MAY 2021

NATIONAL WOMEN'S LAW CENTER
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ON THE PRECIPICE: STATE CHILD CARE ASSISTANCE POLICIES 2020

by KAREN SCHULMAN

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fights for gender justice—in the courts, in public policy, and in society—working across the issues that are central to the lives of women and girls. NWLC uses the law in all its forms to change culture and drive solutions to the gender inequity that shapes society and to break down the barriers that harm everyone—especially those who face multiple forms of discrimination, including women of color, LGBTQ people, and low-income women and families. For more than 45 years, the organization has been on the leading edge of every major legal and policy victory for women.

ACKNOWLEDGEMENTS

The author thanks Melissa Boteach, NWLC's Vice President for Income Security and Child Care/Early Learning for her input on this report, and Beth Stover, NWLC's Art Director, and Andres de la Roche for designing the report.

The author is also very grateful to the state child care administrators who provided the information on their states' policies included in this report.

This report would not have been possible without the generous support of the Alliance for Early Success, Annie E. Casey Foundation, Ballmer Group, Heising-Simons Foundation, Irving Harris Foundation, Pivotal Ventures, and Robert Wood Johnson Foundation.

The findings and conclusions of this report are those of the author alone, and do not necessarily reflect the opinions of these funders.

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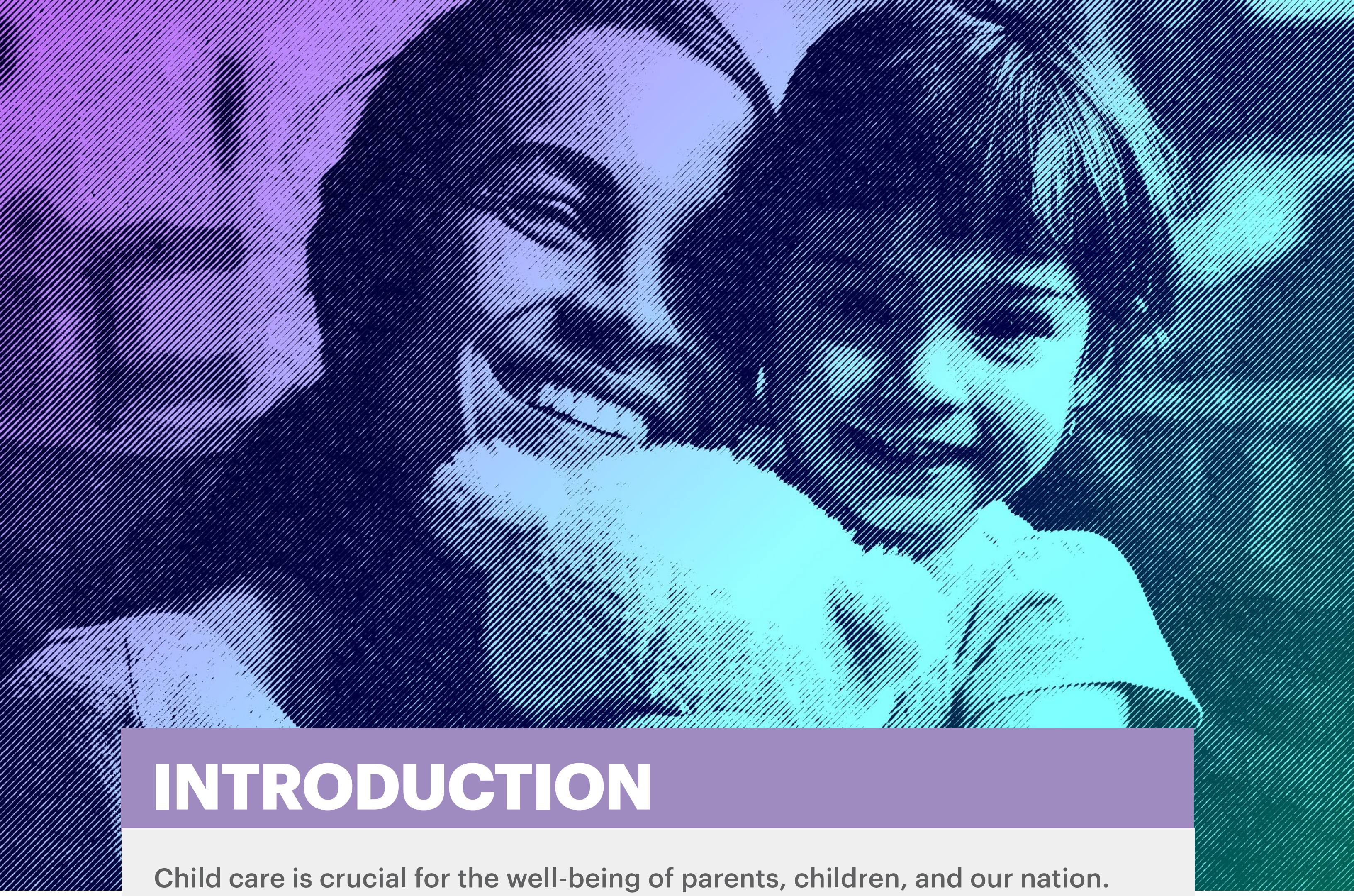


INTRODUCTION

Child care is crucial for the well-being of parents, children, and our nation. It enables parents to work and support their families, or obtain education or training to get a better, more stable job. It gives children a safe, nurturing environment to learn and develop skills they need to succeed in school and in life.[1] By bolstering the current and future workforce, it serves as the backbone of our nation's economy. The importance of child care has become clearer than ever during the COVID crisis. Yet, the pandemic has also illustrated—and exacerbated—the fragility of our child care system.

Many families, particularly low-income families,[2] struggle with the high price of child care. The average annual fee for full-time care ranges from over $3,800 to $20,800, 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. At the same time, child care workers—who are predominantly women and disproportionately women of color—are paid poverty-level wages. The median wage for child care workers is just $12.24 per hour,[4] and Black and Latina child care workers typically earn even less than their white peers.[5] Solving this dilemma—in a way that relieves the burdens on both families and child care workers—requires significant additional public investment. New investments would make it possible to expand families' access to help paying for stable, nurturing child care, increase payments to child care programs, and raise compensation for child care workers.

The Child Care and Development Block Grant (CCDBG), the major federal child care assistance program, provides some support for families needing child care and for child care programs and providers. However, due to inadequate funding, there are significant gaps in child care assistance policies, which are set by states within federal parameters.

To assess the status of state child care assistance policies—where the gaps are, where progress is being made, and where further progress is needed—this report examines states' policies in five key areas.

While temporary relief funding for child care will help programs to survive the COVID crisis, it is also necessary to make a long-term investment in addressing gaps that pre-dated the crisis and in building a stronger child care system.

These key areas include: 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.

This analysis of policies as of February 2020—just prior to the beginning of the pandemic shutdown—demonstrates that our child care assistance system entered the crisis with profound weaknesses. In many states, low income eligibility limits left numerous low- and moderate-income families unable to qualify for child care assistance, long waiting lists prevented eligible families from receiving assistance, high copayments placed a cost burden on families able to receive assistance, and low payment rates deprived child care programs of the resources needed to fairly compensate child care workers and to support high-quality care.

Inadequate child care assistance policies created vulnerabilities for the child care system, the families it serves, and the child care workforce heading into the pandemic. For example, many families' finances had already been strained prior to the crisis by child care costs because low income limits and waiting lists kept them from receiving assistance with these costs. Many parents could not qualify for child care assistance while searching for work because of restrictive eligibility policies in place prior to the pandemic recession—a recession that led to women losing a net of 5.1 million jobs between February 2020 and February 2021.[6] And many child care providers lacked any financial cushion—and sometimes were already in debt—prior to the pandemic in part due to low payment rates. The consequences of these policy shortfalls became particularly apparent during the intense COVID crisis—yet children, families, and child care workers were feeling the negative consequences of these shortfalls on a daily basis long before the crisis.

The gaps in child care assistance policies stem from insufficient funding for child care. While temporary relief funding for child care approved in December 2020 and March 2021 will help programs to survive the COVID crisis, it is also necessary to make a long-term investment in addressing these gaps that pre-dated the crisis and in building a stronger child care system. Significant new ongoing funding will be crucial to ensure that families have equitable access to high-quality child care and that child care workers are adequately compensated for their essential work.

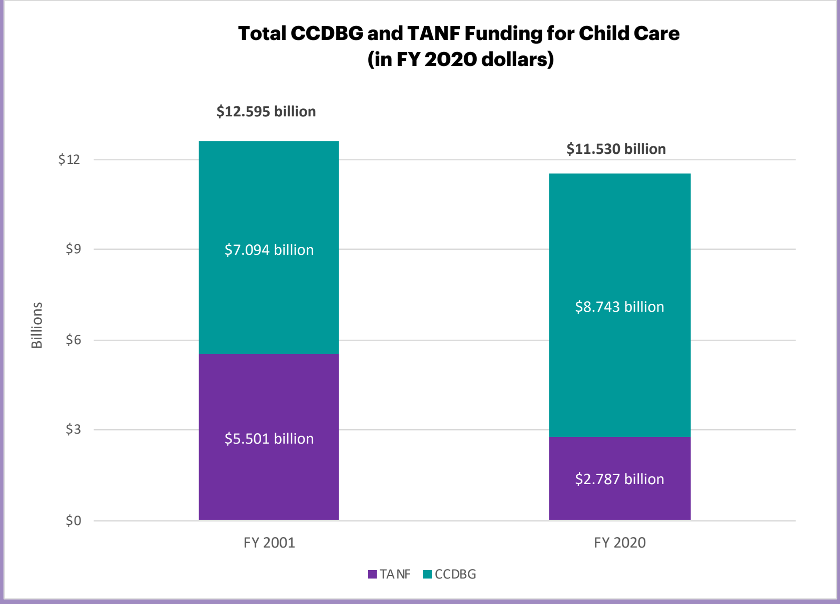
FUNDING FOR CHILD CARE ASSISTANCE IN 2020, 2019, AND 2001

CCDBG funding totaled 8.743 billion in FY 2020,[7] following increases of $2.37 billion in FY 2018 (from $5.773 billion in FY 2017),[8] $50 million in FY 2019 (from $8.143 in FY 2018),[9] and $550 million in FY 2020 (from $8.193 billion in FY 2019).[10] With these increases, CCDBG funding in FY 2020 exceeded the funding level in FY 2010, when additional federal funding for CCDBG for FY 2009 and FY 2010 provided by the American Recovery and Reinvestment Act (ARRA)[11] temporarily boosted funding to $6.044 billion before adjusting for inflation,[12] or $7.509 billion in FY 2020 dollars.[13] CCDBG funding in FY 2020 was also above the FY 2002 funding level after adjusting for inflation—$7.300 billion in FY 2020 dollars[14]—which was the peak funding level prior to ARRA.

Another important source of child care funding is the Temporary Assistance for Needy Families (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 $2.710 billion in FY 2019 (the most recent year for which data are available),[15] below the high of $3.966 billion in FY 2000[16] even without adjusting for inflation. (In FY 2020 dollars, use of TANF funds for child care was $2.787 billion in FY 2019 compared to $6.377 billion in FY 2000.[17])

Total federal child care funding in FY 2020 from CCDBG—not including the $3.5 billion in emergency CCDBG funding provided through the Coronavirus Aid, Relief, and Economic Security (CARES) Act enacted in March 2020[18]—and from TANF funds (assuming the use of TANF in FY 2020 was the same as the FY 2019 inflation-adjusted amount), was $11.530 billion. This amount remained below total funding in FY 2001 after adjusting for inflation—$12.595 billion in FY 2020 dollars.[19]

Thus, over nearly two decades, child care funding not only failed to expand to sufficiently address families' needs, but—adjusted for inflation—actually declined by over $1 billion.



SUMMARY OF KEY POLICIES AS OF FEBRUARY 2020 AND CHANGES SINCE 2019 AND 2001

Changes in states' policies between February 2019 and February 2020 and between 2001 and February 2020 are described in more detail below, but in summary:

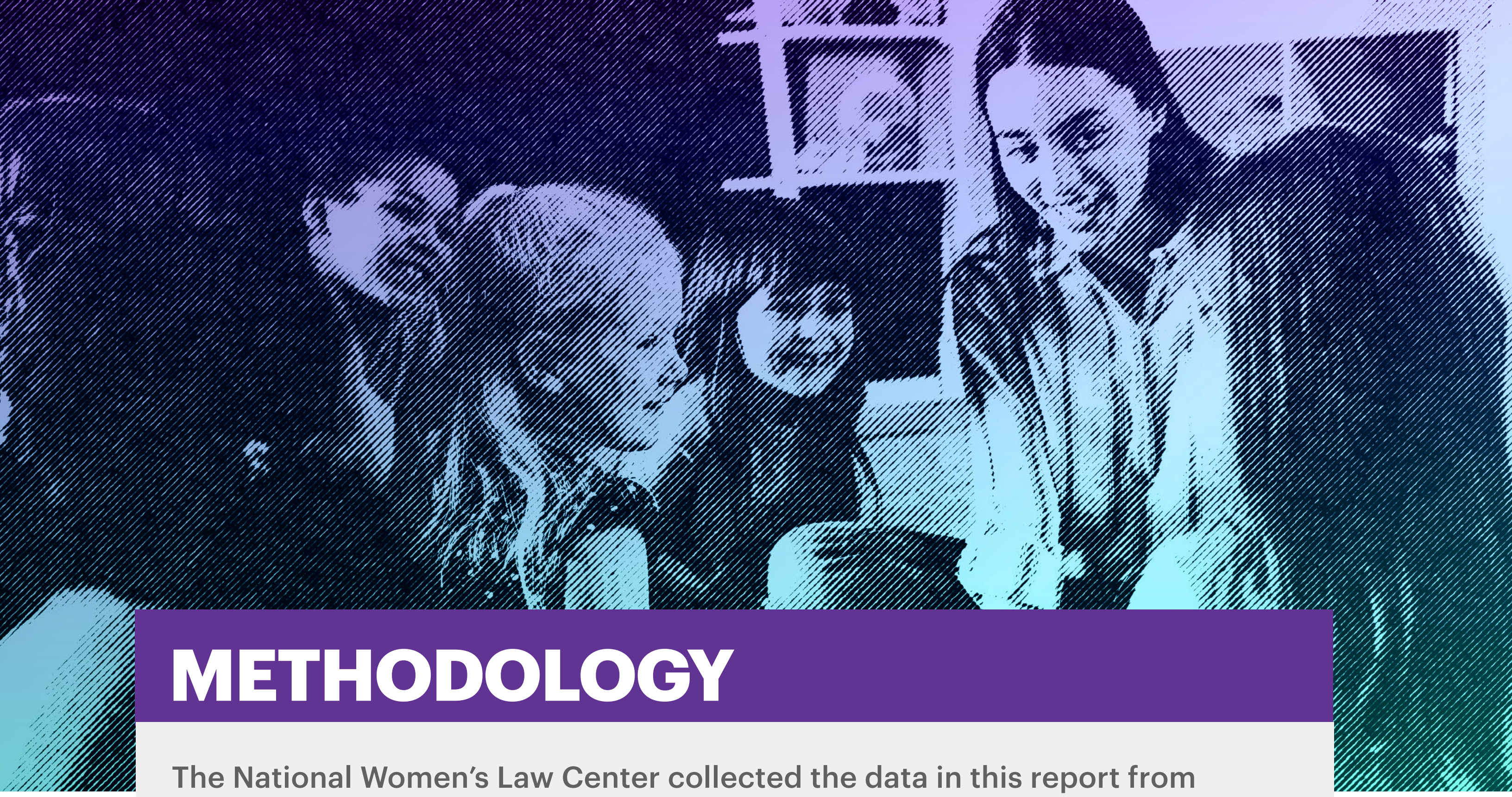
Income eligibility limits reveal how generous a state is in determining whether families qualify for child care assistance.[20] In 2020, a family with an income above 150 percent of poverty ($32,580 a year for a family of three) could not qualify for child care assistance in thirteen states. Between 2019 and 2020, six states increased their income limits for child care assistance by a dollar amount that exceeded inflation; thirty-seven states increased their income limits as a dollar amount to adjust for inflation, as measured against the change in the state median income or federal poverty level;[21] and eight states kept their income limits the same as a dollar amount. Between 2001 and 2020, income limits declined as a percentage of the federal poverty level in nineteen states.[22]

Waiting lists help reveal whether families who qualify for child care assistance actually receive it. Thirteen states had waiting lists or frozen intake for child care assistance in 2020, a decline from fifteen states in 2019 and twenty-one states in 2001. In 2020, there were over 10,000 fewer children on waiting lists than in 2019, and over 104,000 fewer children on waiting lists than in 2001.

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 2020, copayments for families receiving child care assistance were higher than 7.2 percent of income for a family at 150 percent of poverty in twenty-five states, and for a family at 100 percent of poverty in nine states. For a family at 150 percent of poverty, copayments as a percentage of income decreased in five states, increased in four states, and stayed the same in the remaining states between 2019 and 2020. For a family at 100 percent of poverty, copayments as a percentage of income decreased in three states, increased in two states, and stayed the same in the remaining states between 2019 and 2020. In nearly half of the states, families paid a higher percentage of their income in copayments in 2020 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. Twenty-eight states increased at least some of their payment rates for providers serving families receiving child care assistance between 2019 and 2020. Yet, only one state had all of its base payment rates at the federally recommended level in 2020, below the four states with rates at the recommended level in 2019, and significantly lower than the twenty-two states with rates at the recommended level in 2001. Forty-three states had higher payment rates for higher-quality care (tiered rates) in 2020—one more state than in 2019.[23] However, in over half of these states, even the higher rates were below the federally recommended level in 2020.

Eligibility policies for parents searching for work reveal whether families can receive child care assistance while a parent seeks employment, so that a child's care arrangement is not disrupted and the family has child care available as soon as the parent finds a job. Fifty states allowed families receiving child care assistance to continue receiving it while a parent searched for a job in 2020, the same number of states as in 2019. Eleven states allowed families not receiving child care assistance to qualify for assistance while a parent searched for a job in 2020, the same number of states as in 2019.[24]



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).

NWLC sent the state child care administrators a survey in the fall of 2020 requesting data on policies as of February 2020 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 or expected to make after February 2020 in each of the five areas. The survey questions about these policy areas were largely the same as in surveys of state administrators conducted by NWLC in previous years. The survey also asked states to report on changes specifically made in response to the pandemic in the five key areas, as well as in a few other particular policy areas; the information collected about changes in response to the pandemic will be included in a separate report. NWLC staff contacted state administrators for follow-up information as necessary. NWLC obtained supplementary information about states' policies from documents available on state agencies' websites.

NWLC collected the 2019 data used in this report for comparison purposes through a similar process and analyzed these data in NWLC's October 2019 report, *Early Progress: State Child Care Assistance Policies 2019*. 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. NWLC uses 2001 as a basis for comparison because it was the year between the peak year for TANF funding for child care, FY 2000, and what was the peak year for CCDBG funding, FY 2002, prior to FY 2010, when ARRA provided a temporary boost in CCDBG funding (see the section above on funding for child care assistance).

