopa County (Phoenix)	2	$515	$567	N/A	$52	10%	$883	-$316	-36%
Arkansas*	Urban Areas	3	$511	$588	$536	$77	15%	$520	$68	13%
California	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Colorado*	Denver County	5	$682	$1,001	$693, $844, $990	$319	47%	$1,201	-$200	-17%
Connecticut	North Central	2	$693	$727	N/A	$35	5%	$1,178	-$450	-38%
Delaware*	New Castle County	4	$574	$883	$693, $805	$310	54%	$898	-$15	-2%
District of Columbia*	Citywide	3	$632	$909	$771	$277	44%	$1,409	-$500	-35%
Florida*	Miami-Dade County	2	$419	$503	N/A	$84	20%	$621	-$119	-19%
Georgia*	Zone 1	4	$494	$617	$518, $543	$123	25%	$884	-$267	-30%
Hawaii*	Statewide	2	$675	$710	N/A	$35	5%	$875	-$165	-19%
Idaho	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Illinois*	Metropolitan Region	3	$708	$815	$779	$106	15%	$1,061	-$246	-23%
Indiana*	Marion County (Indianapolis)	4	$762	$1,065	$914, $992	$303	40%	$1,161	-$96	-8%
Iowa*	Statewide	2	$595	$770	N/A	$175	29%	$770	$0	0%
Kansas	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Kentucky*	Central Region	4	$476	$538	See notes	$61	13%	$628	-$90	-14%
Louisiana*	Statewide	5	$465	$559	$479, $503, $528	$93	20%	$541	$17	3%
Maine*	Cumberland County	4	$909	$1,000	$927, $955	$91	10%	$1,018	-$18	-2%
Maryland*	Region W	4	$546	$687	$600, $649	$142	26%	$855	-$168	-20%
Massachusetts*	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Michigan*	Statewide	5	$487	$682	$536, $585, $633	$195	40%	$865	-$183	-21%
Minnesota	Hennepin County	3	$870	$1,044	$1,001	$174	20%	$1,230	-$185	-15%
Mississippi*	Statewide	2	$312	$339	N/A	$27	9%	$433	-$94	-22%
Missouri*	St. Louis County	2	$406	$487	N/A	$81	20%	$778	-$291	-37%
Montana	Yellowstone County (Billings)	5	$662	$794	$695, $728, $761	$132	20%	$736	$58	8%
Nebraska*	Urban Counties	7	$779	$1,024	$818, $859, $902, $929, $975	$245	31%	$801	$223	28%
Nevada*	Clark County	5	$498	$866	$606, $693, $779	$368	74%	$863	$3	0%
New Hampshire*	Statewide	3	$779	$857	$818	$78	10%	$931	-$74	-8%
New Jersey	Statewide	2	$573	$604	N/A	$31	5%	$1,021	-$417	-41%
New Mexico*	Statewide	7	$491	$841	$579, $591, $613, $641, $741	$350	71%	$834	$7	1%
New York*	New York City	2	$1,048	$1,205	N/A	$157	15%	$1,117	$88	8%
North Carolina*	Mecklenburg County	4	$477	$776	$721, $746	$299	63%	$1,040	-$264	-25%
North Dakota	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ohio*	Cuyahoga County (Cleveland)	7	$570	$800	$622, $627, $699, $717, $764	$230	40%	$911	-$111	-12%
Oklahoma*	Enhanced Area Counties	4	$292	$509	$375, $461	$217	74%	$602	-$93	-15%
Oregon*	Group Area A	4	$965	$1,055	$1,019, $1,037	$90	9%	$1,035	$20	2%
Pennsylvania*	Philadelphia	5	$707	$869	$714, $727, $811	$162	23%	$866	$3	0%
Rhode Island	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
South Carolina*	Statewide	5	$563	$758	$628, $671, $714	$195	35%	$628	$130	21%
South Dakota	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Tennessee*	Top Tier Counties	4	$429	$515	$450, $494	$86	20%	$713	-$198	-28%
Texas*	Gulf Coast Area	4	$507	$554	$533, $543	$47	9%	$708	-$154	-22%
Utah	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Vermont	Statewide	6	$578	$809	$607, $636, $694, $751	$231	40%	$961	-$152	-16%
Virginia	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Washington*	King County	5	$758	$871	$773, $788, $834	$114	15%	$1,300	-$429	-33%
West Virginia*	Statewide	3	$606	$693	$650	$87	14%	$606	$87	14%
Wisconsin	Milwaukee County	4	$789	$1,038	$830, $914	$249	32%	$1,100	-$62	-6%
Wyoming	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

NOTES FOR TABLES 4A, 4B, 4C, AND 4D: PAYMENT RATES

State payment rates are compared to the 75th percentile of market rates (the rate designed to allow families access to 75 percent of providers in their community) because federal regulations recommend that rates be set at this level. A state's payment rates are only considered to be at federally recommended level if rates for all (or nearly all) categories—such as different regions, age groups, types of care, and quality levels (including the base rate)—are at or above the 75th percentile of current market rates.

A state is considered to have rates that were based on current market prices if the market survey used to set its rates was conducted no more than two years earlier (so, for example, rates used in 2017 are considered current if set at the 75th percentile of 2015 or more recent market rates).

States were asked to report payment rates and the 75th percentile of market rates for their most populous city, county, or region. Monthly rates were calculated from hourly, daily, and weekly rates assuming the child was in care 9 hours a day, 5 days a week, 4.33 weeks a month. Differences between state payment rates and the 75th percentile were calculated using raw data, rather than the rounded numbers shown in the table.

For states that pay higher rates for higher-quality care, the most common rate level (the level representing the greatest number of providers) for each state is used for the data analysis in Table 4c, unless otherwise indicated. The rates analyzed in the tables do not reflect other types of higher rates or rate enhancements, such as higher rates paid for care for children with special needs or care during non-traditional hours.

Data in the tables for 2017 reflect policies as of February 2017, data in the tables for 2016 reflect policies as of February 2016, and data in the tables for 2001 reflect policies as of June 2001, unless otherwise indicated. Certain changes in policies since February 2017 are noted below.

Alabama: The payment rates in Tables 4c and 4d reflect that the state increased base rates by 6 percent and began paying higher rates for higher-quality care as of August 2016.

