FEBRUARY 2020 | FACT SHEET

## **CHILD CARE & EARLY LEARNING**

## **State Child Care Assistance Policies: Arizona**

- Income eligibility limit: In 2019, a family of three in Arizona could qualify for child care assistance with an annual income up to \$34,296 (161 percent of poverty, 57 percent of state median income).1
- Waiting list: Arizona had 2,420 children on a waiting list for child care assistance as of February 2019.<sup>2</sup>
- Parent copayments: In 2019, a family of three with an income at 100 percent of poverty (\$21,330 a year) receiving child care assistance in Arizona paid \$65 per month, or 4 percent of its income, in copayments. A family of three with an income at 150 percent of poverty (\$31,995 a year) receiving child care assistance paid \$65 per month, or 2 percent of its income, in copayments.<sup>3</sup>
- Payment rates: In 2019, Arizona'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.4
  - Arizona's monthly payment rate for center care for a four-year-old in Maricopa County (Phoenix) was \$515,5 which was \$368 (42 percent) below the 75th percentile of current market rates for this type of care.
  - Arizona's monthly payment rate for center care for a one-year-old in Maricopa County (Phoenix) was \$576,6 which was \$423 (42 percent) below the 75th percentile of current market rates for this type of care.
- Tiered payment rates: In 2019, Arizona had higher payment rates for higher-quality care.
- The payment rate for center care for a four-year-old in Maricopa County (Phoenix) at the highest quality tier was 20 percent higher than the rate at the lowest quality tier.
- The payment rate for center care for a four-year-old in Maricopa County (Phoenix) at the highest quality tier was still below the 75th percentile of current market rates.
- Eligibility for parents searching for a job: In 2019, Arizona allowed parents already receiving child care assistance to continue receiving it for up to 3 months while searching for a job.<sup>7</sup> However, the state did not allow parents to initially qualify for and begin receiving child care assistance while searching for a job.8

Source: Karen Schulman, Early Progress: State Child Care Assistance Policies 2019 (Washington, DC: National Women's Law Center, 2019). These data reflect policies as of February 2019, unless otherwise indicated.

- 1 In February 2019, families already receiving assistance could continue doing so until their income reached \$51,228. As of October 2019, the income limit to qualify for assistance was increased to \$35,208 (165 percent of poverty) to adjust for the 2019 federal poverty level, and the exit eligibility limit was increased to \$53,832 (85 percent of state median income) to adjust for the updated state median income estimate.
- 2 When the state has a waiting list, families receiving or transitioning from Temporary Assistance for Needy Families (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. As of May 2019, the state began serving all families on the waiting list and as of June 2019, the state was serving all eligible families who applied rather than placing them on the waiting list.
- 3 Families receiving TANF and children receiving protective services are exempt from copayments.
- 4 This analysis reflects payment rates in effect as of February 2019. As of June 2019, the state increased base payment rates from the 75th percentile of 2000 market rates to the 50th percentile of 2010 market rates or the 25th percentile of 2018 market rates, whichever was higher.
- 5 The state has higher rates for higher-quality care; this is the base (lowest) rate, which is the most common rate level.
- 6 This is the base (lowest) rate, which is the most common rate level.
- 7 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.
- 8 Parents can only qualify for child care assistance while searching for a job if they are receiving TANF and participating in the Jobs Program.