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 2019 and 2020, forty-three 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.[25] However, eight states did not increase their income limits as a dollar amount.

Between 2001 and 2020, most states increased their income limits as a dollar amount; yet, over one-third 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,[26] or reduced their income limits as a dollar amount. In addition, nearly two-thirds of the states had income limits at or below 200 percent of poverty in 2020.

Six states increased their income eligibility limits by a dollar amount that exceeded inflation between 2019 and 2020 (*see Table 1a*).[27]

Thirty-seven states increased their income eligibility limits as a dollar amount to adjust for inflation between 2019 and 2020, including thirty-four states that adjusted for one year of inflation,[28] as well as three states that adjusted for multiple years of inflation to make up for previous years in which they had not adjusted for inflation.[29]

Eight states kept their income eligibility limits the same as a dollar amount between 2019 and 2020.[30]

No state lowered its income eligibility limit as a dollar amount between 2019 and 2020.

Forty-nine states increased their income eligibility limits as a dollar amount between 2001 and 2020 (*see Table 1b*). In twenty-one of these states, the increase was great enough that the income limit was higher as a percentage of the federal poverty level in 2020 than in 2001. In eleven 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 2020 as in 2001.[31] However, in seventeen 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 2020 than in 2001.

Two states lowered their income eligibility limits as a dollar amount between 2001 and 2020. In these states, the income limit decreased as a percentage of the federal poverty level, bringing to nineteen 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 2020.

A family with an income above 100 percent of the federal poverty level ($21,720 a year for a family of three in 2020) could qualify for child care assistance in all states in 2020. However, a family with an income above 150 percent of poverty ($32,580 a year for a family of three in 2020) could not qualify for assistance in thirteen states. A family with an income above 200 percent of poverty ($43,440 a year for a family of three in 2020) could not qualify for assistance in a total of thirty-three states. Yet, in every county and city across the country, a family needs an income above 200 percent of poverty to adequately afford their basic needs, including housing, food, child care, transportation, health care, and other necessities, according to data from the Economic Policy Institute.[32]

WAITING LISTS

Even if families are eligible for child care assistance, and apply for it, they may not necessarily receive it. Instead, their state may place eligible families who apply for help 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 painful choices.

According to several studies,[33] 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 2020, nearly three-quarters 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 approximately one-quarter of the states had waiting lists or frozen intake for at least some families applying for assistance. Fewer states had waiting lists or frozen intake in 2020 than in 2019 or 2001, and the total number of children on waiting lists in 2020 was lower than in 2019 or 2001.[34]

Thirteen states had waiting lists or frozen intake in 2020, compared to fifteen states in 2019,[35] and twenty-one states in 2001 (*see Table 2*).

Over 10,000 fewer children were on waiting lists in 2020 than in 2019—a decrease of 9 percent (from nearly 109,000 children). Over 104,000 fewer children were on waiting lists in 2020 than in 2001—a decrease of 51 percent (from nearly 203,000 children).[36]

Of the twelve states that had waiting lists or frozen intake in both 2019 and 2020, seven states had shorter waiting lists in 2020 than in 2019, and two states had longer waiting lists. In the remaining three states with waiting lists or frozen intake in both 2019 and 2020, it was not possible to compare the length of waiting lists based on the available data.

Of the twelve states that had waiting lists or frozen intake in both 2001 and 2020, six states had shorter waiting lists in 2020 than in 2001, and one state had a longer waiting list. In the remaining five states with waiting lists or frozen intake in both 2001 and 2020, it was not possible to compare the length of waiting lists based on the available data.

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.

A few states also take into account the cost of care used by a family in determining the amount of the family's copayment. Copayment levels matter because if they are high, they can place a serious financial burden on 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.[37] In most states, families paid the same percentage of their income in copayments in 2020 as in 2019. However, in nearly half of the states, families paid a higher percentage of their income in copayments in 2020 than in 2001.

Copayments were high in many states in 2020. 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.[38] Current CCDBG regulations recommend that copayments charged to parents receiving child care assistance not exceed this nationwide average[39]—but many states still fail to meet this benchmark. In approximately one-fifth to half 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 2020.

In five states, copayments for a family of three at 150 percent of poverty[40] decreased as a percentage of income between 2019 and 2020 (*see Table 3a*). In forty-two states, copayments remained the same as a percentage of income. In four states, copayments increased as a percentage of income.[41]

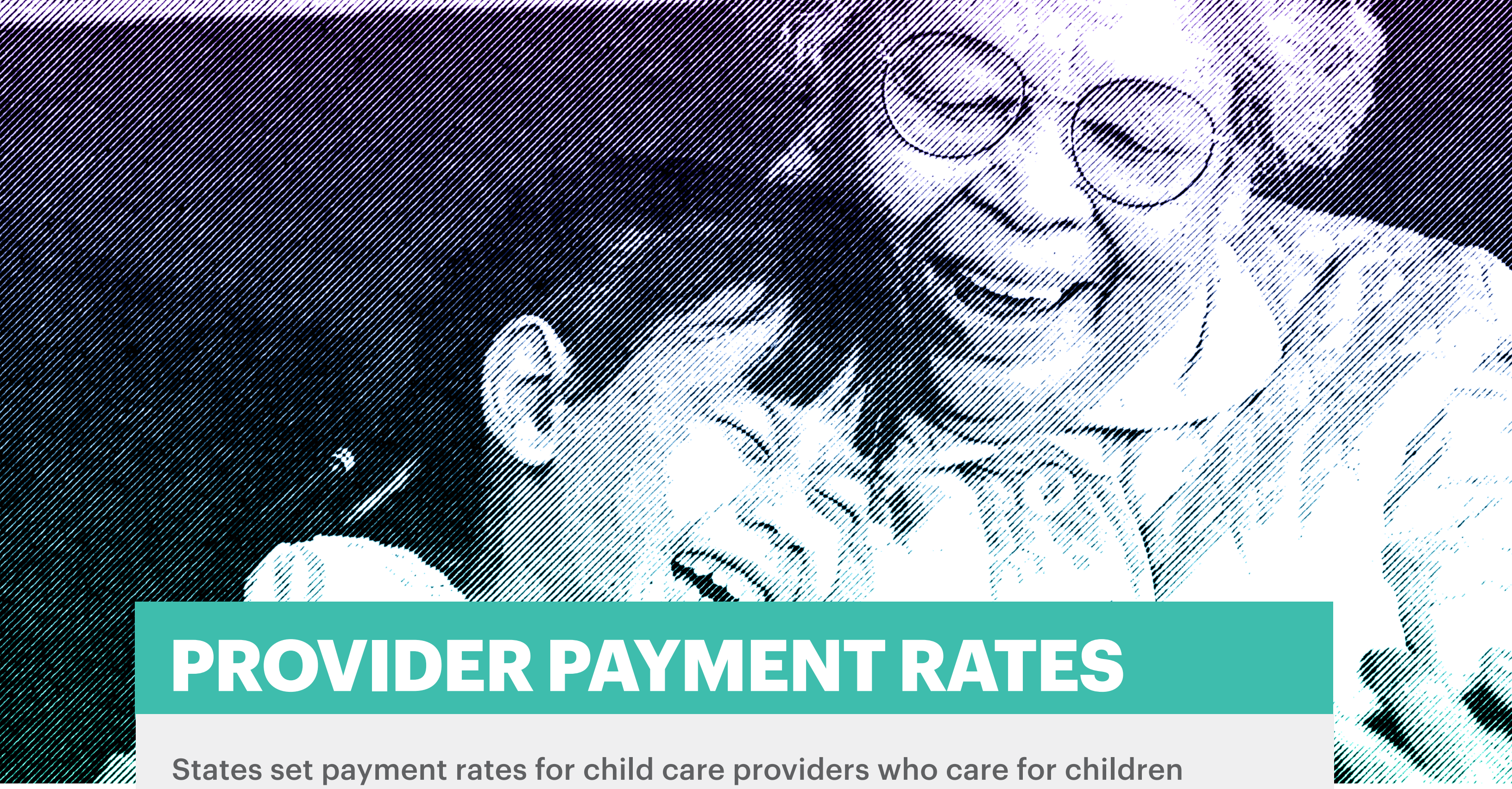
In nineteen states, copayments for a family of three at 150 percent of poverty[42] decreased as a percentage of income between 2001 and 2020. In six states, copayments remained the same as a percentage of income. In twenty-three states, copayments increased as a percentage of income. In three states, a family at 150 percent of poverty was eligible for child care assistance in 2020 but not 2001.

In three states, copayments for a family of three at 100 percent of poverty decreased as a percentage of income between 2019 and 2020 (*see Table 3b*). In forty-six states, copayments remained the same as a percentage of income. In two states, copayments increased as a percentage of income.

In seventeen states, copayments for a family of three at 100 percent of poverty decreased as a percentage of income between 2001 and 2020. In nine states, copayments remained the same as a percentage of income. In twenty-five states, copayments increased as a percentage of income.

In twenty-five states, the copayment for a family of three at 150 percent of poverty was above $195 per month (7.2 percent of income) in 2020. This includes nine states where the copayment for a family at this income level was $272 per month (10 percent of income) or higher.

In nine states, the copayment for a family of three at 100 percent of poverty was above $130 per month (7.2 percent of income) in 2020. This includes three states where the copayment for a family at this income level was $181 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 fee the provider charges to parents who pay out of their own pocket (private-paying parents) 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.

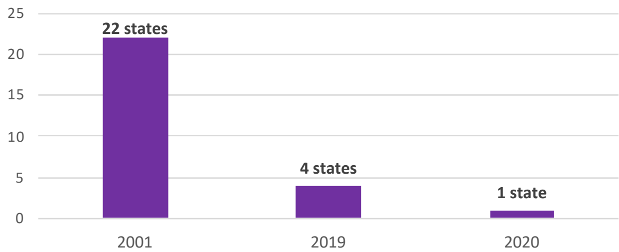
Payment rates help determine whether child care providers have the resources to support salaries and benefits that are sufficient to attract, retain, and offer financial security to child care workers; low child-staff ratios that enable children to receive one-on-one attention; facilities that are safe and suited to children's needs; and 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. Providers that do enroll these families can be deprived of the resources needed to offer high-quality care to children and fair compensation to child care workers—and these providers can sometimes find it impossible to even keep their doors open.

Over half of the states increased their payment rates between 2019 and 2020. Still, in 2020, nearly all states failed to set their payment rates at the federally recommended level—the 75th percentile of current market rates,[43] a rate that is designed to allow families access to 75 percent of the providers in their communities. This federal benchmark itself is insufficient, since it is tied to a broken market that does not reflect the true cost of offering high-quality care provided by well-compensated teachers and staff. Yet, most states do not even meet this insufficient benchmark. Just one state set its payment rates at the 75th percentile of current market rates in 2020,[44] a decrease from the four states that did so in 2019, and far below the twenty-two states that did so in 2001.[45]

In 2020, the remaining fifty 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.

One state set its payment rates at the 75th percentile of current market rates (rates from 2018 or 2019) in 2020 (*see Table 4a*),[46] below the four states that set their payment rates at this level in 2019, and far below the twenty-two states that set their payment rates at this level in 2001 (*see Table 4b*).

Number of States with Provider Payment Rates at the 75th Percentile of Current Market Rates



Forty-three states increased at least some of their payment rates between 2018 and 2020,[47] including twenty-eight states that increased their rates between 2019 and 2020.[48] No state reduced its rates between 2018 and 2020. The remaining eight states did not update their payment rates between 2018 and 2020. All states updated their payment rates between 2001 and 2020.

- **Among states that increased their base payment rates for center care** for a four-year-old between 2019 and 2020, the average increase was $101 per month per child (*see Table 4c*).

- **Among states that increased their base payment rates for center care** for a one-year-old between 2019 and 2020, the average increase was $115 per month per child.

In seventeen states, payment rates for center care for a four-year-old in 2020 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 4d*).[49]

In fourteen states, payment rates for center care for a one-year-old in 2020 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.

In twelve states, payment rates for center care for a four-year-old in 2020 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 month per child, a classroom of twenty four-year-olds receiving child care assistance would get $48,000 less per year than it would if the payment rate was at the recommended level.

In eighteen states, payment rates for center care for a one-year-old in 2020 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.

Inadequate payment rates can discourage high-quality providers from enrolling families who receive child care assistance.

Forty-three states had higher payment rates (tiered rates) for child care providers that met higher-quality standards in 2020,[50] one more state than in 2019.[51] 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 entailed in raising quality sufficiently to qualify for a higher rate.

These costs include expenses for additional staff to reduce child-staff ratios, increased salaries for teachers with advanced education in early childhood development, teacher training and professional development, facilities upgrades, and/or new equipment and materials. Yet, in over half of states with tiered rates, the highest rate fell below the 75th percentile of current market rates. And in over one-third of the states with tiered rates, the highest payment rate was less than 20 percent above the base rate.

Forty-three states paid higher rates for higher-quality care in 2020, compared to forty-two states in 2019 (*see Table 4e*).[52] 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[53] and one state only paid tiered rates for providers caring for children up to 2.9 years of age.[54]

Seven of the forty-three states with tiered rates in 2020 had two rate levels (including the base level),[55] seven states had three levels, sixteen states had four levels, nine states had five levels, two states had six levels, and two states had seven levels.[56]

In over half of the forty-two states with tiered rates for center care for a four-year-old in 2020, 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.[57]

- **In twenty-three of the forty-two 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).[58] In five of these states, the payment rate at the highest quality level was at least 20 percent below the 75th percentile.

- **In three of the forty-two states, the payment rate at the highest quality level was equal to the 75th percentile of market rates.**

- **In sixteen of the forty-two states, the payment rate at the highest quality level was above the 75th percentile of market rates**. In seven of these states, the payment rate at the highest quality level was at least 10 percent above the 75th percentile.

Among the forty-two 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 117 percent in 2020.[59] The difference between a state's lowest and highest rates was not consistently related to whether the state's highest rate was above or below the 75th percentile of market rates (based on the state's most recent market survey for which it reported data).

- **In two of the forty-two states, the highest rate was 5 percent to 9 percent greater than the lowest rate.** In one of these two states, the highest rate was below the 75th percentile of market rates.

- **In thirteen of the forty-two states, the highest rate was 10 percent to 19 percent greater than the lowest rate.** In eight of these thirteen states, the highest rate was below the 75th percentile of market rates.

- **In fifteen of the forty-two states, the highest rate was 20 percent to 29 percent greater than the lowest rate.** In seven of these fifteen states, the highest rate was below the 75th percentile of market rates.

- **In twelve of the forty-two states, the highest rate was at least 30 percent greater than the lowest rate.** In seven of these twelve states, the highest rate was below the 75th percentile of market rates.

In two states, the amount of the differential between the lowest and highest rates for center care for a four-year-old was greater in 2020 than in 2019.[60] In six states, the amount of the differential between the lowest and highest rates was smaller in 2020 than in 2019;[61] in four of these states, the highest rate increased between 2019 and 2020, but so did the lowest rate, and in two of these states, the highest rate stayed the same between 2019 and 2020, while the lowest rate increased. In the remaining thirty-three states with tiered rates for center care for a four-year-old in both years, the differential between the lowest and highest rates was the same in 2020 as in 2019.

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.

The CCDBG Act of 2014, which reauthorized (renewed and updated) the program, 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.[62] States had until at least September 30, 2016, to implement this provision,[63] and some states received waivers allowing them additional time beyond that to implement the provision.[64] 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 2020, fifty 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, the same number of states as in 2019. Forty-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 one state that came into compliance with the law between 2019 and 2020.

Only eleven states allowed families to qualify for and begin receiving child care assistance while a parent searched for a job in 2020, the same number of states as in 2019.[65]

Fifty states allowed families receiving child care assistance to continue receiving it while a parent searched for a job in 2020, the same number of states as in 2019 (*see Table 5*). Forty-nine of these states had policies that complied with the requirements of the CCDBG Act of 2014, one more state than in 2019.

- **Twelve 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 2020.** One of these states changed its policy from allowing parents to continue receiving child care assistance while searching for a job for up to three months, and one of these states changed its policy from allowing parents to continue receiving child care assistance while searching for a job for up to ninety days, in 2019.

- **One state allowed families to continue receiving child care assistance while a parent searched for a job for up to sixteen weeks.**

- **Thirty-six 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 2020.[66] One of these states increased the length of time parents could continue receiving child care assistance while searching for a job from two months in 2019.

One state allowed families receiving child care assistance to continue receiving it while a parent searched for a job in 2020, but did not allow parents sufficient time to continue receiving assistance while searching for a job to comply with the CCDBG Act of 2014. This state allowed families to continue receiving child care assistance while a parent searched for a job for up to only thirty days in 2020, the same as in 2019.

One state permitted localities to determine whether families receiving child care assistance could continue receiving it while a parent searched for a job in 2020, the same as in 2019. 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).

Eleven states allowed families not receiving child care assistance to qualify for assistance while a parent searched for a job in 2020, the same as in 2019.

- **One state allowed families to qualify to receive child care assistance while a parent searched for a job for up to twelve months in 2020**, the same as in 2019.

- **Seven states allowed families to qualify to receive 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 weeks) in 2020. One of these states increased the length of time parents could qualify to receive child care assistance while searching for a job from two months in 2019.

- **Among the remaining three states that allowed families to qualify to receive child care assistance while a parent searched for a job**, the time limit ranged from 150 hours to 30 days in 2020.

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 2020, the same as in 2019.

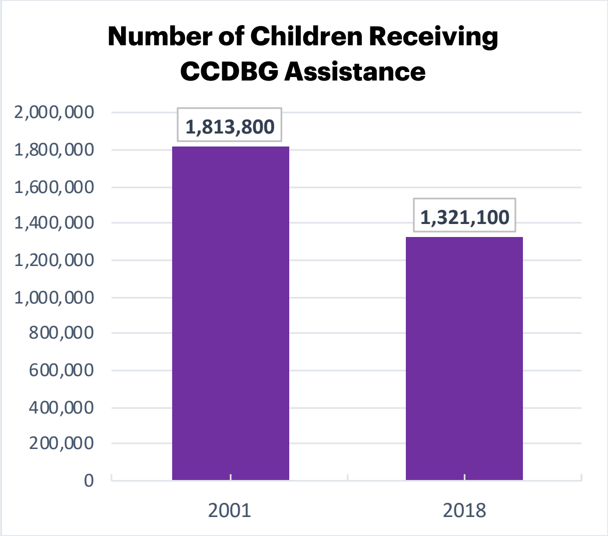
Thirty-eight states did not allow families not receiving child care assistance to qualify for assistance while a parent searched for a job in 2020, the same as in 2019.

CONCLUSION

Thirty-seven states made at least small improvements in one or more key child care assistance policies covered in this report between February 2019 and February 2020.

These states increased income limits beyond inflation adjustments, reduced or eliminated waiting lists, lowered copayments as a percentage of family income, increased payment rates, and/or increased the amount of time families could continue receiving assistance while searching for a job. Yet most of these policy improvements were modest and did not close the large gaps in child care assistance policies that deprive children, families, and child care workers of the support they need. As of February 2020, too many states had low income limits, long waiting lists, high copayments, and/or inadequate payment rates that left families without any access to child care assistance, without enough assistance to make their child care expenses manageable, or without sufficient assistance to choose their preferred child care option—and that left child care programs without enough resources to adequately compensate their workers.