Alaska: In February 2017, payment rates were at the 75th percentile of 2009 market rates for infant and toddler care and the 50th percentile for all other categories of care. The state increased payment rates to the 15th percentile of 2015 market rates as of October 2017.

Arizona: Payment rates were set at the 75th percentile of 2000 market rates in 2006. On July 1, 2007, the state implemented a 5 percent increase in rates. As of April 2009, the state reversed this 5 percent increase and rates reverted to the level at which they had been set in 2006.

Arkansas: Payment rates vary as a percentile of the market rate by the age of the child and region. The state began providing higher payment rates for higher-quality care under a quality rating and improvement system (which has three star levels) in June 2014. As of January 2016, all providers serving families receiving child care assistance must have a rating of one star or higher. The previous base rate, which had not been increased since 2007 and was paid to providers that did not meet the criteria for a star rating, was eliminated. The payment rates in Tables 4c and 4d reflect that the base rate is now the rate for one-star providers. Also note that providers with two- or three-star ratings are allowed to charge parents the difference between the state payment rate and the rate charged to private-paying parents; however, providers cannot charge the difference to foster families or families receiving TANF.

California: In January 2015, the state set payment rates at 10.11 percent below the 85th percentile of 2009 market rates, and in October 2015, the state increased rates for licensed care by 4.5 percent. As of January 2017, the state increased payment rates for licensed care to the 75th percentile of 2014 market rates (unless existing rates were higher, in which case they were not changed); the payment rates in Table 4c reflect this increase. As of January 2017, the state also increased rates for license-exempt family child care from 65 percent of the previous rates for licensed family child care to 70 percent of the new rates for licensed family child care. The state planned to increase rates for licensed care to the 75th percentile of 2016 market rates (unless existing rates are higher, in which case they will not change) as of January 2018.

Colorado: Counties determine their payment rates and when to change them. Denver last changed its rates in August 2016, lowering its base rates and raising rates at higher quality tiers; the payment rates in Tables 4c and 4d reflect these changes. Also note as of September 2016, all counties are required to have higher rates for higher-quality care; previously, counties determined whether to offer tiered rates for higher-quality care (and some counties, including Denver, did offer such rates prior to the requirement).

Connecticut: The state last increased payment rates for centers in January 2015 and for licensed and license-exempt family child care in January 2017.

Delaware: Providers are allowed to charge parents the difference between the state payment rate and the rate charged to private-paying parents under the Purchase of Care Plus option (although providers must also reserve at least one slot for families who are not charged the difference between the state rate and the private-pay rate). Also note that the state has five quality rating levels, but only four different payment rate tiers; providers at both quality level one and quality level two (as well as providers that do not have a quality rating) receive the base rate. The state last increased rates for providers at the top two quality levels in July 2014; the remaining rates were last increased in 2011.

District of Columbia: The District increased payment rates for infant and toddler care by 15 percent in October 2013, and began using the same payment rate for toddlers as used for infants as of November 2016; the remaining rates were last changed in 2006. The state increased rates for care for infants and toddlers by 4 percent for centers and 10 percent for family child care as of October 2017.

Florida: Local early learning coalitions determine their payment rates and when to update them; Miami-Dade County last increased its rates in April 2015. In addition, local coalitions may pay rates that are up to 20 percent higher than the base rate for Gold Seal providers, a designation indicating higher-quality care and tied to accreditation. The state's market rate survey differentiates between quality levels and the 75th percentile of market rates is obtained for providers at the base level and at the Gold Seal level; in Table 4c, the payment rate for the base level (the most common rate level) is compared to the 75th percentile for that same quality level, and in Table 4d, the payment rate for the highest quality level (the Gold Star level) is compared to the 75th percentile for that quality level.

Georgia: Zone 1 includes Camden, Cherokee, Clayton, Cobb, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Hall, Henry, Paulding, and Rockdale Counties. The payment rates in Table 4d reflect that the state increased rates for providers with ratings of one star or higher in the state's quality rating and improvement system (which has three levels) as of October 2016; tiered rates were increased from 2 percent to 5 percent above the base rate for one-star providers, from 5 percent to 10 percent above the base rate for two-star providers, and from 10 percent to 25 percent above the base rate for three-star providers.

Hawaii: Payment rates were last updated for licensed care in 2008 and for license-exempt care in 2010. Also note that the state has higher rates for accredited center care for children over age 24 months through the time the children are eligible to enroll in kindergarten or junior kindergarten (usually age five by the end of the calendar year, depending on the child's birth date). The state does not have accredited rates for care for infants and toddlers or for family child care.

Idaho: Cluster 2 includes Ada, Blaine, Boise, Bonner, Bonneville, Latah, Lewis, Teton, and Valley Counties. The payment rates in Table 4c reflect that the state increased payment rates from the 75th percentile of 2001 rates to the 65th percentile of 2015 market rates as of October 2016.

Illinois: Payment rates as a percentile of market rates vary by the age of the child, type of care, and region. Rates for centers range from the 17th to 62nd percentile of 2014 market rates and rates for family child care range from the 57th to 95th percentile. The state last increased rates for child care centers in January 2012 and for family child care in December 2014. Payment rates are reported for the Metropolitan Region (referred to as Group 1A), which includes Cook, DeKalb, DuPage, Kane, Kendall, Lake, and McHenry Counties. Also note that a provider that has a contract with the state is not permitted to charge parents the difference between the state payment rate and the rate charged to private-paying parents.

Indiana: The payment rates in Tables 4c and 4d reflect that the state increased payment rates for providers at levels two, three, and four of the state's quality rating and improvement system (which has four levels) as of September 2016. The state increased payment rates for license-exempt providers in September 2015. All other rates were last increased in May 2014. Also note that the state's market rate survey differentiates between quality levels and the 75th percentile of market rates is obtained for providers at each quality level; in Table 4c, the payment rate for the most common rate level is compared to the 75th percentile for that same quality level, and in Table 4d, the payment rate for the highest quality level is compared to the 75th percentile for that quality level.

Iowa: The state set payment rates at the 75th percentile of 2004 market rates in 2007, and then increased rates by 2 percent in 2008, by another 2 percent in January 2013, and by 4 percent in July 2013. The payment rates in Table 4d reflect that the state began implementing higher rates for providers at level five of the state's quality rating and improvement system (which has five levels) as of July 2016; these rates are set at the 75th percentile of 2014 market rates. Also note that the state calculates payments based on units of care; a unit is a half day (up to 5 hours of service per 24-hour period), so 9 hours of care a day, 5 days a week, 4.33 weeks a month would equal 44 units.

