



CHILD CARE & EARLY LEARNING

## STATE CHILD CARE ASSISTANCE POLICIES: *NEW JERSEY*

- **Income eligibility limit:** In 2016, a family of three in New Jersey could qualify for child care assistance with an annual income up to \$39,580 (196 percent of poverty, 45 percent of state median income).<sup>1</sup>
- **Waiting list:** New Jersey had no waiting list for child care assistance as of February 2016.
- **Parent copayments:** In 2016, a family of three with an income at 100 percent of poverty (\$20,160 a year) receiving child care assistance in New Jersey paid \$77 per month, or 5 percent of its income, in copayments. A family of three with an income at 150 percent of poverty (\$30,240 a year) receiving child care assistance paid \$106 per month, or 4 percent of its income, in copayments.<sup>2</sup>
- **Reimbursement rates:** In 2016, New Jersey's reimbursement rates for child care providers serving families receiving child care assistance were below the federally recommended level—the 75th percentile of current market rates, which is the level designed to give families access to 75 percent of the providers in their community.
  - New Jersey's monthly reimbursement rate for center care for a four-year-old was \$573,<sup>3</sup> which was \$448 (44 percent) below the 75th percentile of current market rates for this type of care.
  - New Jersey's monthly reimbursement rate for center care for a one-year-old was \$695,<sup>4</sup> which was \$505 (42 percent) below the 75th percentile of current market rates for this type of care.
- **Tiered reimbursement rates:** In 2016, New Jersey paid higher reimbursement rates for higher-quality care.
  - The reimbursement rate for center care for a four-year-old at the highest quality tier was 5 percent higher than the rate at the lowest quality tier.
  - The reimbursement rate for center care for a four-year-old at the highest quality tier was still below the 75th percentile of current market rates.
- **Eligibility for parents searching for a job:** In 2016, New Jersey allowed parents to continue receiving child care assistance for up to 90 days while searching for a job. However, the state did not allow parents to qualify for child care assistance while searching for a job.

Source: Karen Schulman and Helen Blank, *Red Light Green Light: State Child Care Assistance Policies 2016* (Washington, DC: National Women's Law Center, 2016). These data reflect policies as of February 2016, unless otherwise indicated.



- 1 In February 2016, families already receiving assistance could continue doing so until their income reached \$49,475. As of March 2016, the income limit to qualify for assistance was increased to \$40,320 (200 percent of poverty), and the exit eligibility limit was increased to \$50,400 (250 percent of poverty), to adjust for the 2016 federal poverty level.
- 2 Foster children are exempt from copayments.
- 3 The state has higher rates for higher-quality care; this is the base (lowest) rate, which is the most common rate level.
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