The gaps in our child care assistance system are illustrated not only by data on state policies but also by data on the number of children receiving—and not receiving—child care assistance. Many families who are eligible for child care assistance under federal eligibility criteria do not receive assistance because they are turned away by state eligibility criteria that are more restrictive than the federal criteria, are placed on waiting lists, are discouraged from applying for assistance by long waiting lists, or do not even know assistance is available. Only one in seven children eligible for child care assistance under federal law received it in 2017 (the most recent year for which data are available).[67] And the number of children receiving child care assistance through CCDBG declined by over 490,000 between 2001 and 2018 (the most recent year for which these data are available).[68]



Source: U.S. Department of Health and Human Services, Office of Child Care.

Our child care system was brought to the brink by the COVID crisis. Yet the child care system was under tremendous strain even prior to the crisis. While the nearly $50 billion provided for child care through the Coronavirus Response and Relief Supplemental Appropriations Act and the American Rescue Plan will help providers and the families they serve survive the crisis, it is also essential to provide significant new ongoing funding to fix the problems that existed long before the crisis. It is crucial that our child care system not simply return to the state it was in prior to the crisis, but that it be rebuilt as a system that ensures high-quality child care is affordable and equitably available for families and that fair compensation is provided to the child care workforce. Such investments in child care are essential to our children's ability to grow and learn, parents' ability to work, and our economy's ability to thrive.

ENDNOTES

1 Research demonstrates the important role that high-quality child care plays in giving children a strong start. 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); 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); 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).

2 In 2019 (the most recent year for which data are available), 5.459 million families with children under age six (34.5 percent) had incomes under 200 percent of poverty. U.S. Census Bureau, Current Population Survey, 2020 Annual Social and Economic Supplement, Detailed Table POV08. Families With Related Children Under 6 by Number of Working Family Members and Family Structure: 2019, *available at* https://www.census.gov/data/tables/time-series/demo/income-poverty/cps-pov/pov-08.html.

3 Child Care Aware of America, The US and the High Price of Child Care: An Examination of a Broken System (Arlington, VA: Child Care Aware of America, 2019), *available at* http://usa.childcareaware.org/advocacy-public-policy/resources/research/costofcare/.

4 U.S. Bureau of Labor Statistics, Occupational Employment and Wages, May 2020: Childcare Workers (2021), *available at* https://www.bls.gov/oes/current/oes399011.htm.

5 Claire Ewing-Nelson, One in Five Child Care Jobs Have Been Lost Since February, and Women Are Paying the Price, National Women's Law Center (August 2020), *available at* https://nwlc.org/wp-content/uploads/2020/08/ChildCareWorkersFS.pdf; Lea J.E. Austin, Bethany Edwards, Raúl Chávez, and Marcy Whitebook, Racial Wage Gaps in Early Education Employment, Center for the Study of Child Care Employment (December 2019), *available at* https://cscce.berkeley.edu/racial-wage-gaps-in-early-education-employment/.

6 Claire Ewing-Nelson and Jasmine Tucker, A Year Into the Pandemic, Women Are Still Short Nearly 5.1 Million Jobs, National Women's Law Center (March 2021), *available at* https://nwlc.org/resources/feb-jobs-2021/.

7 This amount includes $5.826 billion in discretionary funding and $2.917 billion in mandatory (entitlement) funding. Further Consolidated Appropriations Act, 2020, Pub. L. No. 116-94 133 Stat. 2571 (2019); U.S. Department of Health and Human Services, Fiscal Year 2021 Budget in Brief (Washington, DC: U.S. Department of Health and Human Services, 2020), 146, *available at* https://www.hhs.gov/sites/default/files/fy-2021-budget-in-brief.pdf.

8 This amount includes $2.856 billion in discretionary funding and $2.917 billion in mandatory (entitlement) funding. Consolidated Appropriations Act, 2017, Pub. L. No. 115–31, 131 Stat. 532 (2017); 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.

9 This amount includes $5.226 billion in discretionary funding and $2.917 billion in mandatory (entitlement) funding. Consolidated Appropriations Act, 2018, Pub. L. No. 115–141, 132 Stat. 728 (2018); Office of Management and Budget, Appendix, Budget of the U.S. Government, Fiscal Year 2019 (2018), 464, *available at* https://www.govinfo.gov/content/pkg/BUDGET-2019-APP/pdf/BUDGET-2019-APP.pdf.

10 This amount includes $5.276 billion in discretionary funding and $2.917 billion in mandatory (entitlement) funding. U.S. Department of Health and Human Services, Administration for Children and Families FY 2020 Justification of Estimates for Appropriations Committees (Washington, DC: U.S. Department of Health and Human Services, 2019), 75-77, *available at* https://www.acf.hhs.gov/sites/default/files/documents/olab/acf_congressional_budget_justification_2020.pdf.

11 American Recovery and Reinvestment Act, Pub. L. No. 111–5, 123 Stat. 178 (2009).

12 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.

13 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.

14 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.

15 This total includes $1.302 billion transferred to CCDBG and $1.407 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, Office of Family Assistance, Fiscal Year 2019 TANF Financial Data, Table A.1.: Federal TANF and State MOE Expenditures Summary by ACF-196 Spending Category, FY 2019, *available at* https://www.acf.hhs.gov/ofa/data/tanf-financial-data-fy-2019.

16 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, *retrieved from* http://archive.acf.hhs.gov/programs/ofs/data/tanf_2000.html.

17 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.

18 Coronavirus Aid, Relief, and Economic Security Act, Pub. L. No. 116-136, 134 Stat. 557-558 (2020).

19 In FY 2001, CCDBG funding was $4.567 billion ($7.094 billion in FY 2020 dollars) and TANF funding used for child care was $3.541 billion ($5.501 billion in FY 2020 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* https://www.hhs.gov/about/agencies/asfr/budget/budgets-in-brief-performance-reports/index.html. 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, *retrieved from* http://archive.acf.hhs.gov/programs/ofs/data/tanf_2001.html. CCDBG and TANF amounts in FY 2020 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.

20 This report 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, many 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.

21 The federal poverty level for a family of three was $21,330 in 2019. U.S. Department of Health and Human Services, Assistant Secretary for Planning and Evaluation, 2019 Poverty Guidelines, *available at* https://aspe.hhs.gov/2019-poverty-guidelines. The federal poverty level for a family of three was $21,720 in 2020. U.S. Department of Health and Human Services, Assistant Secretary for Planning and Evaluation, 2020 Poverty Guidelines, *available at* https://aspe.hhs.gov/2020-poverty-guidelines.

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

23 Comparable data were not collected for 2001.

24 Comparable data were not collected for 2001.

25 For Colorado, which allows counties to set their income limits within state guidelines, the minimum allowable income limit is used for the analysis in this report. For Texas, which allows local workforce development boards to set their income limits within a state-specified range, the maximum of that range is used for the analysis in this report. For Virginia, which has four different income limits for each of four different regions, the highest regional income limit is used for the analysis in this report.

26 State median income is not used to measure inflation between 2001 and 2020 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.

27 These six states include Alaska (which increased its income limit from 77 percent of the 2016 state median income to 85 percent of the 2019 state median income), California (which increased its income limit from 70 percent of the 2016 state median income to 85 percent of the 2018 state median income), Illinois (which increased its income limit from 185 percent of the 2019 federal poverty level to 200 percent of the 2019 federal poverty level), Oklahoma (which increased its income limit from $35,100 a year for a family of three with two children in care to $48,708 a year for a family of three, or 85 percent of the 2019 state median income), South Dakota (which increased its income limit from 175 percent of the 2018 federal poverty level to 209 percent of the 2019 federal poverty level), and Utah (which increased its income limit from 56 percent of the 2018 state median income to 60 percent of the 2019 state median income). 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.

28 These thirty-four states include twenty-five states (Alabama, Arizona, Colorado, Delaware, Florida, Idaho, Indiana, Iowa, Kansas, Montana, Nebraska, Nevada, New Hampshire, New Jersey, New Mexico, New York, Ohio, Oregon, Pennsylvania, Rhode Island, Vermont, Virginia, Washington, West Virginia, and Wyoming) that set their income limits based on the federal poverty level and adjusted their income limits for the 2019 federal poverty level; and nine states (Connecticut, Georgia, Louisiana, Massachusetts, Minnesota, North Dakota, South Carolina, Tennessee, and Texas) that set their income limits based on state median income and adjusted their income limits for the 2020 state median income between February 2019 and February 2020.

29 These three states include two states (District of Columbia and North Carolina) that set their income limits based on the federal poverty level and adjusted their income limits from the 2017 to 2019 federal poverty level; and one state (Missouri) that set its income limit based on the federal poverty level and adjusted its income limit from the 2016 to 2019 federal poverty level between February 2019 and February 2020.

30 These eight states are Arkansas, Hawaii, Kentucky, Maine, Maryland, Michigan, Mississippi, and Wisconsin.

31 These eleven states include two states in which the income limit decreased by four percentage points, five states in which the income limit decreased by three percentage points, one state in which the income limit increased by two percentage points, one state 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.

32 National Women's Law Center analysis of data from Elise Gould, Zane Mokhiber, and Kathleen Bryant, The Economic Policy Institute's Family Budget Calculator (Washington, DC: Economic Policy Institute, 2018), *available at* https://www.epi.org/resources/budget/; 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.

33 *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).

34 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.

35 These states include Georgia, which is characterized in this report as having frozen intake in 2019 and 2020, even though the state no longer refers to its policy as frozen intake, because in February 2019 and February 2020 it did not serve otherwise eligible families unless they met the state's priority criteria (families participating in TANF, children with disabilities, grandparents raising grandchildren, children with court-ordered supervision, children receiving protective services, foster children, parents ages twenty or younger, families lacking regular and adequate housing, families experiencing domestic violence, families with children participating in the state-funded prekindergarten program, families experiencing state- or federally declared natural disasters, and families with very low incomes).

36 These figures do not include waiting list totals for California or New York because they had local waiting lists and did not provide statewide waiting list totals for 2020, 2019, and/or 2001. These figures also do not include waiting list totals for Georgia because the state provided a waiting list total only for 2001, and did not provide comparable data for 2019 or 2020, when the state only served families that met its priority criteria, and turned away all other eligible families without placing them on a waiting list. Also note that for Minnesota, which only reported the number of families—not children—on its waiting lists in 2019 and 2020, the National Women's Law Center estimated the number of children on the state's waiting list from the number of families based on the ratio between the number of children receiving assistance and the number of families receiving assistance, calculated from U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Care, FY 2018 Preliminary Data Table 1 - Average Monthly Adjusted Number of Families and Children Served, *available at* https://www.acf.hhs.gov/occ/data/fy-2018-preliminary-data-table-1-average-monthly-adjusted-number-families-and-children.

37 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.

38 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.

39 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.

40 For a family of three, 150 percent of the federal poverty level was equal to an income of $31,995 in 2019 and $32,580 in 2020.

41 While families with incomes at 150 percent of poverty could not qualify for child care assistance in thirteen states (Alabama, Florida, Georgia, Idaho, Indiana, Iowa, Michigan, Missouri, Montana, Nebraska, Nevada, Ohio, and West Virginia) in 2019 and 2020, families already receiving assistance could continue receiving assistance—and thus have copayments—up to an exit eligibility limit above 150 percent of poverty in all of these states in 2019 and 2020.

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

43 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 current 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 only if based on a market rate survey conducted no more than two years earlier.

44 Maine was the one state that set its payment rates at the 75th percentile of current market rates in February 2020. South Dakota is not considered as having its payment rates at the federally recommended level in February 2020 because at that time its rates were at the 75^{th} percentile based on an outdated market rate survey (a 2017 survey). However, the state increased its payment rates to the 75^{th} percentile of 2018 market rates as of July 2020.

45 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.

46 Colorado, Indiana, New Mexico, and Oregon are not counted as setting their payment rates at the 75th percentile of current market rates in 2020, even though each of these states had some payment rates for providers at the most common quality level—including one or both of the rates shown in Table 4d—that were at or above the 75th percentile of market rates, because each state also had payment rates for providers at one or more lower quality levels that fell below the 75th percentile. Arkansas, Tennessee, and Utah are not counted as setting their payment rates at the 75th percentile of current market rates, even though each of these states had payment rates for infant care at or above the 75th percentile of market rates, because each of these states had payment rates for care for older children that were below the 75th percentile. Mississippi, Montana, North Dakota, and South Carolina are also not counted as setting their payment rates at the 75th percentile of current market rates; as shown in Table 4d, their rates were at or above the 75th percentile of 2016 or 2017 market rates, but it cannot be determined if their rates were at or above the 75th percentile of current market rates (market rates from 2018 or 2019) because data from more recent market surveys were not available for these states.

47 These forty-three states are Alabama, Alaska, Arizona, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maine, Maryland, Massachusetts, Michigan, Mississippi, Missouri, Montana, Nebraska, Nevada, New Jersey, New York, North Carolina, North Dakota, Ohio, Oregon, Pennsylvania, Rhode Island, South Carolina, South Dakota, Tennessee, Texas, Utah, Vermont, Virginia, Washington, Wisconsin, and Wyoming. Most of these states are included because they increased their rates for all categories of care, but a few of these states only increased certain rates. Florida is included because some of its local early learning coalitions—which set rates and determine when to update them—increased their rates. Indiana is included because it increased its rates for infant and toddler 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* endnotes 60 and 61 and accompanying text for discussion of changes 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 4d of this report and rates shown in Table 4d of the State Child Care

Assistance Policies 2019 report or Table 4c of the State Child Care Assistance Policies 2018 report 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.

48 These twenty-eight states are Alabama, Alaska, Arizona, Colorado, Connecticut, Delaware, Florida, Georgia, Illinois, Indiana, Louisiana, Maryland, Massachusetts, Michigan, Missouri, Nebraska, Nevada, New Jersey, New York, Ohio, Rhode Island, Tennessee, Texas, Utah, Vermont, Washington, Wisconsin, and Wyoming. Most of these states are included because they increased their rates for all categories of care, but a few of these states only increased certain rates. Florida is included because some of its local early learning coalitions increased their rates. Georgia is included because it increased its rates for preschool-age care. Indiana is included because it increased its rates for infant and toddler care. Rhode Island is included because it increased its rates for licensed and license-exempt family child care. Utah is included because it increased its rates for infant care. Vermont is included because it increased its rates for preschool- and school-age care.

49 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 the majority of states reported data from 2018 or more recent surveys. However, twenty-one states reported data from surveys conducted before 2018. In fourteen of these states, payment rates were less than 20 percent below the 75th percentile of market rates based on their outdated surveys; it is not possible to calculate whether their payment rates were 20 percent or more below the 75th percentile of current market rates.

50 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.

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

52 Utah began offering tiered payments between 2019 and 2020.

53 This state is Hawaii.

54 This state is Massachusetts.

55 This analysis is based on the number of different rate levels, not 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).

56 Between 2019 and 2020, three states changed how many rate levels they used. Arizona increased the number of its rate levels from three to four. Colorado reduced the number of its rate levels from five to three. Nevada reduced the number of its rate levels from six to five.

57 Massachusetts is not included in this analysis because it does not have higher rates for higher-quality care for four-year-olds. The state's highest rate for center care for a one-year-old was 14 percent below the 75th percentile of current market rates for this type of care.

58 These twenty-three states include Hawaii, New Mexico, North Carolina, and Oklahoma, each of which determined a separate 75th percentile of market rates for child care providers at each quality level. In Hawaii, North Carolina, and Oklahoma, the payment rate at the highest quality level was lower than the 75th percentile for each of the state's quality levels. In New Mexico, the payment rate at the highest quality level was lower than the 75th percentile for the state's highest quality level, but above the 75th percentile for each of the state's four lower quality levels.

59 Massachusetts' highest rate for center care for a one-year-old was 3 percent above its lowest rate for this type of care.

60 These two states are Texas and Wisconsin.

61 These six states are the Colorado, Delaware, Michigan, Nebraska, Nevada, and New Jersey.

62 Child Care and Development Block Grant Act of 2014, Pub. L. 113-186, 128 Stat. 1971, 1979 (2014).

63 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, *retrieved from* https://www.acf.hhs.gov/sites/default/files/occ/fy2016_2018_ccdf_plan_preprin_draft_for_public_comment_91415.pdf.

64 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.

65 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.

66 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.

67 Nina Chien, Factsheet: Estimates of Child Care Eligibility and Receipt for Fiscal Year 2017 (Washington, DC: U.S. Department of Health and Human Services, Office of Human Services Policy, Office of the Assistant Secretary for Planning and Evaluation, 2020), *available at* https://aspe.hhs.gov/system/files/pdf/264341/CY2017-Child-Care-Subsidy-Eligibility.pdf.

68 National Women's Law Center calculations based on U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Care, FY 2018 Preliminary Data Table 1 - Average Monthly Adjusted Number of Families and Children Served; 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* https://www.acf.hhs.gov/occ/data/fy-2001-ccdf-data-tables-and-charts.