Kansas: The state set payment rates at the 40th percentile of 2014 market rates for each county group as of January 2016. (Rates for individual counties range from below the 5th percentile to above the 100th percentile of market rates.)

Kentucky: The state last increased base payment rates—by $1 per day—as of February 2016. Also note that the amount of the bonus above the base rate at each star level of the state's quality rating and improvement system—for four-year-olds, $7 to $11 per month for two-star providers, $11 to $15 per month for three-star providers, and $14 to $18 per month for four-star providers—depends on the percentage of children served by the provider who are receiving child care assistance. (All providers serving children receiving child care assistance must participate in the state's quality rating and improvement system. One-star providers do not receive a bonus above the base rate.) For all levels, a licensed or certified provider may receive, to the extent funds are available, $2 per day beyond the maximum rate if the provider is accredited. The highest rate shown in Table 4d assumes that the provider receives the maximum allowable bonus at the four-star level and is accredited.

Louisiana: The state last increased payment rates in January 2016; for example, rates for center care for infants, toddlers, and preschoolers were increased from at or below the 10th percentile of 2012 market rates to nearly the 50th percentile of 2014 market rates, and rates for family child care for infants, toddlers, and preschoolers were increased from between the 15th and 50th percentile of 2012 market rates to the 25th percentile of 2014 market rates. Also note that, although shown in Table 4d as incorporated into the monthly payment rate, bonuses for higher-quality care are paid quarterly.

Maine: The payment rates in Tables 4c and 4d reflect that the state increased base payment rates from the 50th percentile of 2013 market rates to the 50th percentile of 2015 market rates as of June 2016. The state increased base rates for center care for school-age children and for licensed family child care (for all age groups) to the 75th percentile of 2015 market rates as of June 2017.

Maryland: The state increased payment rates by 2 percent as of July 2017. Prior to that, the state had last increased rates in January 2015. Also note that Region W includes Anne Arundel, Calvert, Carroll, Charles, and Prince George's Counties.

Massachusetts: Payment rates vary as a percentile of market rates by the age of the child, type of care, and region. The payment rates in Table 4c reflect that the state implemented a 3.6 percent increase in rates for center care in December 2016 (retroactive to July 2016); the state implemented a 3.6 percent increase in rates for family child care in May 2017 (retroactive to July 2016) as well. The state increased payment rates for center care and family child care for infants and toddlers to the 50th percentile of 2015 market rates in regions where rates were below that level as of April 2017. In addition, the state increased rates for all providers by 6 percent in August 2017 (retroactive to July 2017). Also note that the state pays higher rates (3 percent above the base rate) for center care and family child care at level two or above of the state's quality rating and improvement system (which has four levels) for children up to 2.9 years old.

Michigan: The state increased base payment rates and rates for higher-quality care as of July 2017. The base rate for all providers was increased by 25 cents per hour. Rates for centers and family child care providers with ratings of one or two stars in the state's quality rating and improvement system (which has five star levels) were also increased by 25 cents per hour. Rates for three- and four-star centers and family child care providers were increased by 50 cents per hour, and rates for five-star centers and family child care providers and license-exempt family child care providers at level two (providers that complete additional training) were increased by 75 cents per hour. Prior to these increases, the state had last increased rates for providers with ratings of two stars or higher in July 2015, and had last changed base rates in 2009, with the exception of a reduction in payment rates for license-exempt family child care providers at level one (providers that do not complete the additional training required to achieve level two) in October 2011.

Minnesota: Base payment rates were set at the 25th percentile of 2011 market rates or left at the existing level (the level that went into effect as of November 28, 2011, following a 2.5 percent rate reduction), whichever was higher, as of February 2014. The state increased the number of payment rate tiers and the differential between the lowest and highest tiers as of March 2014.

Mississippi: Payment rates for licensed centers are at the 51st percentile of 2009 market rates for infants, 49th percentile for toddlers, 56th percentile for preschoolers, 62nd percentile for school-age care during the summer, and 75th percentile for special needs care. Payment rates for family child care are at the 36th percentile for infants, 65th percentile for toddlers, 64th percentile for preschoolers, 75th percentile for school-age care during the summer, and 42nd percentile for special needs care. Also note that the state has two separate tiers for providers: tier two for those meeting basic licensing/regulatory requirements and tier one for those that are accredited or have a director who meets certain educational and/or experience criteria; tier one providers receive a higher rate. Prior to 2017, the state had a quality rating and improvement system (with five levels) that provided bonuses equal to 7 percent of the total payment for two-star centers, 17 percent for three-star centers, 22 percent for four-star centers, and 25 percent for five-star centers; this system ended as of December 2016 (although the state continued paying providers the bonuses until the end of their funding period).

Missouri: The state does not allow parents receiving child protective services to be charged the difference between the state payment rate and the rate charged to private-paying parents. Also note that the payment rates in Tables 4c and 4d reflect that the state increased rates by 10 percent as of July 2016.

Montana: Payment rates were set at the 75th percentile of 2009 market rates in 2009, and then increased by 2 percent as of August 2013, an additional 2 percent as of July 2014, and another 2 percent as of January 2016. Also note that data on the state's policies as of 2001 are not available, so data on policies as of March 2000 are used instead.

Nebraska: Providers are not allowed to charge parents or caretakers receiving child care assistance the difference between the state payment rate and the provider's private-pay rate, except in the case of a foster parent or subsidized adoptive parent or guardian. Also note that Urban Counties include Dakota, Douglas, Lancaster, and Sarpy Counties. The state increased base payment rates to the 50th percentile of 2017 market rates (unless existing rates were higher, in which case they were not changed), and increased rates for accredited care in some categories, as of July 2017. Under the state's tiered rates system, non-accredited providers are paid at the base rate if they do not participate in the state's quality rating and improvement system (which has five levels) or are at step one or two of the system, 5 percent above the base rate once they reach step three, 5 percent above the rate for step three once they reach step four, and 5 percent above the rate for step four once they reach step five; accredited providers are paid at the accredited rate if they do not participate in the quality rating and improvement system or are at step one, two, or three, 5 percent above the accredited rate once they reach step four, and 5 percent above the accredited rate for step four once they reach step five.

