



CHILD CARE & EARLY LEARNING

## STATE CHILD CARE ASSISTANCE POLICIES: ALABAMA

- **Income eligibility limit:** In 2017, a family of three in Alabama could qualify for child care assistance with an annual income up to \$26,208 (128 percent of poverty, 46 percent of state median income).<sup>1</sup>
- **Waiting list:** Alabama had 6,632 children on a waiting list for child care assistance as of February 2017.<sup>2</sup>
- **Parent copayments:** In 2017, a family of three with an income at 100 percent of poverty (\$20,420 a year) receiving child care assistance in Alabama paid \$67 per month, or 4 percent of its income, in copayments. A family of three with an income at 150 percent of poverty (\$30,630 a year) receiving child care assistance paid \$229 per month, or 9 percent of its income, in copayments.<sup>3</sup>
- **Payment rates:** In 2017, Alabama's payment 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.
  - Alabama's monthly payment rate for center care for a four-year-old in the Birmingham region was \$468,<sup>4</sup> which was \$117 (20 percent) below the 75th percentile of current market rates for this type of care.
  - Alabama's monthly payment rate for center care for a one-year-old in the Birmingham region was \$511,<sup>5</sup> which was \$147 (22 percent) below the 75th percentile of current market rates for this type of care.
- **Tiered reimbursement rates:** In 2017, Alabama had higher payment rates for higher-quality care.
  - The payment rate for center care for a four-year-old in the Birmingham region at the highest quality tier was 10 percent higher than the rate at the lowest quality tier.
  - The payment rate for center care for a four-year-old in the Birmingham region at the highest quality tier was still below the 75th percentile of current market rates.
- **Eligibility for parents searching for a job:** In 2017, Alabama allowed parents already receiving child care assistance to continue receiving it for up to 90 days while searching for a job.<sup>6</sup> However, the state did not allow parents to initially qualify for and begin receiving child care assistance while searching for a job.

Source: Karen Schulman and Helen Blank, *Persistent Gaps: State Child Care Assistance Policies 2017* (Washington, DC: National Women's Law Center, 2017). These data reflect policies as of February 2017, unless otherwise indicated.



- 1 In February 2017, families already receiving assistance could continue doing so until their income reached \$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.
- 2 Families receiving Temporary Assistance for Needy Families (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.
- 3 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.
- 4 The state has higher rates for higher-quality care; this is the base (lowest) rate, which is the most common rate level.
- 5 This is the base (lowest) rate, which is the most common rate level.
- 6 Parents could continue receiving child care assistance while searching for a job for up to 90 days, even if they reached the end of their eligibility period for child care assistance before the end of that 90-day period.