TABLE 1A

Income Eligibility Limits for a Family of Three in 2019 and 2020

	INCOME LIMIT IN 2020			INCOME LIMIT IN 2019			CHANGE IN INCOME LIMIT 2019 TO 2020		
	As annual dollar amount	As percent of 2020 federal poverty level ($21,720 a year)	As percent of state median income	As annual dollar amount	As percent of 2019 federal poverty level ($21,330 a year)	As percent of state median income	As annual dollar amount	As percent of poverty	As percent of state median income
Alabama*	$27,732	128%	45%	$27,012	127%	46%	$720	1%	-1%
Alaska*	$71,520	329%	84%	$61,872	290%	74%	$9,648	39%	10%
Arizona*	$35,208	162%	56%	$34,296	161%	57%	$912	1%	-1%
Arkansas*	$43,803	202%	80%	$43,803	205%	83%	$0	-4%	-3%
California*	$69,620	321%	94%	$54,027	253%	77%	$15,593	67%	17%
Colorado*	$39,461	182%	49%	$38,443	180%	50%	$1,018	1%	-1%
Connecticut*	$48,691	224%	50%	$47,270	222%	50%	$1,421	3%	0%
Delaware*	$39,468	182%	50%	$38,448	180%	50%	$1,020	1%	-1%
District of Columbia*	$53,325	246%	60%	$51,050	239%	61%	$2,275	6%	-1%
Florida*	$31,995	147%	52%	$31,170	146%	53%	$825	1%	-1%
Georgia*	$32,007	147%	50%	$30,745	144%	50%	$1,262	3%	0%
Hawaii	$47,124	217%	57%	$47,124	221%	60%	$0	-4%	-3%
Idaho*	$27,744	128%	47%	$27,024	127%	49%	$720	1%	-2%
Illinois*	$42,660	196%	54%	$38,448	180%	51%	$4,212	16%	3%
Indiana*	$27,084	125%	41%	$26,388	124%	41%	$696	1%	-1%
Iowa*	$30,936	142%	42%	$30,132	141%	43%	$804	1%	-1%
Kansas*	$39,468	182%	56%	$38,448	180%	57%	$1,020	1%	0%
Kentucky*	$33,252	153%	53%	$33,252	156%	55%	$0	-3%	-2%
Louisiana*	$35,736	165%	55%	$34,608	162%	55%	$1,128	2%	0%
Maine*	$58,000	267%	81%	$58,000	272%	85%	$0	-5%	-4%
Maryland*	$60,081	277%	62%	$60,081	282%	64%	$0	-5%	-2%
Massachusetts*	$50,292	232%	50%	$47,802	224%	50%	$2,490	7%	0%
Michigan*	$26,556	122%	37%	$26,556	125%	39%	$0	-2%	-2%
Minnesota*	$41,070	189%	47%	$39,455	185%	47%	$1,615	4%	0%
Mississippi	$43,999	203%	81%	$43,999	206%	86%	$0	-4%	-4%
Missouri*	$29,448	136%	44%	$27,816	130%	43%	$1,632	5%	1%
Montana*	$31,992	147%	47%	$31,176	146%	48%	$816	1%	-1%
Nebraska*	$27,732	128%	38%	$27,012	127%	39%	$720	1%	-1%
Nevada*	$27,732	128%	43%	$27,012	127%	45%	$720	1%	-2%
New Hampshire*	$46,926	216%	51%	$45,716	214%	52%	$1,210	2%	-1%
New Jersey*	$42,660	196%	43%	$41,560	195%	44%	$1,100	2%	-1%
New Mexico*	$42,660	196%	79%	$41,560	195%	80%	$1,100	2%	-1%
New York*	$42,660	196%	53%	$41,560	195%	54%	$1,100	2%	-1%
North Carolina*	$42,660	196%	66%	$40,836	191%	67%	$1,824	5%	-1%
North Dakota*	$49,020	226%	60%	$46,572	218%	60%	$2,448	7%	0%
Ohio*	$27,729	128%	39%	$27,014	127%	39%	$715	1%	0%
Oklahoma*	$48,708	224%	82%	$35,100	165%	61%	$13,608	60%	21%
Oregon*	$39,468	182%	56%	$38,496	180%	58%	$972	1%	-2%
Pennsylvania*	$42,660	196%	55%	$41,560	195%	56%	$1,100	2%	-1%
Rhode Island*	$38,394	177%	46%	$37,404	175%	46%	$990	1%	0%
South Carolina*	$33,911	156%	55%	$32,450	152%	55%	$1,461	4%	0%
South Dakota*	$46,450	214%	67%	$37,888	178%	56%	$8,563	36%	11%
Tennessee*	$52,272	241%	85%	$49,740	233%	85%	$2,532	7%	0%
Texas*	$39,456-$55,960	182%-258%	60%-85%	$39,456-$53,472	185%-251%	63%-85%	$0-$2,488	-3%-7%	-3%-0%
Utah*	$41,232	190%	60%	$37,416	175%	58%	$3,816	14%	3%
Vermont*	$63,996	295%	84%	$62,340	292%	85%	$1,656	2%	-1%
Virginia*	$32,004-$53,328	147%-246%	38%-63%	$31,176-$51,960	146%-244%	38%-64%	$828-$1,368	1%-2%	-1%-0%
Washington*	$42,672	196%	52%	$41,568	195%	54%	$1,104	2%	-1%
West Virginia*	$31,992	147%	53%	$31,176	146%	53%	$816	1%	0%
Wisconsin*	$39,461	182%	51%	$39,461	185%	53%	$0	-3%	-2%
Wyoming*	$39,732	183%	54%	$38,760	182%	55%	$972	1%	0%

TABLE 1B

Income Eligibility Limits for a Family of Three in 2001 and 2020

	INCOME LIMIT IN 2020			INCOME LIMIT IN 2001			CHANGE IN INCOME LIMIT 2001 TO 2020		
	As annual dollar amount	As percent of 2020 federal poverty level ($21,720 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*	$27,732	128%	45%	$18,048	123%	41%	$9,684	4%	4%
Alaska*	$71,520	329%	84%	$44,328	303%	75%	$27,192	26%	9%
Arizona*	$35,208	162%	56%	$23,364	160%	52%	$11,844	2%	3%
Arkansas*	$43,803	202%	80%	$23,523	161%	60%	$20,280	41%	20%
California*	$69,620	321%	94%	$35,100	240%	66%	$34,520	81%	28%
Colorado*	$39,461	182%	49%	$19,020	130%	36%	$20,441	52%	13%
Connecticut*	$48,691	224%	50%	$47,586	325%	75%	$1,105	-101%	-25%
Delaware*	$39,468	182%	50%	$29,260	200%	53%	$10,208	-18%	-4%
District of Columbia*	$53,325	246%	60%	$34,700	237%	66%	$18,625	8%	-6%
Florida*	$31,995	147%	52%	$20,820	142%	45%	$11,175	5%	7%
Georgia*	$32,007	147%	50%	$24,278	166%	50%	$7,729	-19%	0%
Hawaii*	$47,124	217%	57%	$46,035	315%	83%	$1,089	-98%	-26%
Idaho*	$27,744	128%	47%	$20,472	140%	51%	$7,272	-12%	-4%
Illinois*	$42,660	196%	54%	$24,243	166%	43%	$18,417	31%	11%
Indiana*	$27,084	125%	41%	$20,232	138%	41%	$6,852	-14%	-1%
Iowa*	$30,936	142%	42%	$19,812	135%	41%	$11,124	7%	1%
Kansas*	$39,468	182%	56%	$27,060	185%	56%	$12,408	-3%	0%
Kentucky*	$33,252	153%	53%	$24,140	165%	55%	$9,112	-12%	-2%
Louisiana*	$35,736	165%	55%	$29,040	205%	75%	$6,696	-40%	-20%
Maine*	$58,000	267%	81%	$36,452	249%	75%	$21,548	18%	6%
Maryland*	$60,081	277%	62%	$25,140	172%	40%	$34,941	105%	22%
Massachusetts*	$50,292	232%	50%	$28,968	198%	48%	$21,324	34%	2%
Michigan*	$26,556	122%	37%	$26,064	178%	47%	$492	-56%	-10%
Minnesota*	$41,070	189%	47%	$42,304	289%	76%	-$1,234	-100%	-29%
Mississippi	$43,999	203%	81%	$30,999	212%	77%	$13,000	-9%	4%
Missouri*	$29,448	136%	44%	$17,784	122%	37%	$11,664	14%	6%
Montana*	$31,992	147%	47%	$21,948	150%	51%	$10,044	-3%	-4%
Nebraska*	$27,732	128%	38%	$25,260	173%	54%	$2,472	-45%	-16%
Nevada*	$27,732	128%	43%	$33,420	228%	67%	-$5,688	-101%	-24%
New Hampshire*	$46,926	216%	51%	$27,797	190%	50%	$19,129	26%	1%
New Jersey*	$42,660	196%	43%	$29,260	200%	46%	$13,400	-4%	-3%
New Mexico*	$42,660	196%	79%	$28,300	193%	75%	$14,360	3%	4%
New York*	$42,660	196%	53%	$28,644	202%	61%	$14,016	-6%	-8%
North Carolina*	$42,660	196%	66%	$32,628	223%	69%	$10,032	-27%	-3%
North Dakota*	$49,020	226%	60%	$29,556	202%	69%	$19,464	24%	-9%
Ohio*	$27,729	128%	39%	$27,066	185%	57%	$663	-57%	-18%
Oklahoma*	$48,708	224%	82%	$29,040	198%	66%	$19,668	26%	16%
Oregon*	$39,468	182%	56%	$27,060	185%	60%	$12,408	-3%	-3%
Pennsylvania*	$42,660	196%	55%	$29,260	200%	58%	$13,400	-4%	-4%
Rhode Island*	$38,394	177%	46%	$32,918	225%	61%	$5,476	-48%	-15%
South Carolina*	$33,911	156%	55%	$21,225	145%	45%	$12,686	11%	10%
South Dakota*	$46,450	214%	67%	$22,826	156%	52%	$23,624	58%	14%
Tennessee*	$52,272	241%	85%	$24,324	166%	56%	$27,948	74%	29%
Texas*	$39,456-$55,960	182%-258%	60%-85%	$21,228-$36,516	145%-250%	47%-82%	$18,228-$19,444	8%-37%	3%-13%
Utah*	$41,232	190%	60%	$28,248	193%	59%	$12,984	-3%	2%
Vermont*	$63,996	295%	84%	$31,032	212%	64%	$32,964	83%	20%
Virginia*	$32,004-$53,328	147%-246%	38%-63%	$21,948-$27,060	150%-185%	41%-50%	$10,056-$26,268	-3%-61%	-3%-13%
Washington*	$42,672	196%	52%	$32,916	225%	63%	$9,756	-29%	-10%
West Virginia*	$31,992	147%	53%	$28,296	193%	75%	$3,696	-46%	-22%
Wisconsin*	$39,461	182%	51%	$27,060	185%	51%	$12,401	-3%	0%
Wyoming*	$39,732	183%	54%	$21,948	150%	47%	$17,784	33%	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 2020 reflect policies as of February 2020, data in the tables for 2019 reflect policies as of February 2019, and data in the tables for 2001 reflect policies as of June 2001, unless otherwise indicated. Certain permanent changes in policies since February 2020 are noted below. However, the notes do not reflect temporary changes made in response to the pandemic after February 2020; those changes will be addressed in a separate report.

ALABAMA: In 2001, families already receiving assistance could continue doing so until their income reached $27,756. In 2019, the exit eligibility limit was $50,256 (85 percent of state median income), and in 2020, it was $36,264. As of October 2020, the income limit to qualify for assistance was increased to $28,236 (130 percent of poverty), and the exit eligibility limit was increased to $36,924 (170 percent of poverty), to adjust for the 2020 federal poverty level.

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

ARIZONA: In 2019, families already receiving assistance could continue doing so until their income reached $51,228. In 2020, the exit eligibility limit was $53,832. As of October 2020, the income limit to qualify for assistance was increased to $35,844 (165 percent of poverty) to adjust for the 2020 federal poverty level, and the exit eligibility limit was increased to $56,616 (85 percent of state median income) to adjust for the updated state median income estimate.

ARKANSAS: As of October 2020, the income limit to qualify for assistance was increased to $49,561 (85 percent of state median income) to adjust for the updated state median income estimate. 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 2019 or 2020.

CALIFORNIA: In 2019, families already receiving assistance could continue doing so until their income reached $65,604. In 2020, the state no longer had a separate exit eligibility limit. As of July 2020, the income limit to qualify for assistance was increased to $73,885 (85 percent of state median income) to adjust for the updated state median income estimate. Also note that 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.

COLORADO: Counties set their income limits to qualify for assistance within state guidelines; the amounts in the tables reflect the minimum income limits allowed by the state. In 2020, counties could set their income limits at $39,461, $47,993, or $56,525, depending on the county's self-sufficiency standard. Also note that in 2001, counties could allow families already receiving assistance to continue doing so up to an exit eligibility limit that was higher than the county's initial eligibility limit; the maximum allowable exit eligibility limit was $32,000. In 2019, all counties were required to set their exit eligibility limit at $65,135. In 2020, all counties were required to set their exit eligibility limit at $68,218. As of October 2020, the levels at which counties could set their income limits to qualify for assistance were increased to $40,182 (185 percent of poverty), $48,870 (225 percent of poverty), and $57,558 (265 percent of poverty) to adjust for the 2020 federal poverty level, and the exit eligibility limit for all counties was increased to $71,943 (85 percent of state median income) to adjust for the updated state median income estimate.

CONNECTICUT: In 2020, families already receiving assistance could continue doing so until their income reached $63,299. The state did not have a separate exit eligibility limit in 2001 or 2019. As of October 2020, the income limit to qualify for assistance was increased to $50,676 (50 percent of state median income), and the exit eligibility limit was increased to $65,878 (65 percent of state median income), to adjust for the updated state median income estimate.

DELAWARE: In 2019, 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 $41,568. In 2020, the exit eligibility limit for this graduated phase-out period was $42,660. The state did not have a separate exit eligibility limit in 2001. As of October 2020, the income limit to qualify for assistance was increased to $40,188 (185 percent of poverty), and the exit eligibility limit for the graduated phase-out period was increased to $43,440 (200 percent of poverty), to adjust for the 2020 federal poverty level.

DISTRICT OF COLUMBIA: In 2001, families already receiving assistance could continue doing so until their income reached $41,640. In 2019, the exit eligibility limit was $70,754, and in 2020, it was $75,094 (85 percent of state median income).

FLORIDA: In 2019, families already receiving assistance could continue doing so until their income reached $48,753. In 2020, the exit eligibility limit was $50,047. As of July 2020, the income limit to qualify for assistance was increased to $32,580 (150 percent of poverty) to adjust for the 2020 federal poverty level, and the exit eligibility limit was increased to $52,602 (85 percent of state median income) to adjust for the updated state median income estimate.

GEORGIA: In 2019, families already receiving assistance could continue doing so until their income reached $52,266. In 2020, the exit eligibility limit was $54,412. As of October 2020, the income limit to qualify for assistance was increased to $33,688 (50 percent of state median income), and the exit eligibility limit was increased to $57,270 (85 percent of state median income), to adjust for the updated state median income estimate.

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 2019 or 2020.

IDAHO: In 2019, families already receiving assistance could continue doing so until their income reached $31,170. In 2020, the exit eligibility limit was $32,004. The state did not have a separate exit eligibility limit in 2001. As of October 2020, the income limit to qualify for assistance was increased to $28,236 (130 percent of poverty), and the exit eligibility limit was increased to $32,580 (150 percent of poverty), to adjust for the 2020 federal poverty level.

ILLINOIS: In 2019, families already receiving assistance could continue doing so until their income reached $41,568 (200 percent of the 2018 federal poverty level). In 2020, the exit eligibility limit was $48,000. The state did not have a separate exit eligibility limit in 2001. As of July 2020, the income limit to qualify for assistance was increased to $43,440 (200 percent of poverty), and the exit eligibility limit was increased to $48,876 (225 percent of poverty), to adjust for the 2020 federal poverty level. 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 2019 or 2020.

INDIANA: In 2019, families already receiving assistance could continue doing so until their income reached $54,312. In 2020, the exit eligibility limit was $56,844 (85 percent of state median income). As of March 2020, the income limit to qualify for assistance was increased to $27,588 (127 percent of poverty) to adjust for the 2020 federal poverty level.

IOWA: In 2019, 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 $58,020. In 2020, the exit eligibility limit for this graduated phase-out period was $59,868. The state did not have a separate exit eligibility limit in 2001. Also note that for special needs care, the income limit to qualify for assistance was $41,560 in 2019 and $42,660 in 2020. As of July 2020, the income limit to qualify for assistance was increased to $31,500 (145 percent of poverty) for standard care and $43,440 (200 percent of poverty) for special needs care to adjust for the 2020 federal poverty level, and families could continue receiving assistance, with no time limit, up to an exit eligibility limit of $48,876 (225 percent of poverty).

KANSAS: In 2019, families already receiving assistance could continue doing so until their income reached $56,376. In 2020, the exit eligibility limit was $57,744. The state did not have a separate exit eligibility limit in 2001. As of April 2020, the income limit to qualify for assistance was increased to $40,188 (185 percent of poverty) to adjust for the 2020 federal poverty level, and the exit eligibility limit was increased to $59,748 (85 percent of state median income) to adjust for the updated state median income estimate.

KENTUCKY: In 2019 and 2020, families already receiving assistance could continue doing so until their income reached $41,556 (200 percent of the 2018 federal poverty level). The state did not have a separate exit eligibility limit in 2001.

LOUISIANA: In 2019, families already receiving assistance could continue doing so until their income reached $53,484. In 2020, the exit eligibility limit was $55,236 (85 percent of 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 in Table 1b.

MAINE: As of October 2020, the income limit was increased to $64,380 (85 percent of state median income) to adjust for the updated state median income estimate.

MARYLAND: In 2019 and 2020, families already receiving assistance could continue doing so until their income reached $78,013 (85 percent of state median income). The state did not have a separate exit eligibility limit in 2001.

MASSACHUSETTS: In 2001, families already receiving assistance could continue doing so until their income reached $49,248. In 2019, the exit eligibility limit was $81,264, and in 2020, it was $85,497. Also note that, for special needs care, the income limit to qualify for assistance was $81,264 in 2019 and $85,497 in 2020. The exit eligibility limit for special needs care was $95,605 in 2019; there was no separate exit eligibility limit for special needs care in 2020. As of October 2020, the income limit to qualify for assistance was increased to $52,641 (50 percent of state median income) for standard care and $89,489 (85 percent of state median income) for special needs care, and the exit eligibility limit was increased to $89,489 for all families, to adjust for the updated state median income estimate.

MICHIGAN: In 2019 and 2020, families already receiving assistance could continue doing so until their income reached $56,460. The state did not have a separate exit eligibility limit in 2001. As of May 2020, the income limit to qualify for assistance was increased to $28,236 (130 percent of poverty) to adjust for the 2020 federal poverty level, and the exit eligibility limit was increased to $64,032 (85 percent of state median income) to adjust for the updated state median income estimate. As of January 2021, the income limit to qualify for assistance was increased to $32,580 (150 percent of poverty).

MINNESOTA: In 2019, families already receiving assistance could continue doing so until their income reached $56,244. In 2020, the exit eligibility limit was $58,547. The state did not have a separate exit eligibility limit in 2001. As of October 2020, the income limit to qualify for assistance was increased to $42,920 (47 percent of state median income), and the exit eligibility limit was increased to $61,184 (67 percent of state median income), to adjust for the updated state median income estimate.

MISSOURI: In 2019, families already receiving assistance could continue doing so until their income reached $43,344. In 2020, the exit eligibility limit was $45,864. The state did not have a separate exit eligibility limit in 2001. As of May 2020, the income limit to qualify for assistance was increased to $29,976 (138 percent of poverty), and the exit eligibility limit was increased to $46,704 (215 percent of poverty), to adjust for the 2020 federal poverty level.

MONTANA: In 2019, families already receiving assistance could continue doing so until their income reached $38,448. In 2020, the exit eligibility limit was $39,456. The state did not have a separate exit eligibility limit in 2001. As of November 2020, the income limit to qualify for assistance was increased to $32,580 (150 percent of poverty), and the exit eligibility limit was increased to $40,188 (185 percent of poverty), to adjust for the 2020 federal poverty level.

NEBRASKA: In 2019, families already receiving assistance whose income exceeded the initial eligibility limit to qualify for assistance could continue receiving assistance, for up to an additional 24 months after their recertification, if their income did not exceed $38,448. In 2020, families already receiving assistance whose income exceeded the initial eligibility limit to qualify for assistance could continue receiving assistance, with no time limit, if their income did not exceed $39,456. The state did not have a separate exit eligibility limit in 2001. As of October 2020, the income limit to qualify for assistance was increased to $28,236 (130 percent of poverty), and the exit eligibility limit was increased to $40,188 (185 percent of poverty), to adjust for the 2020 federal poverty level. Also note that, since July 2014, the state disregards 10 percent of a family's income at redetermination if the family had been continuously eligible for assistance for 12 months.