Nevada: The payment rates in Table 4d reflect that the state increased tiered rates for providers with ratings of two stars or higher in the state's quality rating and improvement system (which has five levels and is now mandatory for all licensed providers) as of October 2016. Previously, two-star providers received the base rate; one-star providers and providers that do not yet have a quality rating still receive the base rate, which was not changed.

New Hampshire: The state increased base payment rates to the 50th percentile of 2016 market rates as of July 2017.

New Jersey: Payment rates vary as a percentile of the market rate by the age of the child and type of care. The state increased payment rates for approved home providers and registered family child care providers represented by the Child Care Workers Union in April 2014 and again in August 2014; payment rates for centers were last changed in 2008. Also note that data on the state's policies as of 2001 are not available, so data on policies as of March 2000 are used instead.

New Mexico: The state increased payment rates for care for infants and toddlers and established new quality tiers, with rates at the highest quality levels exceeding the previous highest rates, as of July 2014. (Rates in Table 4d reflect tiered rates for the newer quality rating and improvement system as well as the older quality rating and improvement system, which will be phased out by the end of 2017. The older system has four rate tiers and the newer system has five rate tiers; the rates at each of the bottom two tiers are the same for both systems.) The state raised payment rates for rural areas so that they equaled rates for metro areas as of January 2015, and now uses a single set of rates statewide. The state increased base rates for licensed care for preschoolers and school-age children, as well as rate differentials at the top two levels of the newer quality rating system for center care for infants, toddlers, and preschoolers, as of October 2015. Also note that the state's market rate survey differentiated between quality levels and the 75th percentile of market rates was obtained for providers at each quality level of the older quality rating and improvement system and one of the levels of the new system (the newer system was not yet fully implemented at the time of the last survey); in Table 4c, the payment rate for the most common rate level is compared to the 75th percentile for that same quality level, and in Table 4d, the payment rate for the highest quality level is compared to the 75th percentile for the highest quality level under the older system.

New York: The payment rates in Tables 4c and 4d reflect that the state updated base rates from the 69th percentile of 2013 market rates to the 69th percentile of 2015 market rates as of June 2016. Also note that local social services districts may set payment rates for accredited providers that are up to 15 percent higher than base rates.

North Carolina: The state's market rate survey differentiates between quality levels and the 75th percentile of market rates is obtained for providers at each quality level; in Table 4c, the payment rate for the most common rate level is compared to the 75th percentile for that same quality level, and in Table 4d, the payment rate for the highest quality level is compared to the 75th percentile for that quality level. There are five star levels in the state's quality rating and improvement system, which is mandatory for all licensed providers, except those that are religious sponsored. One- and two-star providers are no longer eligible to serve children receiving child care assistance. Religious-sponsored providers not participating in the quality rating and improvement system and new providers with a temporary license are paid at the rate previously used for one-star providers; this rate was set based on 2003 market rate survey data. The state increased payment rates for three-, four-, and five-star licensed providers in all counties as of January 2015. The state increased rates for three-, four-, and five-star licensed providers serving infants and toddlers in tier one and tier two counties as of January 2016. The state increased rates for three-, four-, and five-star licensed providers serving children ages three to five in tier one and tier two counties as of October 2016. The state increased rates for three-, four-, and five-star licensed providers serving school-age children in tier one and tier two counties, and rates for three-, four-, and five-star licensed providers serving children birth through age two in tier three counties, as of October 2017. (The state's 100 counties are ranked based on economic well-being and assigned a tier designation, with the 40 most distressed counties designated as tier one, the next 40 as tier two, and the 20 least distressed as tier three. Note that Mecklenburg County is a tier three county, so the increases that occurred in 2016 are not reflected in Table 4c or 4d.)

Ohio: The state reduced base payment rates to the 26th percentile of 2008 market rates (from the 35th percentile of 2008 market rates) as of July 2011. The payment rates in Table 4d reflect that the state increased rates for providers with ratings of two stars or higher in the state's quality rating and improvement system (which has five levels) as of June 2016, and implemented additional rate increases for all star-rated providers as of September 2016. In June 2016, the state increased rates from 10 percent to 18 percent above the base rate for two-star providers; from 15 percent to 18 percent above the base rate for three-star providers; from 20 percent to 25 percent above the base rate for four-star providers; and from 25 percent to 31 percent above the base rate for five-star providers. In September 2016, the state increased the base amount used for calculating rates for star-rated providers by 4 percent, and then increased the enhancement added to that base amount to 21 percent for three-star providers, 29 percent for four-star providers, and 35 percent for five-star providers.

Oklahoma: Enhanced Area rates apply to 19 out of 77 counties in the state (Caddo, Canadian, Cherokee, Cleveland, Comanche, Creek, Garfield, Kay, Logan, McCurtain, Oklahoma, Ottawa, Payne, Pittsburg, Pottawatomie, Tulsa, Wagoner, Washington, and Woods); Standard Area rates apply to the remaining counties.

Oregon: The state increased base payment rates for licensed centers (as well as license-exempt family child care providers) from the 75th percentile of 2012 market rates to at least the 75th percentile of 2014 market rates as of January 2016. The state increased base payment rates for registered and certified family child care providers to at least the 75th percentile of 2014 market rates as of March 2016. The payment rates in Table 4d reflect that the state began providing higher payments for providers with ratings of three stars or higher in the state's quality rating and improvement system (which has five levels) as of April 2016. Also note that Group Area A includes the Ashland, Bend, Corvallis, Eugene, Monmouth, and Portland areas.

Pennsylvania: Payment rates vary as a percentile of the market rate by the age of the child, type of care, county, unit of care (whether full- or part-time), and quality level of care. The state has five payment rate tiers, including the base rate and a rate for each level of the state's quality rating and improvement system, which has four star levels. The state lowered base rates for providers with no star rating as of January 2013. The rates for one-star providers, which previously were paid at the base level, and for two-star providers were not changed. The rates for three- and four-star providers were increased in January 2013, August 2013, and again in August 2015. The state also implemented additional rate increases for two-, three-, and four-star providers serving infants and toddlers as of August 2015. The state increased rates for three- and four-star providers again, and stopped paying higher rates to one-star providers (who will now receive the base rate), as of August 2017.

Rhode Island: The state increased payment rates by $10 per week for licensed family child care and license-exempt care, and then by 3 percent for all providers as of July 2015.

South Carolina: The state last increased base payment rates and tiered rates for higher-quality care in February 2016. The state's quality rating and improvement system, which is mandatory for all providers serving families receiving child care assistance, has five levels—C (which receives the base rate), B, B+, A, and A+. In February 2017, for most age groups, rates for providers at level B (the most common level) were at the 75th percentile of 2015 market rates, and rates for providers at higher quality levels were above the 75th percentile of 2015 market rates.

South Dakota: The state increased payment rates to the 75th percentile of 2015 market rates for all categories of care as of June 2016 (unless rates were already equal to or higher than that level, in which case they were not changed, as was the case for the rates shown in Table 4c).

Tennessee: Top Tier Counties are those with the 20 highest average populations in 2013 and/or 20 highest per capita incomes in 2011-2013; these counties include: Anderson, Blount, Bradley, Coffee, Davidson, Fayette, Greene, Hamilton, Knox, Loudon, Madison, Maury, Montgomery, Moore, Putnam, Roane, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Tipton, Trousdale, Washington, Williamson, and Wilson.

Texas: Local workforce development boards set their payment rates and determine when to update them. Average rates across board areas range from the 19th to 75th percentile of 2015 market rates. Fourteen of the 28 boards updated base rates in at least one category of care in 2015 or 2016; the Gulf Coast Workforce Development Area last updated its base rates in March 2015. As of September 2015, the state requires that boards set their rates at 5 percent above the base rate or higher for providers at the two-star level of the state's quality rating and improvement system and providers participating in the Texas School Ready project (a comprehensive preschool teacher training program); 7 percent above the base rate or higher for three-star providers; and 9 percent above the base rate or higher for four-star providers. The Gulf Coast Workforce Development Area, which previously had two rate tiers, added two higher payment tiers for three-star and four-star providers as of September 2015. Also note that providers are allowed to charge parents the difference between the payment rate and the rate charged to private-paying parents, unless specifically prohibited by the local board or when the parent is exempt from having to pay a copayment or the parent's copayment is calculated to be zero.

Vermont: The payment rates in Table 4c reflect that the state increased rates for infant care as of August 2016; rates for other age groups were last increased in 2013.

Washington: The state increased base payment rates by 4 percent as of July 2014 and by another 4 percent as of January 2015. The state increased base rates for centers by an additional 2 percent as of July 2016; these rates increases are reflected in Tables 4c and 4d. The state also increased base rates for license-exempt family child care by 2 percent as of July 2016. In addition, the state increased base rates and tiered rates for licensed family child care providers as of July 2016, so that rates for licensed family child care at level three of the state's quality rating and improvement system (which has five levels) would be at the 75th percentile of 2014 market rates. Rates were increased from 4 percent to 10 percent above the base rate for family child care providers at quality level three, from 10 percent to 15 percent above the base rate for family child care providers at quality level four, and from 15 percent to 20 percent above the base rate for family child care providers at quality level five. The state increased rates again for licensed and license-exempt family child care providers as of July 2017, and increased rates for centers by 6 percent as of September 2017.

West Virginia: The payment rates in Tables 4c and 4d reflect that the state increased base rates to the 75th percentile of 2015 market rates, and increased tiered rates, as of March 2016. Also note that data on the state's policies as of 2001 are not available, so data on policies as of March 2000 are used instead.

Wisconsin: The state increased payment rates as of November 2014 to ensure that all rates were within 18 percent of the 75th percentile of 2014 market rates.

Wyoming: The state reduced payment rates as of July 2012. Prior to that, rates had last been updated in 2007.

TABLE 5: ELIGIBILITY FOR CHILD CARE ASSISTANCE WHILE A PARENT SEARCHES FOR A JOB IN 2016 AND 2017

	Length of time parents can continue to receive child care assistance if they lose a job while receiving assistance		Length of time parents can receive child care assistance if searching for a job when they apply for assistance	
State	2017	2016	2017	2016
Alabama*	90 days	Not eligible	Not eligible	Not eligible
Alaska*	80 hours	80 hours	80 hours	80 hours
Arizona*	3 months	60 days	Not eligible	Not eligible
Arkansas*	90 days	90 days	Not eligible	Not eligible
California*	60 days	60 days	60 days	60 days
Colorado*	13 weeks	60 days	Local decision	Local decision
Connecticut*	3 months	Until end of following month	Not eligible	Not eligible
Delaware*	90 days	90 days	Not eligible	Not eligible
District of Columbia*	180 days	3 months	Not eligible	Not eligible
Florida*	3 months	60 days	Not eligible	Not eligible
Georgia*	13 weeks	8 weeks	Not eligible	Not eligible
Hawaii*	30 days	30 days	30 days	30 days
Idaho*	3 months	Until end of month	Not eligible	Not eligible
Illinois*	3 months	3 months	Not eligible	Not eligible
Indiana*	13 weeks	13 weeks	Not eligible	Not eligible
Iowa*	3 months	30 days	30 days	30 days
Kansas*	3 months	Until end of month	Not eligible	Not eligible
Kentucky*	90 days	4 weeks	Not eligible	Not eligible
Louisiana*	Until end of 12-month eligibility period	Until end of 12-month eligibility period	Not eligible	Not eligible
Maine*	12 weeks	12 weeks	Not eligible	Not eligible
Maryland*	30 days	30 days	Not eligible	Not eligible
Massachusetts*	8 weeks	8 weeks	8 weeks	8 weeks
Michigan*	Until end of 12-month eligibility period	Until end of 12-month eligibility period	Not eligible	Not eligible
Minnesota*	240 hours	240 hours	240 hours	240 hours
Mississippi*	Until end of 12-month eligibility period	60 days	Not eligible	60 days
Missouri*	90 days	30 days	Not eligible	Not eligible
Montana*	3 months	3 months	Not eligible	Not eligible
Nebraska*	2 months	2 months	2 months	2 months
Nevada*	Until end of 12-month eligibility period	4 weeks	Not eligible	Not eligible
New Hampshire*	40 days	40 days	40 days	40 days
New Jersey*	3 months	3 months	Not eligible	Not eligible
New Mexico*	3 months	30 days	Not eligible	Not eligible
New York*	Local decision	Local decision	Local decision	Local decision
North Carolina*	90 days	30 days	Not eligible	Not eligible
North Dakota*	3 months	8 weeks	Not eligible	8 weeks
Ohio*	91 days	91 days	Not eligible	Not eligible
Oklahoma*	Until end of 12-month eligibility period	90 days	Not eligible	Not eligible
Oregon*	3 months	3 months	Not eligible	Not eligible
Pennsylvania*	92 days	92 days	Not eligible	Not eligible
Rhode Island*	21 days	21 days	Not eligible	Not eligible
South Carolina*	90 days	30 days	Not eligible	Not eligible
South Dakota*	90 days	30 days	Not eligible	Not eligible
Tennessee*	90 days	30 days	Not eligible	Not eligible
Texas*	3 months	4 weeks	Not eligible	Not eligible
Utah*	3 months	2 months	150 hours	150 hours
Vermont*	3 months	1 month	3 months	1 month
Virginia*	Not eligible	Not eligible	Not eligible	Not eligible
Washington*	Until end of 12-month eligibility period	56 days	Not eligible	Not eligible
West Virginia*	3 months	30 days	3 months	Not eligible
Wisconsin*	Until end of month	Until end of month	Not eligible	Not eligible
Wyoming*	90 days	Not eligible	Not eligible	Not eligible