NEVADA: In 2019, families already receiving assistance could continue doing so until their income reached $51,120. In 2020, the exit eligibility limit was $54,528. The state did not have a separate exit eligibility limit in 2001. For families served by contracted slots (which are mostly used for before- and after-school programs) or receiving wrap-around services (which are services provided before and after Head Start programs), as well as for families receiving child protective services, foster families, and families experiencing homelessness, the income limit to qualify for assistance was $51,120 in 2019 and $54,528 in 2020. As of October 2020, the income limit for these families to qualify for assistance was increased to $56,220 (85 percent of state median income) to adjust for the updated state median income estimate; for all other families, the income limit to qualify for assistance was increased to $28,236 (130 percent of poverty) to adjust for the 2020 federal poverty level, and the exit eligibility limit was increased to $56,220 to adjust for the updated state median income estimate.

NEW HAMPSHIRE: In 2019, families already receiving assistance could continue doing so until their income reached $51,950. In 2020, the exit eligibility limit was $53,325. The state did not have a separate exit eligibility limit in 2001. As of July 2020, the income limit to qualify for assistance was increased to $47,784 (220 percent of poverty), and the exit eligibility limit was increased to $54,300 (250 percent of poverty), to adjust for the 2020 federal poverty level.

NEW JERSEY: In 2001, families already receiving assistance could continue doing so until their income reached $36,575. In 2019, the exit eligibility limit was $51,950, and in 2020, it was $53,325. In 2019, the state also allowed families already receiving assistance to continue receiving it for a graduated phase-out period of 12 months if their incomes were between $51,950 and $79,608; in 2020, this graduated phase-out period applied to families with incomes between $53,325 and $85,989. As of March 2020, the income limit to qualify for assistance was increased to $43,440 (200 percent of poverty), and the exit eligibility limit was increased to $54,300 (250 percent of poverty), to adjust for the 2020 federal poverty level, and the income limit for the graduated phase-out period was increased to $87,966 (85 percent of state median income) to adjust for the updated state median income estimate.

NEW MEXICO: In 2020, families already receiving assistance could continue doing so until their income reached $53,325. The state did not have a separate exit eligibility limit in 2019 or 2001. As of April 2020, the income limit to qualify for assistance was increased to $43,440 (200 percent of poverty), and the exit eligibility limit was increased to $54,300 (250 percent of poverty), to adjust for the 2020 federal poverty level.

NEW YORK: As of June 2020, the income limit was increased to $43,440 (200 percent of poverty) to adjust for the 2020 federal poverty level. 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 in Table 1b.

NORTH CAROLINA: The income limits shown in the tables for 2019 and 2020 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 $27,156 in 2019 and $28,368 (133 percent of the 2019 federal poverty level) in 2020. This separate income limit for families with older children went into effect in October 2014. Also note that, in 2019, 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 $49,980. In 2020, the exit eligibility limit for this graduated phase-out period was $54,780 (85 percent of state median income).

NORTH DAKOTA: In 2019, 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 $65,976. In 2020, the exit eligibility limit for this graduated phase-out period was $69,444. The state did not have a separate exit eligibility limit in 2001. As of October 2020, the income limit to qualify for assistance was increased to $50,796 (60 percent of state median income), and the exit eligibility limit for the graduated phase-out period was increased to $71,964 (85 percent of state median income), to adjust for the updated state median income estimate.

OHIO: In 2019, families already receiving assistance could continue doing so until their income reached $62,340. In 2020, the exit eligibility limit was $63,990. The state did not have a separate exit eligibility limit in 2001. As of October 2020, the income limit to qualify for assistance was increased to $28,236 (130 percent of poverty), and the exit eligibility limit was increased to $65,160 (300 percent of poverty), to adjust for the 2020 federal poverty level.

OKLAHOMA: In 2019, the income limit depended on how many children were in child care. The income limit for 2019 shown in the tables assumes 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 2019. In 2020, the same income limit applied regardless of the number of children that the family had in care. Also note that in 2019, families already receiving assistance could continue doing so until their income reached $48,708. The state no longer had a separate exit eligibility limit in 2020.

OREGON: In 2019, families already receiving assistance could continue doing so until their income reached $52,860. In 2020, the exit eligibility limit was $53,328. The state did not have a separate exit eligibility limit in 2001. As of March 2020, the income limit to qualify for assistance was increased to $40,188 (185 percent of poverty), and the exit eligibility limit was increased to $54,300 (250 percent of poverty), to adjust for the 2020 federal poverty level.

PENNSYLVANIA: In 2001, families already receiving assistance could continue doing so until their income reached $34,381. In 2019, the exit eligibility limit was $48,883, and in 2020, it was $50,126. As of May 2020, the income limit to qualify for assistance was increased to $43,440 (200 percent of poverty), and the exit eligibility limit was increased to $51,042 (235 percent of poverty), to adjust for the 2020 federal poverty level.

RHODE ISLAND: In 2019, families already receiving assistance could continue doing so until their income reached $46,755. In 2020, the exit eligibility limit was $47,993. The state did not have a separate exit eligibility limit in 2001. As of April 2020, the income limit to qualify for assistance was increased to $39,096 (180 percent of poverty), and the exit eligibility limit was increased to $48,870 (225 percent of poverty), to adjust for the 2020 federal poverty level.

SOUTH CAROLINA: In 2001, families already receiving assistance could continue doing so until their income reached $24,763. In 2019, the exit eligibility limit was $50,150, and in 2020, it was $52,408. As of October 2020, the income limit to qualify for assistance was increased to $35,580 (55 percent of state median income), and the exit eligibility limit was increased to $54,984 (85 percent of state median), 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, $36,372 and $44,592 in 2020. As of March 2020, the stated income limit to qualify for assistance was increased to $45,396 (209 percent of poverty) to adjust for the 2020 federal poverty level. Also note that in 2019, 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 stated income did not exceed $57,612. In 2020, the stated exit eligibility limit for this graduated phase-out period was $59,363. As of October 2020, the stated exit eligibility limit for the graduated phase-out period was increased to $61,733 (85 percent of state median income) to adjust for the updated state median income estimate.

TENNESSEE: The income limits shown in the tables for 2019 and 2020 apply 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 was $35,112 in 2019 and $36,900 in 2020. Families can continue receiving assistance for up to 90 days after their recertification if their income exceeds the limit for their category of assistance. As of October 2020, the income limit to qualify for assistance through Smart Steps was increased to $54,588 (85 percent of state median income), and the income limit for assistance for other families was increased to $38,532 (60 percent of state median income), to adjust for the updated state median income estimate.

TEXAS: Local workforce development boards set their income limits to qualify for assistance within state guidelines; the ranges shown in the tables indicate the lowest and highest income limits set by local boards. (In 2020, nearly all local boards set their income limits to qualify for assistance between $49,376 and $55,960.) In addition, in 2019, all local boards allowed families already receiving assistance to continue doing so up to an income of $53,472. In 2020, the exit eligibility limit, across all local boards, was $55,960. As of October 2020, the exit eligibility limit was increased to $58,607 (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, $35,016 (56 percent of the 2018 state median income) in 2019, and $38,832 (60 percent of the 2019 state median income) in 2020. Also note that in 2019, families already receiving assistance could continue doing so up to a stated income limit of $43,769 (70 percent of the 2018 state median income). In 2020, the stated exit eligibility limit was $48,540 (75 percent of the 2019 state median income). The stated income limit for special needs care was $53,148 (85 percent of the 2018 state median income) in 2019 and $55,020 (85 percent of the 2019 state median income) in 2020.

VERMONT: In 2020, families already receiving assistance could continue doing so until their income reached $64,812. The state did not have a separate exit eligibility limit in 2001 or 2019. As of October 2020, the income limit to qualify for assistance was increased to $65,160 (300 percent of poverty) to adjust for the 2020 federal poverty level, and the exit eligibility limit was increased to $67,320 (85 percent of state median income) to adjust for the updated state median income estimate.

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 2019, the state had four separate regional income limits: $31,176, $33,252, $38,448, and $51,960. In 2020, the state also had four separate regional income limits: $32,004, $34,128, $39,468, and $53,328. Also note that in 2019, families already receiving assistance could continue doing so, in all regions of the state, until their income reached $69,120. In 2020, the statewide exit eligibility limit was $71,736. As of October 2020, the regional income limits to qualify for assistance were increased to $32,580 (150 percent of poverty), $34,752 (160 percent of poverty), $40,188 (185 percent of poverty), and $54,300 (250 percent of poverty) to adjust for the 2020 federal poverty level, and the exit eligibility limit was increased to $74,712 (85 percent of state median income) to adjust for the updated state median income estimate.

WASHINGTON: In 2019, families already receiving assistance could continue doing so until their income reached $45,708. In 2020, the exit eligibility limit was $46,932. The state did not have a separate exit eligibility limit in 2001. As of April 2020, the income limit to qualify for assistance was increased to $43,452 (200 percent of poverty), and the exit eligibility limit was increased to $47,784 (220 percent of poverty), to adjust for the 2020 federal poverty level.

WEST VIRGINIA: In 2019, families already receiving assistance could continue doing so until their income reached $38,448. In 2020, the exit eligibility limit was $39,456 (185 percent of the 2019 federal poverty level). The state did not have a separate exit eligibility limit in 2001.

WISCONSIN: In 2001, families already receiving assistance could continue doing so until their income reached $29,256. In 2019 and 2020, the exit eligibility limit was $62,892. As of March 2020, the income limit to qualify for assistance was increased to $40,182 (185 percent of poverty) to adjust for the 2020 federal poverty level, and the exit eligibility limit was increased to $65,618 (85 percent of state median income) to adjust for the updated state median income estimate.

WYOMING: The income limits shown in the tables for 2019 and 2020 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 $36,360 in 2019 and $37,332 in 2020. Also note that in 2001, families already receiving assistance could continue doing so until their income reached $27,060. In 2019, the stated exit eligibility limit was $46,752, and in 2020, it was $47,988. As of April 2020, the stated income limit to qualify for assistance was increased to $38,016 (175 percent of poverty), and the stated exit eligibility limit was increased to $48,876 (225 percent of poverty), to adjust for the 2020 federal poverty level.

TABLE 2

Waiting Lists for Child Care Assistance

	NUMBER OF CHILDREN OR FAMILIES ON WAITING LIST AS OF EARLY 2020	NUMBER OF CHILDREN OR FAMILIES ON WAITING LIST AS OF EARLY 2019	NUMBER OF CHILDREN OR FAMILIES ON WAITING LIST AS OF DECEMBER 2001
Alabama*	No waiting list	No waiting list	5,089 children
Alaska	No waiting list	No waiting list	588 children
Arizona*	No waiting list	2,420 children	No waiting list
Arkansas*	No waiting list	370 children	8,000 children
California*	Waiting lists at local level	Waiting lists at local level	Waiting lists at local level
Colorado*	353 children	376 children	Waiting lists at local level
Connecticut	No waiting list	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*	14,554 children	16,945 children	46,800 children
Georgia*	Frozen intake	Frozen intake	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*	3,558 children	6,290 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	3,596 children	No waiting list
Maine	No waiting list	No waiting list	2,000 children
Maryland	No waiting list	No waiting list	No waiting list
Massachusetts*	15,944 children	18,829 children	18,000 children
Michigan	No waiting list	No waiting list	No waiting list
Minnesota*	2,265 families	1,640 families	4,735 children
Mississippi	No waiting list	No waiting list	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	174 children	No waiting list	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	No waiting list	No waiting list	No waiting list
New York*	Waiting lists at local level	Waiting lists at local level	Waiting lists at local level
North Carolina*	20,307 children	29,201 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	No waiting list	No waiting list
Pennsylvania*	2,111 children	3,886 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	No waiting list	9,388 children (and frozen intake)
Texas*	34,396 children	16,379 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*	2,433 children	7,053 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 2020 reflect policies as of February 2020, and data in the tables for 2019 reflect policies as of February 2019, unless otherwise indicated.

ALABAMA: Data for December 2001 are not available so data from November 2001 are used instead.

ARIZONA: When the state has a waiting list, 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 2019 is from June 2019. When the state has a waiting list, 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.

CALIFORNIA: The estimated number of children on the waiting list in 2001 was 280,000; estimates for 2019 and 2020 are not available. The state does not have 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 2019 and 2020 are the totals of reported county waiting lists. In addition, one county had frozen intake in 2020. Prior to July 2019, counties had the option to allow certain groups of families to be served without being placed on the waiting list; these groups included 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. As of July 2019, states must serve households with incomes at or below 130 percent of poverty, children with additional care needs, and homeless families without placing them on waiting lists; counties may choose to allow other groups of families to be exempt from the waiting list.

DISTRICT OF COLUMBIA: The waiting list total for 2001 may have included 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. In 2019 and 2020, the state no longer referred to its policy as frozen intake, but it only served families who met the priority criteria. Children and families that received priority for child care assistance included families participating in TANF, children with disabilities, grandparents raising grandchildren, children requiring court-ordered supervision, children receiving protective services, foster children, parents ages 20 or younger, families who lacked regular and adequate housing, families experiencing domestic violence, families with children participating in the state-funded prekindergarten program, families experiencing state- or federally declared natural disasters, and families with very low incomes (defined as families with incomes at or below 100 percent of poverty in February 2019, and as families with incomes at or below 50 percent of poverty as of February 2020).

INDIANA: Families receiving TANF and with parents participating in the state's employment and training program or searching for a job are served without being placed on the waiting list. Also note that in 2001, in addition to the waiting list, some counties had frozen intake.

LOUISIANA: In 2019, when the state had a waiting list, 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 were 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 with parents 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. In addition, homeless families residing in state-funded shelters may be served through dedicated contracts 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 age 21 pursuing a high school degree or GED (and not receiving TANF) 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 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. Families receiving TANF, families eligible to receive TANF who need child care services for a child under age 13 in order to enable the parents to engage in work or participate in required work activities, and families who are transitioning off public assistance are served without being placed on the waiting list.

NORTH CAROLINA: Families experiencing homelessness and children with special needs are served without being placed on the waiting list.

PENNSYLVANIA: Families receiving or transitioning from TANF are exempt from the waiting list. In addition, the state prioritizes certain children and families for services, including foster children, children enrolled in the state prekindergarten program, Head Start, or Early Head Start who need wrap-around child care, newborn siblings of children who are already enrolled, homeless children, teen parents who are attending high school or participating in a GED program on a full-time basis, and parents ages 18 through 22 who are attending high school on a full-time basis.

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.