NOTES FOR TABLE 5: ELIGIBILITY FOR CHILD CARE ASSISTANCE WHILE PARENTS SEARCH FOR A JOB

The table reflects policies that apply to families not receiving TANF; policies may differ for families receiving TANF.

Data in the table for 2017 reflect policies as of February 2017, and data in the table for 2016 reflect policies as of February 2016. Certain changes in policies since February 2017 are noted below.

Alabama: Parents can continue receiving child care assistance while searching for a job for up to 90 days, even if they reach the end of their eligibility period for child care assistance before the end of that 90-day period.

Alaska: In February 2017, parents could receive child care assistance while searching for a job for up to 80 hours per year. The state planned to extend the amount of time parents receiving child care assistance can continue to receive it while searching for a job to 3 months as of October 2017. Parents will be able to receive assistance while searching for a job multiple times during their eligibility period if they have an activity (work, job training, or educational) between job searches. In addition, parents will be able to continue receiving child care assistance while searching for a job for up to 3 months, even if they reach the end of their eligibility period for child care assistance before the end of that 3-month period. The state also planned to no longer allow parents to qualify for child care assistance while searching for a job as of October 2017.

Arizona: In February 2016, parents receiving child care assistance could continue to receive it while searching for a job for up to two 30-day periods or one 60-day period, beginning after the last day worked, in each 12-month period. The state extended the amount of time parents receiving child care assistance can continue to receive it while searching for a job to 3 months as of September 2016.

Arkansas: Parents receiving child care assistance can continue to receive it while searching for a job for up to 90 days; these 90 days can be consecutive and can be used across more than one adult in the household.

California: Parents can receive child care assistance while searching for a job for up to 60 consecutive working days per fiscal year, for no more than 5 days per week and less than 30 hours per week.

Colorado: In February 2016, counties had to allow parents receiving child care assistance to continue to receive it while searching for a job for up to 60 days, and could choose to allow parents to continue to receive child care assistance while searching for a job for a longer period of time. Counties could choose whether to allow parents to qualify for child care assistance while searching for a job; if counties chose to do so, they had to allow parents to receive child care assistance while searching for a job for up to 60 days, or for a longer period of time. As of June 2016, counties must allow parents receiving child care assistance to continue to receive it while searching for a job for up to 13 weeks, or for a longer period of time. Parents can continue receiving child care assistance while searching for a job for up to 13 weeks even if they reach the end of their eligibility period for child care assistance before the end of that 13-week period. Counties can still choose whether to allow parents to qualify for child care assistance while searching for a job, but if they choose to do so, they must allow parents to receive child care assistance while searching for a job for up to 13 weeks, or for a longer period of time.

Connecticut: In February 2016, parents receiving child care assistance could continue to receive it until the end of the month following the month of a job loss, if the parent timely reported the loss and was actively seeking a new job. The state extended the amount of time parents receiving child care assistance can continue to receive it while searching for a job to 3 months as of April 2016.

Delaware: Parents can continue receiving child care assistance while searching for a job for up to 90 days even if they reach the end of their eligibility period for child care assistance before the end of that 90-day period. Parents are authorized for assistance for the same number of hours of child care during their job search as they had while they were employed.

District of Columbia: In February 2016, parents receiving child care assistance could continue to receive it for up to 3 months from the effective date of employment termination if they lost a job due to a reduction in force by the employer and through no fault of the employee. In February 2017, parents receiving child care assistance could continue to receive it while searching for a job for up to 180 days or until the end of their eligibility period, whichever came first. (A termination letter is issued on 91st day that a parent is without a job, and then the parent may continue to receive child care assistance for up to an additional 90 days from the date the termination letter was issued, for a total of 180 days that parents can continue receiving assistance while searching for a job). Parents can only qualify for child care assistance while searching for a job if it is a structured job search through an approved agency.

Florida: Parents can continue receiving child care assistance while searching for a job for up to 3 months, even if they reach the end of their eligibility period for child care assistance before the end of that 3-month period. Parents can only qualify for child care assistance while searching for a job if they are applying for or receiving TANF.

Georgia: In February 2016, parents receiving child care assistance could continue to receive it for up to 8 weeks after each occurrence of job loss. The state extended the amount of time parents receiving child care assistance can continue to receive it while searching for a job to 13 weeks as of October 2016. Parents can only qualify for child care assistance while searching for a job if they are completing TANF job search requirements, are homeless, or are victims of domestic violence.

Hawaii: Parents can receive child care assistance while searching for a job for up to 30 consecutive days once in a 12-month period.

Idaho: In February 2016, parents receiving child care assistance could continue to receive it while searching for a job through the end of the month of a job loss. The state extended the amount of time parents receiving child care assistance can continue to receive it while searching for a job to 3 months as of October 2016.

Illinois: Parents receiving child care assistance can continue to receive it while searching for a job for up to 1 month, up to three times within a 12-month period. Also note that the state increased the amount of time parents have to report a job loss from 10 days to 30 days as of July 2017.

Indiana: Parents receiving child care assistance can continue to receive it while searching for a job for up to 13 cumulative weeks per 12-month period beginning one day after the loss of a job. Parents can continue receiving child care assistance while searching for a job for up to 13 weeks even if they reach the end of their eligibility period for child care assistance before the end of that 13-week period. Parents are authorized for assistance for the same number of hours of child care during their job search as they had for their prior documented activity. Parents can only qualify for child care assistance while searching for a job if they are receiving TANF and participating in the state's employment and training program.

Iowa: In February 2016, parents could receive child care assistance while searching for a job for up to 30 consecutive days, once within a 12-month period. The state extended the amount of time parents receiving assistance can continue to receive it while searching for a job to 3 months as of July 2016. Parents can continue receiving child care assistance while searching for a job for up to 3 months even if they reach the end of their eligibility period for child care assistance before the end of that 3-month period. The state extended the amount of time families can qualify for child care assistance while searching for a job to 3 months as of July 2017.

Kansas: In February 2016, parents receiving child care assistance had to report the loss of a job within 10 days, and the caseworker had to provide 10 days' notice that the case would be closed; cases always closed the last day of the month. The state extended the amount of time parents receiving assistance can continue to receive it while searching for a job to 3 months as of July 2016. Parents can receive child care assistance while searching for a job for 3 months or until the end of their eligibility period, whichever comes first. Parents can only qualify for child care assistance while searching for a job if they are receiving TANF and searching for a job is part of their work program plan.

Kentucky: The state began allowing parents to qualify for child care assistance while searching for a job for up to 3 calendar months as of October 2017.

Louisiana: The state's employment and training requirements may be waived for parents experiencing homelessness to allow them to qualify for child care assistance while searching for a job.

Maine: Parents can continue receiving child care assistance while searching for a job for up to 12 weeks even if they reach the end of their eligibility period for child care assistance before the end of that 12-week period.

Maryland: Parents receiving child care assistance can continue to receive it while searching for a job for up to 30 consecutive days. Parents can only qualify for child care assistance while searching for a job if they are applying for or receiving TANF and participating in an approved TANF activity. The state planned to extend the amount of time parents receiving child care assistance can continue to receive it while searching for a job to 3 months as of November 2017.

Massachusetts: Parents receiving child care assistance may be allowed to continue to receive it while searching for a job for an additional 4 weeks (on top of the initial 8 weeks allowed within a 52-week period) if there are extraordinary circumstances.

Michigan: Parents can only qualify for child care assistance while searching for a job if they are receiving TANF.

Minnesota: Parents can receive child care assistance while searching for a job for up to 240 hours per calendar year. The state planned to allow parents receiving assistance to continue to receive it while searching for a job for up to 3 months or until the end of their eligibility period, whichever comes first—in addition to the 240 hours allowed for job search per calendar year—as of December 2017.

Mississippi: In February 2016, parents could qualify or continue to receive child care assistance while searching for a job for up to 60 days from the last date of employment, per instance of job loss. In February 2017, parents receiving child care assistance could continue to receive it until the end of their 12-month eligibility period; parents could no longer qualify for child care assistance while searching for a job.

Missouri: In February 2016, parents receiving child care assistance could continue to receive it for up to 30 days after losing a job, twice per calendar year. The state extended the amount of time parents receiving child care assistance can continue to receive it while searching for a job to 90 days as of July 2016. Parents can continue receiving child care assistance while searching for a job until the last day of the month in which the 90th day falls, and can continue receiving it even if they reach the end of their eligibility period before the end of the period allowed for job search.

Montana: Parents receiving child care assistance can continue to receive it while searching for a job for up to 3 months, or until the end of their eligibility period, whichever comes first.

Nebraska: Parents can receive child care assistance while searching for a job for up to 2 consecutive calendar months following each instance of the loss of employment. Parents receiving child care assistance can continue to receive assistance while searching for a job to cover the same number of hours of child care as prior to their job loss, and parents applying for child care assistance can receive assistance to cover up to 20 hours of care per week. Also note that the state now allows parents with school-age children and parents in two-parent households to receive child care assistance while searching for a job; previously, these parents could not receive assistance while searching for a job.

Nevada: In February 2016, parents receiving child care assistance could continue to receive it while searching for a job for up to 4 weeks in a 12-month calendar year. If child care assistance was provided for at least one day, the entire week was counted toward this limit. Child care assistance was only provided while a parent searched for a job if his/her child was not attending full-day school. The state began allowing parents to continue to receive child care assistance while searching for a job until the end of their 12-month eligibility period as of March 2016.

New Hampshire: In February 2016 and February 2017, parents could receive child care assistance while searching for a job for up to 40 paid days in a rolling 6-month period, for up to 30 hours per week. Parents had to verify their job search with either receipt of unemployment compensation, a registration page from the New Hampshire Job Match System, or participation in the New Hampshire Employment Program. The state extended the amount of time parents can receive child care assistance while searching for a job to 92 calendar days, and eliminated the requirement to verify the job search for parents already receiving assistance, as of July 2017. Parents receiving child care assistance can continue to receive it while searching for a job for up to 92 days even if they reach the end of their eligibility period before the end of that 92-day period. Parents can receive child care assistance during multiple periods of job search, but not more than 92 days consecutively. Parents can continue to receive assistance to cover the same amount of child care while searching for a job as they did prior to the start of the job search.

New Jersey: Families receiving child care assistance can continue to receive it for up to 3 calendar months, and can request to receive it for an additional 3 calendar months (for a total of 6 months), while searching for a job. Parents can continue to receive child care assistance while searching for a job until the end of this time period even if they reach the end of their eligibility period before the end of the time limit for job search.

New Mexico: In February 2016, parents receiving child care assistance could continue to receive it while searching for a job for up to 30 calendar days, twice per calendar year, immediately following the loss of employment or graduation from high school or undergraduate school. The state extended the amount of time parents receiving child care assistance can continue to receive it while searching for a job to 3 months or until the end of their eligibility period, whichever comes first, as of October 2016. Parents can only qualify for child care assistance while searching for a job if they are receiving TANF and approved for job search.

New York: Local social services districts must allow parents receiving TANF to continue receiving child care assistance for up to 2 consecutive weeks while searching for a job, or up to 4 weeks if necessary for the family to maintain their child care arrangements. Local districts may allow other parents receiving child care assistance to continue to receive it during a break in their activities. Local districts may also choose to allow parents to qualify or continue to receive child care assistance while searching for a job for up to 6 months if the district has funds available. Child care assistance is only provided for the portion of the day a parent documents as directly related to seeking employment. Local districts may impose additional limitations on child care assistance for parents to search for a job.