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 local boards. In addition, some boards may have 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 2020		MONTHLY COPAYMENT IN 2019		MONTHLY COPAYMENT IN 2001		CHANGE 2019 TO 2020		CHANGE 2001 TO 2020	
	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*	$130	5%	$132	5%	$215	12%	-$2	0%	-$85	-7%
Alaska*	$133	5%	$156	6%	$71	4%	-$23	-1%	$62	1%
Arizona*	$66	2%	$65	2%	$217	12%	$1	0%	-$151	-9%
Arkansas*	$31	1%	$31	1%	$224	12%	$0	0%	-$193	-11%
California*	$61	2%	$87	3%	$0	0%	-$26	-1%	$61	2%
Colorado*	$298	11%	$293	11%	$185	10%	$5	0%	$113	1%
Connecticut*	$163	6%	$160	6%	$110	6%	$3	0%	$53	0%
Delaware*	$244	9%	$240	9%	$159	9%	$4	0%	$85	0%
District of Columbia*	$52	2%	$59	2%	$91	5%	-$7	0%	-$39	-3%
Florida*	$189	7%	$195	7%	$104	6%	-$6	0%	$85	1%
Georgia*	$186	7%	$186	7%	$139	8%	$0	0%	$47	-1%
Hawaii*	$592	22%	$592	22%	$38	2%	$0	0%	$554	20%
Idaho*	$150	6%	$150	6%	Not eligible	Not eligible	$0	0%	N/A	N/A
Illinois*	$228	8%	$228	9%	$134	7%	$0	0%	$94	1%
Indiana*	$244	9%	$241	9%	$154	8%	$3	0%	$90	1%
Iowa*	$174	6%	$174	7%	Not eligible	Not eligible	$0	0%	N/A	N/A
Kansas*	$207	8%	$207	8%	$162	9%	$0	0%	$45	-1%
Kentucky*	$281	10%	$281	11%	$177	10%	$0	0%	$104	1%
Louisiana*	$66	2%	$65	2%	$114	6%	$1	0%	-$48	-4%
Maine	$244	9%	$240	9%	$183	10%	$4	0%	$61	-1%
Maryland*	$92	3%	$92	3%	$236	13%	$0	0%	-$144	-10%
Massachusetts*	$357	13%	$325	12%	$160	9%	$32	1%	$197	4%
Michigan*	$65	2%	$65	2%	$24	1%	-$1	0%	$41	1%
Minnesota*	$90	3%	$87	3%	$53	3%	$3	0%	$37	0%
Mississippi*	$196	7%	$188	7%	$105	6%	$8	0%	$91	1%
Missouri*	$234	9%	$210	8%	Not eligible	Not eligible	$24	1%	N/A	N/A
Montana*	$413	15%	$373	14%	$256	14%	$40	1%	$157	1%
Nebraska*	$191	7%	$187	7%	$129	7%	$4	0%	$62	0%
Nevada*	$234	9%	$152	6%	$281	15%	$82	3%	-$47	-7%
New Hampshire*	$339	13%	$333	12%	$2	0%	$6	0%	$337	12%
New Jersey*	$106	4%	$106	4%	$133	7%	$0	0%	-$27	-3%
New Mexico*	$188	7%	$186	7%	$115	6%	$2	0%	$73	1%
New York*	$327	12%	$327	12%	$191	10%	$0	0%	$136	2%
North Carolina*	$272	10%	$267	10%	$159	9%	$5	0%	$113	1%
North Dakota*	$164	6%	$227	9%	$293	16%	-$63	-2%	-$129	-10%
Ohio*	$241	9%	$235	9%	$88	5%	$6	0%	$153	4%
Oklahoma*	$192	7%	$239	9%	$146	8%	-$47	-2%	$46	-1%
Oregon*	$543	20%	$523	20%	$319	17%	$20	0%	$224	3%
Pennsylvania*	$229	8%	$230	9%	$152	8%	-$1	0%	$77	0%
Rhode Island*	$217	8%	$213	8%	$19	1%	$4	0%	$198	7%
South Carolina*	$48	2%	$48	2%	$77	4%	$0	0%	-$29	-2%
South Dakota*	$0	0%	$0	0%	$365	20%	$0	0%	-$365	-20%
Tennessee*	$195	7%	$186	7%	$112	6%	$9	0%	$83	1%
Texas*	$270	10%	$270	10%	$256	14%	$0	0%	$14	-4%
Utah*	$175	6%	$175	7%	$220	12%	$0	0%	-$45	-6%
Vermont*	$215	8%	$260	10%	$123	7%	-$45	-2%	$92	1%
Virginia*	$217	8%	$213	8%	$183	10%	$4	0%	$34	-2%
Washington*	$200	7%	$207	8%	$87	5%	-$7	0%	$113	3%
West Virginia*	$124	5%	$124	5%	$54	3%	$0	0%	$70	2%
Wisconsin*	$251	9%	$251	9%	$160	9%	$0	0%	$91	0%
Wyoming*	$38	1%	$38	1%	$98	5%	$0	0%	-$60	-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 2020		MONTHLY COPAYMENT IN 2019		MONTHLY COPAYMENT IN 2001		CHANGE 2019 TO 2020		CHANGE 2001 TO 2020	
	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*	$78	4%	$78	4%	$65	5%	$0	0%	$13	-1%
Alaska*	$53	3%	$53	3%	$14	1%	$0	0%	$39	2%
Arizona*	$66	4%	$65	4%	$65	5%	$1	0%	$1	-2%
Arkansas*	$31	2%	$31	2%	$0	0%	$0	0%	$31	2%
California*	$0	0%	$0	0%	$0	0%	$0	0%	$0	0%
Colorado*	$36	2%	$36	2%	$113	9%	$0	0%	-$77	-7%
Connecticut*	$72	4%	$71	4%	$49	4%	$1	0%	$23	0%
Delaware*	$72	4%	$72	4%	$55	5%	$0	0%	$17	-1%
District of Columbia*	$0	0%	$22	1%	$32	3%	-$22	-1%	-$32	-3%
Florida*	$103	6%	$123	7%	$69	6%	-$20	-1%	$34	0%
Georgia*	$126	7%	$121	7%	$21	2%	$4	0%	$105	5%
Hawaii*	$296	16%	$296	17%	$0	0%	$0	0%	$296	16%
Idaho*	$50	3%	$50	3%	$65	5%	$0	0%	-$15	-3%
Illinois*	$89	5%	$89	5%	$65	5%	$0	0%	$24	0%
Indiana*	$91	5%	$89	5%	$0	0%	$2	0%	$91	5%
Iowa*	$9	0%	$9	0%	$22	2%	$0	0%	-$13	-1%
Kansas*	$58	3%	$58	3%	$22	2%	$0	0%	$36	1%
Kentucky*	$173	10%	$152	9%	$97	8%	$21	1%	$76	2%
Louisiana*	$0	0%	$0	0%	$49	4%	$0	0%	-$49	-4%
Maine	$109	6%	$107	6%	$97	8%	$2	0%	$12	-2%
Maryland*	$24	1%	$24	1%	$90	7%	$0	0%	-$66	-6%
Massachusetts*	$173	10%	$173	10%	$40	3%	$0	0%	$133	6%
Michigan*	$32	2%	$32	2%	$24	2%	$0	0%	$8	0%
Minnesota*	$53	3%	$52	3%	$5	0%	$1	0%	$48	3%
Mississippi*	$105	6%	$105	6%	$47	4%	$0	0%	$58	2%
Missouri*	$108	6%	$108	6%	$43	4%	$0	0%	$65	2%
Montana*	$71	4%	$71	4%	$49	4%	$0	0%	$22	0%
Nebraska*	$127	7%	$124	7%	$30	2%	$3	0%	$97	5%
Nevada*	$78	4%	$51	3%	$0	0%	$27	1%	$78	4%
New Hampshire*	$136	8%	$133	7%	$0	0%	$2	0%	$136	8%
New Jersey*	$77	4%	$77	4%	$71	6%	$0	0%	$6	-2%
New Mexico*	$84	5%	$81	5%	$47	4%	$3	0%	$37	1%
New York*	$11	1%	$16	1%	$4	0%	-$5	0%	$7	0%
North Carolina*	$181	10%	$178	10%	$106	9%	$3	0%	$75	1%
North Dakota*	$82	5%	$78	4%	$158	13%	$4	0%	-$76	-8%
Ohio*	$131	7%	$127	7%	$43	4%	$4	0%	$88	4%
Oklahoma*	$128	7%	$146	8%	$54	4%	-$18	-1%	$74	3%
Oregon*	$211	12%	$202	11%	$90	7%	$9	0%	$121	4%
Pennsylvania*	$134	7%	$134	8%	$65	5%	$0	0%	$69	2%
Rhode Island*	$36	2%	$36	2%	$0	0%	$1	0%	$36	2%
South Carolina*	$26	1%	$26	1%	$43	4%	$0	0%	-$17	-2%
South Dakota*	$0	0%	$0	0%	$0	0%	$0	0%	$0	0%
Tennessee*	$130	7%	$126	7%	$39	3%	$4	0%	$91	4%
Texas*	$170	9%	$170	10%	$170	14%	$0	0%	$0	-5%
Utah*	$0	0%	$0	0%	$36	3%	$0	0%	-$36	-3%
Vermont*	$7	0%	$6	0%	$0	0%	$1	0%	$7	0%
Virginia*	$108	6%	$106	6%	$122	10%	$2	0%	-$14	-4%
Washington*	$65	4%	$65	4%	$20	2%	$0	0%	$45	2%
West Virginia*	$81	4%	$81	5%	$27	2%	$0	0%	$54	2%
Wisconsin*	$128	7%	$120	7%	$61	5%	$8	0%	$67	2%
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, $21,330 a year in 2019, and $21,720 a year in 2020.

For a family of three, an income at 150 percent of poverty was equal to $21,945 a year in 2001, $31,995 a year in 2019, and $32,580 a year in 2020.

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 2020 reflect policies as of February 2020, data in the tables for 2019 reflect policies as of February 2019, and data in the tables for 2001 reflect policies as of June 2001, unless otherwise indicated. Certain permanent changes in policies since February 2020 are noted below. However, the notes do not reflect temporary changes made in response to the pandemic after February 2020; those changes will be addressed in a separate report.

ALABAMA: Children receiving protective services and foster children are exempt from copayments. In addition, families with incomes below 100 percent of the 2017 federal poverty level ($20,420 a year for a family of three) were exempt from copayments in 2019, and families with incomes below 100 percent of the 2019 federal poverty level were exempt from copayments in 2020.

ALASKA: Families applying for or receiving TANF, children receiving protective services, and foster children are exempt from copayments.

ARIZONA: Families receiving TANF and children receiving protective services are exempt from copayments.

ARKANSAS: Since 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 2019 and 2020 shown in the tables assume the family is using a one-star provider. (Since 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, and children receiving protective services are exempt from copayments. In addition, families with incomes below 40 percent of the 2018 state median income ($20,613 a year for a family of three) were exempt from copayments in 2019 and 2020.

CALIFORNIA: Families receiving TANF and families whose children are participating in the state-funded part-day prekindergarten program are exempt from copayments. Families receiving protective services are exempt from copayments for up to 12 months. In addition, families with incomes up to 39 percent of the 2016 state median income ($30,096 a year for a family of three) were exempt from copayments in 2019, and families with incomes up to 39 percent of the 2017 state median income ($31,944 a year for a family of three) were exempt from copayments in 2020.

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. Families receiving protective services child care do not have a parent fee unless the child has countable income. 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) are exempt from copayments.

DELAWARE: Families receiving TANF, grandparents who are caretakers, foster parents, and families referred from the Division of Family Services are exempt from copayments. In addition, families with incomes below 70 percent of the 2018 federal poverty level ($14,548 a year for a family of three) were exempt from copayments in 2019, and families with incomes below 70 percent of the 2019 federal poverty level ($14,931 a year for a family of three) were exempt from copayments in 2020.

DISTRICT OF COLUMBIA: Children receiving protective services, children experiencing homelessness, and children in foster care are exempt from copayments. In addition, families with incomes at or below 100 percent of the 2017 federal poverty level ($20,420 a year for a family of three) were exempt from copayments in 2019, and families with incomes at or below 100 percent of the 2019 federal poverty level were exempt from copayments in 2020.

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 2018, the state began discounting copayments by 15 percent for families using providers with ratings of one star or higher in the state's quality rating and improvement system, which has three star levels. Also note that families applying for or receiving TANF, foster children, and parents under age 18 are exempt from copayments. In addition, families with incomes below 10 percent of the 2018 federal poverty level ($2,078 a year for a family of three) were exempt from copayments in 2019 and 2020.

HAWAII: Families receiving protective services and foster children are exempt from copayments. In addition, 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 exempt from copayments in 2019 and 2020.

IDAHO: Families receiving TANF that are participating in activities other than work 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; active duty does not include routine, one-weekend-per-month reserve duty. Families experiencing homelessness can receive two 90-day periods of child care assistance with a copayment of $1 per month under a policy that went into effect as of January 2018. The state reduced copayments as of July 2020, with the maximum copayment reduced from no more than 9 percent of income to no more than 7 percent of income.

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 2018 federal poverty level ($20,780 a year for a family of three) were exempt from copayments in 2019, and families with incomes at or below 100 percent of the 2019 federal poverty level were exempt from copayments in 2020.

IOWA: 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 at or below 100 percent of the 2018 federal poverty level ($20,780 a year for a family of three) were exempt from copayments in 2019, and families with incomes at or below 100 percent of the 2019 federal poverty level were exempt from copayments in 2020.

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 2018 federal poverty level ($14,544 a year for a family of three) were exempt from copayments in 2019, and families with incomes at or below 70 percent of the 2019 federal poverty level ($14,931 a year for a family of three) were exempt from copayments in 2020.

KENTUCKY: Families needing child care for reasons of child protection or permanent placement are exempt from copayments. In addition, families with incomes at or below $899 per month ($10,788 a year), regardless of family size, were exempt from copayments in 2019 and 2020.

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.

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 Supplemental Security Income (SSI) benefits 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 2019 and 2020, $14,160 a year 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 farmworker families, and homeless families are exempt from copayments. In addition, families with incomes below 100 percent of the 2017 federal poverty level ($20,420 a year for a family of three) were exempt from copayments in 2019 and 2020.

MINNESOTA: Families with incomes below 75 percent of the 2018 federal poverty level ($15,585 a year for a family of three) were exempt from copayments in 2019, and families with incomes below 75 percent of the 2019 federal poverty level ($15,997 a year for a family of three) were exempt from copayments in 2020.

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, children under court-ordered supervision, and homeless families 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 2018 federal poverty level ($20,780 a year for a family of three) were exempt from copayments in 2019, and families with incomes below 100 percent of the 2019 federal poverty level were exempt from copayments in 2020. Also note that after a family has had one year of continuous eligibility, 10 percent is deducted from the family's gross income in calculating the copayment.

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. 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: For children who are in paid foster placement, the copayment is assessed based on the income of the child, and thus almost always $0. For children who are receiving protective services and residing with a related caregiver, para-foster care provider, or in their own home with their parents, the copayment may be reduced or waived on a case-by-case basis. Families that apply for a temporary change due to a job loss are exempt from copayments. In addition, families with incomes below 100 percent of the 2018 federal poverty level ($20,780 a year for a family of three) were exempt from copayments in 2019, and families with incomes below 100 percent of the 2019 federal poverty level were exempt from copayments in 2020.

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 amounts allowed in that range. Families receiving TANF and participating in their required activity, foster families, and homeless families are exempt from copayments. In addition, children receiving protective services, 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. 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 and foster families 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 without a qualifying activity and families receiving protective child care services are exempt from copayments. In addition, families with incomes at or below 100 percent of the 2018 federal poverty level ($20,780 a year for a family of three) were exempt from copayments in 2019, and families with incomes at or below 100 percent of the 2019 federal poverty level were exempt from copayments in 2020.

OKLAHOMA: 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 benefits, 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.

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 receiving services through a Head Start or Baby Promise contracted slot 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 children, homeless families, and families receiving TANF who have child care assistance as a supportive service are exempt from copayments. In addition, families with incomes below 100 percent of the 2018 federal poverty level ($20,780 a year for a family of three) were exempt from copayments in 2019, and families with incomes below 100 percent of the 2019 federal poverty level were exempt from copayments in 2020.

SOUTH CAROLINA: Families receiving TANF, foster children, homeless families, and dual language learners are exempt from copayments.

SOUTH DAKOTA: Families receiving TANF and children in protective custody are exempt from copayments. In addition, families with adjusted incomes at or below 150 percent of the 2018 federal poverty level ($31,170 a year for a family of three) were exempt from copayments in 2019, and families with adjusted incomes at or below 160 percent of the 2019 federal poverty level ($34,128 a year for a family of three) were exempt from copayments in 2020.

TENNESSEE: Families receiving TANF are exempt from copayments.

TEXAS: Local workforce development boards set their copayments within state guidelines; the copayments in the tables reflect the maximum copayment levels used by a local board. Also note that parents participating in the TANF work program (Choices), families applying for TANF, 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 2018 federal poverty level ($20,780 a year for a family of three) were exempt from copayments in 2019, and families with adjusted incomes at or below 100 percent of the 2019 federal poverty level were exempt from copayments in 2020.

VERMONT: Foster children are exempt from copayments.

VIRGINIA: Families receiving TANF, families participating in the SNAP Employment and Training program, and families whose children are enrolled in Head Start and whose incomes are below the federal poverty level are exempt from copayments.

WASHINGTON: Children who are referred as part of their case plan for child welfare are exempt from copayments. Families who are experiencing homelessness can be exempt from copayments.

WEST VIRGINIA: Foster families, families receiving protective services, and families experiencing homelessness are exempt from copayments. In addition, families with incomes at or below 40 percent of the 2018 federal poverty level ($8,316 a year for a family of three) were exempt from copayments in 2019, and families with incomes at or below 40 percent of the 2019 federal poverty level ($8,532 a year for a family of three) were exempt from copayments in 2020.

WISCONSIN: Foster children, children in subsidized guardianship or with interim caretakers, children residing with a relative under a court-ordered placement, and teen parents participating in Learnfare are exempt from copayments.

WYOMING: Families with adjusted incomes at or below 100 percent of the 2018 federal poverty level ($20,780 a year for a family of three) were exempt from copayments in 2019, and families with adjusted incomes at or below 100 percent of the 2019 federal poverty level were exempt from copayments in 2020.

TABLE 4A

State Payment Rates in 2020

	STATE PAYMENT RATES IN 2020 COMPARED TO MARKET RATES	YEAR WHEN PAYMENT RATES LAST CHANGED
Alabama*	Below the 75th percentile of 2017 rates	2019
Alaska	At least the 25th percentile of 2017 rates	2019
Arizona*	50th percentile of 2010 rates/25th percentile of 2018 rates	2019
Arkansas*	Above or below the 75th percentile of 2015 rates	2014
California*	75th percentile of 2016 rates	2018
Colorado*	10th-75th percentile of 2017 rates	2019
Connecticut*	25th-50th percentile of 2018 rates	2019
Delaware*	65th percentile of 2018 rates	2019
District of Columbia*	Above or below the 75th percentile of 2012 rates	2018
Florida*	Locally determined	Varies by locality
Georgia*	At least the 25th percentile of 2017 rates	2018/2019
Hawaii*	75th percentile of 2016 rates	2008/2010/2017
Idaho*	65th percentile of 2018 rates	2019
Illinois*	26th-89th percentile of 2018 rates	2020
Indiana*	50th-70th percentile of 2020 rates	2014/2015/2016/2019
Iowa*	35th-80th percentile of 2017 rates	2019
Kansas*	65th percentile of 2018 rates	2018
Kentucky*	40th percentile of 2017 rates	2018
Louisiana*	25th-40th percentile of 2018 rates	2019
Maine*	75th percentile of 2018 rates	2018
Maryland*	At least the 30th percentile of 2019 rates	2019
Massachusetts*	29th-91st percentile of 2018 rates	2019
Michigan*	Below the 75th percentile of 2018 rates	2020
Minnesota*	25th percentile of 2011 rates	2014
Mississippi*	75th percentile of 2016 rates	2018
Missouri*	58th percentile of 2018 rates	2019
Montana*	75th percentile of 2016 rates	2018
Nebraska*	At least the 60th percentile of 2019 rates	2019
Nevada*	55th-75th percentile of 2015 rates	2016/2019
New Hampshire	55th pecentile of 2018 rates	2017
New Jersey*	Below the 75th percentile of 2017 rates	2014/2020
New Mexico*	Above or below the 75th percentile of 2015 rates	2014/2015
New York*	69th percentile of 2017-18 rates	2019
North Carolina*	75th or 100th percentile of 2015 rates	2017/2018
North Dakota*	75th percentile of 2017 rates	2018
Ohio*	At least the 25th percentile of 2018 rates	2019
Oklahoma*	Above or below the 75th percentile of 2017 rates	2013/2018
Oregon*	50th-78th percentile of 2018 rates	2019
Pennsylvania*	0th-100th percentile of 2018 rates	2018
Rhode Island*	Below the 75th percentile of 2018 rates	2018/2020
South Carolina*	75th-90th percentile of 2017 rates	2018
South Dakota*	75th percentile of 2017 rates	2018
Tennessee*	31st-78th percentile of 2017-18 rates	2019
Texas*	30th-75th percentile of 2019 rates	2019
Utah*	60th-75th percentile of 2017 rates	2018/2019
Vermont*	1st-45th percentile of 2019 rates	2019
Virginia	70th percentile of 2018 rates	2018
Washington*	Below the 75th percentile of 2018 rates	2019
West Virginia	75th percentile of 2015 rates	2016
Wisconsin*	At least the 35th percentile of 2018 rates	2019
Wyoming*	At least the 25th percentile of 2017 rates	2019

TABLE 4B

State Payment Rates Compared to the 75th Percentile of Current Market Rates in 2020, 2019, and 2001

	RATES EQUAL TO OR ABOVE THE 75TH PERCENTILE OF CURRENT MARKET RATES...		
	IN 2020?	IN 2019?	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*	Yes	Yes	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	Yes	Yes
Ohio	No	No	No
Oklahoma	No	No	No
Oregon	No	No	No
Pennsylvania	No	No	No
Rhode Island	No	No	Yes
South Carolina*	No	Yes	No
South Dakota*	No	Yes	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*	No	No	Yes
Wisconsin	No	No	Yes
Wyoming	No	No	Yes