North Carolina: In February 2016, parents receiving child care assistance could continue to receive it while searching for a job for up to 30 calendar days, and could request a 30-day extension. The state extended the amount of time parents receiving child care assistance can continue to receive it while searching for a job to 90 days as of June 2016.

North Dakota: In February 2016, parents could qualify or continue to receive child care assistance while searching for a job for up to 8 weeks in a calendar year, for up to 20 hours per week. In February 2017, parents receiving child care assistance could continue to receive it for up to 3 consecutive months within a 12-month eligibility period or until the end of their eligibility period, whichever came first. The state no longer allows parents to qualify to receive child care assistance while searching for a job, unless they are receiving or transitioning from TANF, as of April 2016.

Ohio: Parents receiving child care assistance can continue to receive it while searching for a job for up to 91 days or until the end of their eligibility period, whichever comes first. Parents can only qualify for child care assistance while searching for a job if they are receiving TANF and job search is an approved activity.

Oklahoma: In February 2016, parents receiving child care assistance could continue to receive it for up to 90 calendar days (starting with the day of the job loss or completion of an education or training program). The parent had to have been receiving child care assistance for at least 30 days prior to losing a job or completing an education program. In addition, parents could be approved to receive child care assistance while searching for a job no more than twice per calendar year, and had to be employed or going to school for at least 90 calendar days between approval periods. The state began allowing parents receiving child care assistance to continue to receive it until the end of their 12-month eligibility period, regardless of a change in job status, as of October 2016. Parents can only qualify for child care assistance while searching for a job if they are receiving TANF and job search is an approved activity.

Oregon: Parents can continue receiving child care assistance while searching for a job for up to 3 months even if they reach the end of their eligibility period for child care assistance before the end of that 3-month period.

Pennsylvania: Parents can continue receiving child care assistance while searching for a job for up to 92 days even if they reach the end of their eligibility period for child care assistance before the end of that 92-day period.

Rhode Island: Parents receiving child care assistance can continue to receive it for up to 21 consecutive days from the beginning of a period of unemployment. Parents must report the change in employment within 10 days. Parents are not eligible for continued assistance if they quit without good cause.

South Carolina: In February 2016, parents receiving child care assistance could continue to receive it while searching for a job for up to 30 days from the date of the employment loss. The state extended the amount of time parents receiving child care assistance can continue to receive it while searching for a job to 90 days or until the end of their eligibility period, whichever comes first, as of March 2016.

South Dakota: In February 2016, parents receiving child care assistance could continue to receive it while searching for a job for up to 30 days from the last date of employment. The state extended the amount of time parents receiving child care assistance can continue to receive it while searching for a job to 90 days or until the end of their eligibility period, whichever comes first, as of September 2016.

Tennessee: The state extended the amount of time parents receiving child care assistance can continue to receive it while searching for a job to 90 days as of September 2016. Parents can continue receiving child care assistance while searching for a job for up to 90 days even if they reach the end of their eligibility period for child care assistance before the end of that 90-day period.

Texas: In February 2016, parents receiving child care assistance could continue to receive it while searching for a job for up to 4 weeks in a federal fiscal year. The state extended the amount of time parents receiving child care assistance can continue to receive it while searching for a job to 3 months or until the end of their eligibility period, whichever comes first, as of October 2016. Parents can only qualify for child care assistance while searching for a job if their family is experiencing homelessness.

Utah: In February 2016, parents receiving child care assistance could continue to receive it while searching for a job for up to 2 months once in a 12-month period, if they were employed at least 32 hours per week at the time of the job loss. To receive the first month of child care assistance while searching for a job, the parent had to report the change in employment status within 10 days and request child care assistance for job search; to receive the second month of child care assistance while searching for a job, the parent had to verify the job termination. The state extended the amount of time parents receiving child care assistance can continue to receive it while searching for a job to 3 months as of September 2016. Parents must still notify the state of a job loss within 10 days. Parents can continue receiving child care assistance while searching for a job for up to 3 months even if they reach the end of their eligibility period for child care assistance before the end of that 3-month period. In February 2017, parents were only allowed one 3-month job search period per 12-month eligibility period, but the state planned to revise its policy to allow parents 3 months of job search after each instance of job loss. Also note that under the state's separate Kids-In-Care Program, parents can qualify or continue to receive child care assistance while searching for a job for up to 150 hours in a 6-month period.

Vermont: In February 2016, parents could request and be approved to receive child care assistance while searching for a job for an additional 2 months (beyond the initial month). Parents had to complete a log documenting their job search activities. The state extended the amount of time parents can receive child care assistance while searching for a job to 3 months, and eliminated the requirement for them to request the additional months of child care assistance while searching for a job, as of September 2016. Parents receiving child care assistance can continue to receive it while searching for a job for up to 3 months even if they reach the end of their eligibility period for child care assistance before the end of that 3-month period.

Virginia: Parents cannot receive child care assistance while searching for a job (unless they are receiving TANF and job search is one of their approved activities), but families must be provided at least 10 days' advance notice before their case is closed. The state planned to begin allowing families receiving child care assistance to continue to receive it while searching for a job until the end of their eligibility period; the state was promulgating regulations as of September 2017.

Washington: In February 2016, parents receiving child care assistance could continue to receive it while searching for a job for up to 28 days twice per calendar year or up to 56 days once per calendar year. The state began allowing parents receiving child care assistance to continue to receive it until the end of their 12-month eligibility period, regardless of any changes in their employment status, as of July 2016. Parents can only qualify for child care assistance while searching for a job if they are receiving TANF and job search is an approved activity.

West Virginia: Parents receiving child care assistance can continue to receive it while searching for a job for up to 3 months even if they reach the end of their eligibility period for child care assistance before the end of that 3-month period.

Wisconsin: The state planned to extend the amount of time parents receiving child care assistance could continue to receive it while searching for a job to 3 months or until the end of their eligibility period, whichever comes first, as of November 2017. Parents can only qualify for child care assistance while searching for a job if they are participating in TANF or the FoodShare Employment and Training program.

Wyoming: The state began allowing parents receiving child care assistance to continue to receive it while searching for a job for up to 90 days as of September 2016.

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EXPANDING THE POSSIBILITIES

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