TABLE 4C

Change in State Base Payment Rates Between 2019 and 2020

		CENTER CARE FOR A FOUR-YEAR-OLD			CENTER CARE FOR A ONE-YEAR-OLD		
		Monthly state base payment rate in 2019	Monthly state base payment rate in 2020	Change in base payment rate 2019 to 2020	Monthly state base payment rate in 2019	Monthly state base payment rate in 2020	Change in base payment rate 2019 to 2020
Alabama*	Birmingham Region	$580	$598	$18	$615	$650	$35
Alaska*	Anchorage	$700	$755	$55	$900	$980	$80
Arizona*	Maricopa County (Phoenix)	$515	$693	$178	$576	$795	$220
Arkansas	Urban Areas	$511	$511	$0	$618	$618	$0
California	Los Angeles County	$1,124	$1,124	$0	$1,594	$1,594	$0
Colorado*	Denver County	$682	$915	$233	$963	$1,207	$244
Connecticut*	North Central Region	$693	$879	$186	$870	$1,321	$450
Delaware*	New Castle County	$574	$687	$113	$622	$763	$141
District of Columbia*	Citywide	$1,058	$1,058	$0	$1,417	$1,417	$0
Florida*	Miami-Dade County	$482	$530	$48	$533	$587	$53
Georgia*	Zone 1	$494	$537	$43	$624	$624	$0
Hawaii	Statewide	$740	$740	$0	$1,490	$1,490	$0
Idaho*	Cluster 2 (Boise)	$650	$650	$0	$726	$726	$0
Illinois*	Metropolitan Region	$738	$776	$37	$1,049	$1,102	$52
Indiana*	Marion County (Indianapolis)	$762	$762	$0	$905	$966	$61
Iowa*	Statewide	$649	$649	$0	$748	$748	$0
Kansas*	Sedgwick County	$571	$571	$0	$740	$740	$0
Kentucky	Jefferson County	$541	$541	$0	$606	$606	$0
Louisiana*	Statewide	$465	$476	$11	$487	$514	$27
Maine	Cumberland County	$1,121	$1,121	$0	$1,312	$1,312	$0
Maryland*	Region W	$628	$823	$195	$953	$1,108	$156
Massachusetts*	Northeast (Region 3)	$955	$1,019	$64	$1,472	$1,621	$149
Michigan*	Statewide	$536	$594	$58	$779	$838	$58
Minnesota*	Hennepin County	$870	$870	$0	$1,160	$1,160	$0
Mississippi	Statewide	$440	$440	$0	$480	$480	$0
Missouri*	St. Louis	$406	$628	$222	$695	$816	$121
Montana	Statewide	$758	$758	$0	$866	$866	$0
Nebraska*	Urban Counties	$812	$849	$37	$931	$974	$43
Nevada*	Clark County	$498	$779	$281	$606	$823	$217
New Hampshire	Statewide	$801	$801	$0	$963	$963	$0
New Jersey*	Statewide	$645	$690	$45	$904	$994	$90
New Mexico	Statewide	$491	$491	$0	$721	$721	$0
New York*	New York City	$1,048	$1,251	$204	$1,606	$1,758	$152
North Carolina*	Mecklenburg County	$881	$881	$0	$963	$963	$0
North Dakota	Statewide	$720	$720	$0	$790	$790	$0
Ohio*	Franklin County	$637	$712	$76	$851	$909	$58
Oklahoma*	Statewide	$292	$292	$0	$336	$336	$0
Oregon*	Group Area A (Portland)	$1,060	$1,060	$0	$1,415	$1,415	$0
Pennsylvania	Philadelphia	$725	$725	$0	$902	$902	$0
Rhode Island	Statewide	$718	$718	$0	$859	$859	$0
South Carolina	Urban Areas	$701	$701	$0	$801	$801	$0
South Dakota*	Minnehaha County	$702	$702	$0	$790	$790	$0
Tennessee*	Top Tier Counties	$429	$515	$86	$572	$771	$199
Texas*	Gulf Coast Area	$517	$547	$30	$727	$727	$0
Utah*	Statewide	$585	$585	$0	$800	$900	$100
Vermont*	Statewide	$578	$716	$138	$866	$866	$0
Virginia	Fairfax County	$1,516	$1,516	$0	$1,775	$1,775	$0
Washington*	King County	$1,203	$1,203	$0	$1,290	$1,302	$12
West Virginia	Statewide	$606	$606	$0	$693	$693	$0
Wisconsin*	Milwaukee County	$865	$921	$56	$1,169	$1,189	$20
Wyoming*	Statewide	$521	$541	$21	$573	$606	$34

TABLE 4D

State Payment Amount in 2020 Compared to Market Rate for Child Care Centers

		CENTER CARE FOR A FOUR-YEAR-OLD					CENTER CARE FOR A ONE-YEAR-OLD				
		Monthly state payment rate	75th percentile of market rates	Year of market rates	Difference between state rate and 75th percentile	Percentage difference between state rate and 75th percentile	Monthly state payment rate	75th percentile of market rates	Year of market rates	Difference between state rate and 75th percentile	Percentage difference between state rate and 75th percentile
Alabama*	Birmingham Region	$598	$745	2017	-$147	-20%	$650	$836	2017	-$186	-22%
Alaska*	Anchorage	$755	$923	2017	-$168	-18%	$980	$1,006	2017	-$26	-3%
Arizona*	Maricopa County (Phoenix)	$693	$883	2018	-$191	-22%	$795	$999	2018	-$204	-20%
Arkansas	Urban Areas	$511	$520	2015	-$9	-2%	$618	$615	2015	$3	1%
California	Los Angeles County	$1,124	$1,253	2018	-$129	-10%	$1,594	$1,688	2018	-$94	-6%
Colorado*	Denver County	$1,169	$1,169	2017	$0	0%	$1,700	$1,700	2017	$0	0%
Connecticut*	North Central Region	$879	$1,225	2018	-$346	-28%	$1,321	$1,477	2018	-$156	-11%
Delaware*	New Castle County	$975	$1,003	2018	-$28	-3%	$1,059	$1,299	2018	-$240	-18%
District of Columbia	Citywide	$1,235	$1,409	2012	-$174	-12%	$1,662	$1,829	2012	-$167	-9%
Florida*	Miami-Dade County	$530	$585	2017	-$55	-9%	$587	$650	2017	-$63	-10%
Georgia*	Zone 1	$644	$885	2017	-$241	-27%	$748	$997	2017	-$248	-25%
Hawaii*	Statewide	$740	$970	2019	-$230	-24%	$1,490	$1,930	2019	-$440	-23%
Idaho*	Cluster 2 (Boise)	$650	$700	2018	-$50	-7%	$726	$782	2018	-$56	-7%
Illinois*	Metropolitan Region	$776	$1,137	2018	-$361	-32%	$1,102	$1,391	2018	-$290	-21%
Indiana*	Marion County (Indianapolis)	$992	$992	2020	$0	0%	$1,160	$1,160	2020	$0	0%
Iowa*	Statewide	$649	$822	2017	-$173	-21%	$748	$964	2017	-$216	-22%
Kansas*	Sedgwick County	$571	$624	2018	-$53	-8%	$740	$756	2018	-$16	-2%
Kentucky	Jefferson County	$541	$675	2017	-$134	-20%	$606	$758	2017	-$152	-20%
Louisiana*	Statewide	$476	$650	2017	-$173	-27%	$514	$714	2017	-$200	-28%
Maine	Cumberland County	$1,121	$1,121	2018	$0	0%	$1,312	$1,312	2018	$0	0%
Maryland*	Region W	$823	$1,015	2019	-$193	-19%	$1,108	$1,429	2019	-$320	-22%
Massachusetts*	Northeast (Region 3)	$1,019	$1,450	2018	-$431	-30%	$1,621	$1,940	2018	-$319	-16%
Michigan*	Statewide	$740	$1,023	2017	-$283	-28%	$984	$1,169	2017	-$185	-16%
Minnesota*	Hennepin County	$1,044	$1,325	2018	-$281	-21%	$1,393	$1,723	2018	-$331	-19%
Mississippi	Statewide	$440	$440	2016	$0	0%	$480	$480	2016	$0	0%
Missouri*	St. Louis	$628	$1,083	2018	-$455	-42%	$816	$1,408	2018	-$592	-42%
Montana	Statewide	$796	$758	2016	$38	5%	$909	$866	2016	$43	5%
Nebraska*	Urban Counties	$849	$890	2019	-$42	-5%	$974	$1,057	2019	-$82	-8%
Nevada*	Clark County	$801	$932	2018	-$131	-14%	$844	$1,144	2018	-$300	-26%
New Hampshire	Statewide	$801	$953	2018	-$152	-16%	$963	$1,180	2018	-$217	-18%
New Jersey*	Statewide	$690	$1,055	2017	-$365	-35%	$1,094	$1,300	2017	-$207	-16%
New Mexico*	Statewide	$841	$894	2018	-$53	-6%	$1,271	$998	2018	$273	27%
New York*	New York City	$1,251	$1,407	2017-18	-$156	-11%	$1,758	$1,840	2017-18	-$82	-4%
North Carolina*	Mecklenburg County	$1,035	$1,153	2017	-$118	-10%	$1,194	$1,278	2017	-$84	-7%
North Dakota	Statewide	$720	$720	2017	$0	0%	$790	$790	2017	$0	0%
Ohio*	Franklin County	$778	$974	2018	-$196	-20%	$993	$1,234	2018	-$241	-20%
Oklahoma*	Statewide	$494	$606	2017	-$112	-19%	$727	$801	2017	-$74	-9%
Oregon*	Group Area A (Portland)	$1,114	$1,100	2018	$14	1%	$1,469	$1,455	2018	$14	1%
Pennsylvania	Philadelphia	$725	$844	2018	-$120	-14%	$902	$996	2018	-$94	-9%
Rhode Island	Statewide	$735	$996	2018	-$261	-26%	$880	$1,141	2018	-$261	-23%
South Carolina	Urban Areas	$723	$700	2017	$24	3%	$823	$801	2017	$22	3%
South Dakota*	Minnehaha County	$702	$741	2018	-$39	-5%	$790	$819	2018	-$29	-4%
Tennessee*	Top Tier Counties	$619	$742	2017-18	-$122	-16%	$963	$875	2017-18	$88	10%
Texas*	Gulf Coast Area	$547	$770	2019	-$222	-29%	$727	$902	2019	-$175	-19%
Utah*	Statewide	$585	$645	2017	-$60	-9%	$900	$900	2017	$0	0%
Vermont*	Statewide	$1,003	$1,191	2019	-$188	-16%	$1,126	$1,256	2019	-$130	-10%
Virginia	Fairfax County	$1,516	$1,559	2018	-$43	-3%	$1,775	$1,819	2018	-$43	-2%
Washington*	King County	$1,227	$1,495	2018	-$268	-18%	$1,328	$1,720	2018	-$392	-23%
West Virginia	Statewide	$606	$650	2019	-$43	-7%	$693	$747	2019	-$54	-7%
Wisconsin*	Milwaukee County	$930	$1,126	2017	-$196	-17%	$1,201	$1,478	2017	-$278	-19%
Wyoming*	Statewide	$541	$650	2017	-$108	-17%	$606	$750	2017	-$144	-19%

TABLE 4E

State Tiered Payment Rates for Center Care for a Four-Year-Old in 2020

		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 higher tiers	Percentage difference between lowest and higher tiers	75th percentile of market rates	Difference between highest rate and 75th percentile	Percentage difference between highest rate and 75th percentile
Alabama*	Birmingham Region	6	$598	$658	$611, $624, $632, $645	$61	10%	$745	-$87	-12%
Alaska	Anchorage	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Arizona*	Maricopa County (Phoenix)	4	$693	$831	$727, $762	$139	20%	$883	-$52	-6%
Arkansas*	Urban Areas	3	$511	$588	$536	$77	15%	$520	$68	13%
California	Los Angeles County	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Colorado*	Denver County	3	$915	$1,169	$947	$254	28%	$1,169	$0	0%
Connecticut	North Central Region	2	$879	$923	N/A	$44	5%	$1,225	-$302	-25%
Delaware*	New Castle County	4	$687	$975	$804, $905	$288	42%	$1,003	-$28	-3%
District of Columbia*	Citywide	4	$1,058	$1,331	$1,103, $1,235	$273	26%	$1,409	-$78	-6%
Florida*	Miami-Dade County	2	$530	$635	N/A	$106	20%	$631	$4	1%
Georgia*	Zone 1	4	$537	$752	$591, $644	$215	40%	$885	-$133	-15%
Hawaii*	Statewide	2	$740	$919	N/A	$179	24%	$985	-$66	-7%
Idaho	Cluster 2 (Boise)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Illinois*	Metropolitan Region	3	$776	$892	$853	$116	15%	$1,137	-$245	-22%
Indiana	Marion County (Indianapolis)	4	$762	$1,065	$914, $992	$303	40%	$992	$74	7%
Iowa*	Statewide	4	$649	$822	$682, $722	$173	27%	$822	$0	0%
Kansas	Sedgwick County	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Kentucky*	Jefferson County	4	$541	$628	See notes	$86	16%	$675	-$48	-7%
Louisiana*	Statewide	5	$476	$586	$486, $529, $555	$110	23%	$650	-$64	-10%
Maine	Cumberland County	4	$1,121	$1,234	$1,144, $1,178	$112	10%	$1,121	$112	10%
Maryland*	Region W	4	$823	$1,037	$905, $979	$214	26%	$1,015	$21	2%
Massachusetts*	Northeast (Region 3)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Michigan*	Statewide	5	$594	$887	$643, $740, $789	$292	49%	$1,023	-$136	-13%
Minnesota*	Hennepin County	3	$870	$1,044	$1,001	$174	20%	$1,325	-$281	-21%
Mississippi*	Statewide	2	$440	$550	N/A	$110	25%	$440	$110	25%
Missouri*	St. Louis	2	$628	$753	N/A	$126	20%	$1,083	-$330	-30%
Montana	Statewide	5	$758	$909	$796, $834, $871	$152	20%	$758	$152	20%
Nebraska*	Urban Counties	7	$849	$1,024	$891, $929, $936, $975, $983	$175	21%	$890	$134	15%
Nevada*	Clark County	5	$779	$866	$801, $823, $844	$87	11%	$932	-$66	-7%
New Hampshire	Statewide	3	$801	$881	$841	$80	10%	$953	-$71	-8%
New Jersey*	Statewide	5	$690	$814	$725, $745, $775	$124	18%	$1,055	-$241	-23%
New Mexico*	Statewide	5	$491	$841	$579, $591, $741	$350	71%	$894	-$53	-6%
New York*	New York City	2	$1,251	$1,439	N/A	$188	15%	$1,407	$32	2%
North Carolina*	Mecklenburg County	4	$477	$1,035	$881, $939	$558	117%	$1,153	-$118	-10%
North Dakota	Statewide	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Ohio*	Franklin County	7	$712	$1,000	$778, $784, $874, $896, $956	$288	40%	$974	$26	3%
Oklahoma*	Statewide	4	$292	$546	$401, $494	$254	87%	$645	-$100	-15%
Oregon*	Group Area A (Portland)	4	$1,060	$1,150	$1,114, $1,132	$90	8%	$1,100	$50	5%
Pennsylvania	Philadelphia	4	$725	$924	$746, $853	$199	27%	$844	$80	9%
Rhode Island	Statewide	5	$718	$847	$735, $770, $791	$130	18%	$996	-$149	-15%
South Carolina*	Urban Areas	5	$701	$788	$723, $745, $766	$87	12%	$700	$89	13%
South Dakota	Minnehaha County	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Tennessee*	Top Tier Counties	4	$515	$619	$541, $593	$104	20%	$742	-$123	-17%
Texas*	Gulf Coast Area	4	$547	$770	$624, $693	$222	41%	$770	$0	0%
Utah*	Statewide	3	$585	$785	$760	$200	34%	$645	$140	22%
Vermont*	Statewide	6	$716	$1,003	$752, $788, $859, $931	$286	40%	$1,191	-$188	-16%
Virginia	Fairfax County	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Washington*	King County	5	$1,203	$1,384	$1,227, $1,251, $1,323	$180	15%	$1,495	-$111	-7%
West Virginia	Statewide	3	$606	$693	$650	$87	14%	$650	$43	7%
Wisconsin*	Milwaukee County	4	$921	$1,209	$930, $1,069	$288	31%	$1,126	$83	7%
Wyoming	Statewide	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A

NOTES FOR TABLES 4A, 4B, 4C, 4D, AND 4E: 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 the 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.

In this report, 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 2020 are considered current if set at the 75th percentile of 2018 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 base rate for each state is used for the data analysis in Table 4c, and the most common rate level (the level representing the greatest number of providers) for each state is used for the data analysis in Table 4d, 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 nontraditional hours.

Data in the tables for 2020 reflect policies as of February 2020, data in the tables for 2019 reflect policies as of February 2019, and data in the tables for 2001 reflect policies as of June 2001, unless otherwise indicated. Certain permanent changes in policies since February 2020 are noted below. However, the notes do not reflect temporary changes made in response to the pandemic after February 2020; those changes will be addressed in a separate report.

ALABAMA: The payment rates in Tables 4c, 4d, and 4e reflect that the state increased base rates as of November 2019.

ALASKA: The payment rates in Tables 4c and 4d reflect that the state increased base rates to at least the 25th percentile of 2017 market rates as of November 2019.

ARIZONA: The payment rates in Tables 4c, 4d, and 4e reflect that the state increased base 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, as of June 2019. The payment rates in Table 4e also reflect that, as of June 2019, the state began paying a tiered rate that is 5 percent above the base rate for providers with a three-star rating under the state's quality rating and improvement system (which has five levels); the state already had tiered rates that are 10 percent above the base rate for four-star providers and 20 percent above the base rate for nationally accredited and five-star providers.

ARKANSAS: Payment rates vary as a percentile of market rates by the age of the child and region. The state began providing higher payment rates for higher-quality care under the state's quality rating and improvement system (which has three star levels) in June 2014. The state then began requiring all providers serving families receiving child care assistance to have a rating of one star or higher as of January 2016. 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 base rate is now the rate for one-star providers.

CALIFORNIA: Payment rates for licensed care were set at the 75th percentile of 2016 market rates (unless existing rates were higher, in which case they were not changed) as of January 2018. Payment rates for license-exempt family child care were set at 70 percent of payment rates for licensed family child care as of January 2017.

COLORADO: The payment rates in Tables 4c, 4d, and 4e reflect that, as of July 2019, counties are required to set payment rates at the 10th percentile of market rates for providers that are at levels one and two of the state's quality rating and improvement system and that are caring for preschool- and school-age children, the 25th percentile for providers that are at levels one and two and that are caring for infants and toddlers, the 50th percentile for providers at level three, and the 75th percentile for providers at levels four and five. Previously, the state recommended—but did not require—these payment rate levels. (Counties still set their own rates for alternative rate types such as before- and after-school, overnight, and weekend rates, if they choose to offer these rates).

CONNECTICUT: The payment rates in Tables 4c, 4d, and 4e reflect that, as of September 2019, the state increased rates to at least the 50th percentile of 2018 market rates for child care centers, group child care homes, and license-exempt providers serving infants and toddlers, and to at least the 25th percentile for child care centers, group child care homes, and license-exempt relative providers serving preschool-age children. Also note that, as a result of union contract negotiations, the state increased rates for licensed family child care providers by 2.5 percent and license-exempt relative providers by 1.25 percent as of July 2019, and again increased rates for licensed family child care providers by 2.5 percent and license-exempt relative providers by 1.25 percent as of July 2020.

DELAWARE: The payment rates in Tables 4c, 4d, and 4e reflect that the state increased base and tiered payment rates in May 2019 and again in July 2019; base rates were raised to the 65th percentile of 2018 market rates. Prior to 2019, the state had last increased rates for providers at the top two quality levels in July 2014, and had last increased all other rates in 2011. 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.

DISTRICT OF COLUMBIA: The District last increased base and tiered rates—and increased the number of tiers from three to four—as of October 2018. The District based these rate increases on a cost estimation model, which assesses the cost of delivering child care services at different levels of quality, in different settings, and serving children of differing ages and needs.

FLORIDA: Local early learning coalitions determine their payment rates and when to update them; the payment rates in Tables 4c, 4d, and 4e reflect that Miami-Dade County increased its rates in 2019. 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 4d, 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 4e, 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 Tables 4c, 4d, and 4e reflect that the state increased base rates for care for preschool- and school-age children to the 25th percentile of 2017 market rates as of September 2019. The state had increased base rates for care for infants and toddlers to the 25th percentile of 2017 market rates as of December 2018.

HAWAII: The state last increased payment rates for licensed center care and license-exempt before- and after-school care in 2017, last increased rates for license-exempt relative and non-relative care in 2010, and last increased rates for licensed family child care in 2008. 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. For center care for preschool-age children, 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 4d, 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 4e, the payment rate for the highest quality level (the accredited rate) is compared to the 75th percentile for that quality level.

IDAHO: Cluster 2 includes Ada, Blaine, Boise, Bonner, Bonneville, Latah, Lewis, Teton, and Valley Counties. Also note that the state last increased payment rates in February 2019.

ILLINOIS: Payment rates vary as a percentile of market rates by the age of the child, type of care, and region. Payment rates are reported for the Metropolitan Region (referred to as Group 1A), which includes Cook, DeKalb, DuPage, Kane, Kendall, Lake, and McHenry Counties. The payment rates in Tables 4c, 4d, and 4e reflect that the state increased payment rates as of January 2020. The state increased payment rates again as of January 2021.

INDIANA: Payment rates vary as a percentile of market rates by the age of the child, type of care, and county. The state increased all payment rates in May 2014. It then increased payment rates for license-exempt providers in September 2015, and increased payment rates for providers at levels two, three, and four of the state's quality rating and improvement system (which has four levels) in September 2016. The payment rates in Tables 4c and 4d reflect that the state increased rates for infant and toddler care in June 2019 and again September 2019.

IOWA: The state increased base payment rates to the 45th percentile of 2017 market rates, increased rates for providers at quality level five of the state's quality rating and improvement system to the 75th percentile of 2017 market rates, and introduced two new tiered rate levels for providers at quality levels one through four, as of January 2019. 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 increased payment rates to the 65th percentile of 2017 market rates as of November 2018. (Rates for individual counties ranged from below the 5th percentile to above the 100th percentile of market rates.) The state increased rates for infants 18 months and younger being cared for in a relative's home or in licensed family or group child care, and for infants and toddlers ages 30 months and younger being cared for in child care centers, to an average of the 85th percentile of 2018 market rates as of April 2020.

KENTUCKY: The state increased base payment rates to the 40th percentile of 2017 market rates as of December 2018. Also note that under the state's quality rating and improvement system, which has five levels, the amount of the bonus at each quality level varies by the type of care and the age of the child. For example, for care for four-year-olds, the bonus above the base rate is $23 per month for three-star licensed centers, $33 per month for four-star licensed centers, and $43 per month for five-star licensed centers. (One- and two-star providers do not receive a bonus above the base rate.) In addition, accredited providers can receive, to the extent funds are available, an additional $2 per day on top of their quality bonus. The highest rate shown in Table 4e assumes that the provider was at the five-star level and was accredited.

LOUISIANA: The payment rates in Tables 4c, 4d, and 4e reflect that the state increased base rates as of October 2019; payment rates are at the 40th percentile of 2018 market rates for infants, 31st percentile for toddlers, and 25th percentile for preschool-age children. Also note that, although shown in Table 4e as incorporated into the monthly payment rate, bonuses for higher-quality care are paid quarterly. The payment rates in Table 4e reflect that as of January 2020, the state reduced the bonus for a center at the two-star level of the state's quality rating and improvement system from 4 percent to 2 percent above the base rate; bonuses remained at 11 percent above the base rate for three-star centers, 16.5 percent above the base rate for four-star centers, and 23 percent above the base rate for five-star centers. Family child care providers are not eligible for bonuses.

MAINE: The state increased base payment rates for center care and family child care for all age groups to the 75th percentile of 2018 market rates as of June 2018.

MARYLAND: The payment rates in Tables 4c, 4d, and 4e reflect that, as of June 2019, the state increased base rates from at least the 20th percentile of 2017 market rates to at least the 30th percentile of 2019 market rates. The state increased payment rates to the 60th percentile of 2019 market rates as of November 2020. 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 Tables 4c and 4d reflect that the state increased payment rates multiple times between February 2019 and February 2020, including an increase to the 25th percentile of 2018 market rates as of July 2019 for those categories not already at that level; an additional 3.52 percent increase for center care as of October 2019 (retroactive to July 2019); a 3.52 percent increase for family child care as of March 2020 (retroactive to July 2019); and an additional 1 percent increase for all providers as of March 2020 (retroactive to July 2019). The state increased payment rates by another 2 percent for family child care providers as of July 2020, based on a collective bargaining agreement with the family child care union. 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: Payment rates vary as a percentile of market rates by the age of the child and type of care. The payment rates in Tables 4c, 4d, and 4e reflect that the state increased payment rates as of January 2020.

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 2011, following a 2.5 percent rate reduction), whichever was higher, as of February 2014. The state increased base payment rates to at least the 25th percentile of 2018 market rates (if not already at or above that level) as of September 2020. The state last increased the number of payment rate tiers and the differential between the lowest and highest tiers as of March 2014.

MISSISSIPPI: The state increased base payment rates to the 75th percentile of 2016 market rates as of May 2018. Also note that Table 4e reflects that the state established a tiered rate for centers meeting a new set of quality standards, designated as comprehensive centers, and began piloting the designation in 2019; this pilot program ended as of February 28, 2020.

MISSOURI: The payment rates in Tables 4c, 4d, and 4e reflect that the state increased payment rates as of August 2019.

MONTANA: The state increased base payment rates to the 75th percentile of 2016 market rates, and changed from using regional rates to using statewide rates, as of October 2018. 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 for Table 4b.

NEBRASKA: The payment rates in Tables 4c, 4d, and 4e reflect that the state increased base rates from at least the 60th percentile of 2017 market rates to at least the 60th percentile of 2019 market rates as of July 2019. 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 (which was not increased) 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. Urban Counties include Dakota, Douglas, Lancaster, and Sarpy Counties.

NEVADA: In October 2016, the state set payment rates for providers with five stars (the highest quality level) in the state's quality rating and improvement system at the 75th percentile of 2015 market rates. In February 2019, the state increased payment rates to the 55th percentile of 2015 market rates for one-star providers, the 60th percentile for two-star providers, the 65th percentile for three-star providers, and the 70th percentile for four-star providers. In March 2019, base payment rates (which apply to licensed providers not assigned a quality rating) were increased from the 75th percentile of 2004 market rates to the 55th percentile of 2015 market rates (equal to the payment rate for one-star providers); this increase is reflected in the payment rates in Tables 4c and 4e.

NEW JERSEY: Payment rates vary as a percentile of market rates by the age of the child and type of care. The payment rates in Tables 4c, 4d, and 4e reflect that the state increased base rates and tiered rates for center care as of September 2019 and again as of January 2020. The state increased base rates and tiered rates for center care once again as of January 2021. The state last increased payment rates for approved home providers and registered family child care providers represented by the Child Care Workers Union in August 2014. The state has tiered rates for accredited care provided by centers, school-age providers, and family child care homes. The state also has tiered rates for licensed centers that have three-, four-, and five-star ratings under the state's quality rating and improvement system (which has five levels) and that serve infants, toddlers, and preschool-age children; school-age and family child care providers are not eligible for these tiered rates. 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 for Table 4b.

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. 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 preschool- and school-age children, as well as rate differentials at the top two quality levels for center care for infants, toddlers, and preschool-age children, as of October 2015. 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 of the state's quality rating and improvement system; in Table 4d, the payment rate for the most common rate level is compared to the 75th percentile for that same quality level, and in Table 4e, the payment rate for the highest quality level is compared to the 75th percentile for that quality level.

NEW YORK: The payment rates in Tables 4c, 4d, and 4e reflect that the state increased base rates from the 69th percentile of 2015 market rates to the 69th percentile of 2017-18 market rates as of May 2019. 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 of the state's quality rating and improvement system; in Table 4d, the payment rate for the most common rate level is compared to the 75th percentile for that same quality level, and in Table 4e, 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. While Table 4c shows that base rate for most states, the rate for three-star centers is shown for North Carolina since the state generally requires providers to be at least that quality level to serve children receiving child care assistance. Also note that 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; Mecklenburg County is a tier three county. The state increased payment rates for three-, four-, and five-star licensed care for children birth through age two in tier three counties, as well as for school-age children in tier one and tier two counties, to the 75th percentile of 2015 market rates as of October 2017. The state then increased payment rates for three-, four-, and five-star licensed care for children ages three through five in tier three counties to the 75th percentile of 2015 market rates as of October 2018. The state also increased payment rates for three-, four-, and five-star licensed care for children birth through age five in tier one and tier two counties to the 100th percentile of 2015 market rates as of October 2018.

NORTH DAKOTA: The state increased payment rates from the 50th percentile of 2015 market rates to the 60th percentile of 2015 market rates as of March 2018, and then to the 75th percentile of 2017 market rates as of October 2018.

OHIO: The payment rates in Tables 4c, 4d, and 4e reflect that the state increased base payment rates from the 26th percentile of 2008 market rates to at least the 25th percentile of 2018 market rates as of July 2019.

OKLAHOMA: Payment rates vary as a percentile of market rates by the age of the child and type of care. 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 4d, the payment rate for the most common rate level is compared to the 75th percentile for that same quality level, and in Table 4e, the payment rate for the highest quality level is compared to the 75th percentile for that quality level. The state's quality rating and improvement system has four levels: one-star (which is the basic licensing level and the base payment rate level), one-star plus, two-star, and three-star. As of August 2018, the state increased payment rates for two- and three-star care for children birth through age three to the 65th percentile of 2017 market rates for Enhanced Areas and increased Enhanced Area payment rates for all other categories of care, except for one-star centers, by 7 percent. As of April 2020, payment rates for one-star centers, which had last been increased in 2013, were increased to the 50th percentile of 2017 market rates, payment rates for one-star family child care homes were similarly increased to the 50th percentile of 2017 market rates, and payment rates for care for children birth through age three in three-star centers and family child care homes care were increased to the 75th percentile of 2017 market rates.

OREGON: The state increased payment rates for all types of care as of January 2019. Also note that Group Area A includes the Ashland, Bend, Corvallis, Eugene, Monmouth, and Portland areas.

PENNSYLVANIA: Payment rates vary as a percentile of market rates 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 increased base rates by 2.5 percent as of August 2018.

RHODE ISLAND: The state increased base payment rates for centers and licensed family child care, and established tiered rates for higher-quality centers and higher-quality licensed family child care, as of July 2018. The state then increased base and tiered rates for licensed family child care as of January 2019. The state also increased base rates for license-exempt family child care, and established tiered rates for higher-quality license-exempt family child care, as of January 2019. The state increased base payment rates for licensed and license-exempt family child care by 1.5 percent as of January 2020.

SOUTH CAROLINA: 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 payment rate), B, B+, A, and A+. The state increased base payment rates and tiered rates as of October 2018. Payment rates range from the 75th percentile of 2017 market rates for providers at Level C to the 90th percentile of 2017 market rates for providers at Level A+.

SOUTH DAKOTA: The state increased payment rates to the 75th percentile of 2017 market rates as of June 2018. The state increased rates to the 75th percentile of 2018 market rates as of July 2020.

TENNESSEE: The payment rates in Tables 4c, 4d, and 4e reflect that the state increased payment rates as of July 2019. In addition, the state increased payment rates for care for preschool-age children as of October 2020. Also note that Top Tier Counties are those with the 20 highest average populations in 2015 and/or 20 highest per capita incomes in 2014-2016; 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: The payment rates in Tables 4c, 4d, and 4e reflect that, as of October 2019, the state requires local boards to set base rates at least at the 30th percentile of 2019 market rates. As of August 2018, the state requires local boards to set payment rates for providers with a four-star rating under the state's quality rating and improvement system at least at the 75th percentile of market rates; payment rates for three-star providers at least at 90 percent of the four-star rate; and payment rates for two-star providers at least at 90 percent of the three-star rate. The state updated rates based on a new market rate survey as October 2020.

UTAH: The state increased base payment rates from the 70th percentile of 2015 market rates to the 60th percentile of 2017 market rates as of October 2018. The state then increased base rates for infant and toddler care to the 75th percentile of 2017 market rates as of October 2019; this increase is reflected in the payment rates in Tables 4c and 4d. The state increased base rates for licensed family child care and center care for all age groups to the 80th percentile of 2017 market rates as of September 2020. Also note that Table 4e reflects that, as of October 2019, the state implemented bonuses for higher-quality care; licensed centers rated as high quality under the state's quality rating and improvement system receive an additional payment of $175 per month per child (based on the average number of children receiving assistance per month during the previous 12 months) and licensed centers rated as high quality plus receive an additional payment of $200 per month per child. Although shown in Table 4e as incorporated into the monthly payment rate, these additional payments for higher-quality care (referred to as "enhanced subsidy grants") are paid separately.

VERMONT: The payment rates in Tables 4c, 4d, and 4e reflect that the state increased base rates and tiered rates for care for preschool- and school-age children as of July 2019. The state increased base rates and tiered rates for preschool- and school-age children again as of October 2020. The state had increased base rates and tiered rates for care for infants and toddlers as of July 2018 and again as of January 2019, so that payment rates for providers at the four-star level of the state's quality rating and improvement system (which has five levels) are at the 75th percentile of 2017 market rates.

WASHINGTON: The payment rates in Tables 4c and 4d reflect that the state increased rates as of July 2019 so that rates for providers at level three of the state's quality rating and improvement system (which has five levels)—which are 4 percent above base rates—were at least at the 55th percentile of 2018 market rates (if not already at or above that level). The state increased rates for providers as of July 2020 so that rates for providers at quality level two—which are 2 percent above base rates—are at least at the 65th percentile of 2018 market rates. Also note that providers must enroll in the state's quality rating and improvement system within 30 days of receiving their first payment through the child care assistance program, and must achieve a quality rating of three or higher within 30 months of registering for the quality rating and improvement system to continue serving families receiving assistance.

WEST VIRGINIA: Data on the state's policies as of 2001 are not available, so data on policies as of March 2000 are used instead for Table 4b.

WISCONSIN: The state's quality rating and improvement system has five levels; providers must be at least at the two-star level to serve families receiving child care assistance. Payment rates for two-star providers are set at 1 percent below the rate for three-star providers. The payment rates in Tables 4c, 4d, and 4e reflect that the state increased rates for three-star providers to at least the 35th percentile of 2018 market rates as of October 2019.

WYOMING: The payment rates in Tables 4c and 4d reflect that the state increased rates to the 25th percentile of 2017 market rates (if not already at or above that level) as of October 2019.

TABLE 5

Eligibility for Child Care Assistance While a Parent Searches for a Job in 2019 and 2020

	Length of time parents can continue to receive child care assistance when 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	
	2020	2019	2020	2019
Alabama*	90 days	90 days	Not eligible	Not eligible
Alaska*	3 months	3 months	Not eligible	Not eligible
Arizona*	3 months	3 months	Not eligible	Not eligible
Arkansas*	90 days	90 days	Not eligible	Not eligible
California*	Until end of 12-month eligibility period	Until end of 12-month eligibility period	12 months	12 months
Colorado*	13 weeks	13 weeks	Local decision	Local decision
Connecticut*	3 months	3 months	Not eligible	Not eligible
Delaware*	90 days	90 days	Not eligible	Not eligible
District of Columbia*	Until end of 12-month eligibility period	Until end of 12-month eligibility period	Not eligible	Not eligible
Florida*	3 months	3 months	Not eligible	Not eligible
Georgia*	13 weeks	13 weeks	Not eligible	Not eligible
Hawaii*	30 days	30 days	30 days	30 days
Idaho*	3 months	3 months	Not eligible	Not eligible
Illinois*	90 days	90 days	Not eligible	Not eligible
Indiana*	16 weeks	16 weeks	Not eligible	Not eligible
Iowa*	3 months	3 months	3 months	3 months
Kansas*	3 months	3 months	Not eligible	Not eligible
Kentucky*	3 months	3 months	3 months	3 months
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*	90 days	90 days	Not eligible	Not eligible
Massachusetts*	12 weeks	12 weeks	12 weeks	12 weeks
Michigan*	Until end of 12-month eligibility period	Until end of 12-month eligibility period	Not eligible	Not eligible
Minnesota*	3 months	3 months	240 hours	240 hours
Mississippi*	3 months	3 months	Not eligible	Not eligible
Missouri*	90 days	90 days	Not eligible	Not eligible
Montana*	90 days	90 days	Not eligible	Not eligible
Nebraska*	3 months	2 months	3 months	2 months
Nevada*	Until end of 12-month eligibility period	Until end of 12-month eligibility period	Not eligible	Not eligible
New Hampshire*	92 days	92 days	92 days	92 days
New Jersey*	3 months	3 months	Not eligible	Not eligible
New Mexico*	3 months	3 months	Not eligible	Not eligible
New York*	Local decision	Local decision	Local decision	Local decision
North Carolina*	90 days	90 days	Not eligible	Not eligible
North Dakota*	3 months	3 months	Not eligible	Not eligible
Ohio*	13 weeks	13 weeks	Not eligible	Not eligible
Oklahoma*	Until end of 12-month eligibility period	Until end of 12-month eligibility period	Not eligible	Not eligible
Oregon*	3 months	3 months	Not eligible	Not eligible
Pennsylvania*	Until end of 12-month eligibility period	Until end of 12-month eligibility period	Not eligible	Not eligible
Rhode Island*	Until end of 12-month eligibility period	Until end of 12-month eligibility period	Not eligible	Not eligible
South Carolina*	3 months	3 months	Not eligible	Not eligible
South Dakota*	90 days	90 days	Not eligible	Not eligible
Tennessee*	Until end of 12-month eligibility period	90 days	Not eligible	Not eligible
Texas*	3 months	3 months	Not eligible	Not eligible
Utah*	Until end of 12-month eligibility period	3 months	150 hours	150 hours
Vermont*	3 months	3 months	3 months	3 months
Virginia*	Until end of 12-month eligibility period	Until end of 12-month eligibility period	Not eligible	Not eligible
Washington*	Until end of 12-month eligibility period	Until end of 12-month eligibility period	Not eligible	Not eligible
West Virginia*	90 days	90 days	90 days	90 days
Wisconsin*	3 months	3 months	Not eligible	Not eligible
Wyoming*	90 days	90 days	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 2020 reflect policies as of February 2020, and data in the table for 2019 reflect policies as of February 2019. Certain permanent changes in policies since February 2020 are noted below. However, the notes do not reflect temporary changes made in response to the pandemic after February 2020; those changes will be addressed in a separate report.

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: Parents can continue receiving child care assistance while searching for a job for up to 3 months (beginning the month after the non-temporary job loss was reported) even if they reach the end of their eligibility period for child care assistance before the end of that 3-month period. Also note that parents cannot qualify for child care assistance if they are searching for a job when they submit their application for assistance, but they can receive child care assistance while searching for a job for up to 3 months if they experience a job loss after they submit the application, provided they meet all other eligibility criteria.

ARIZONA: 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 receiving TANF and participating in the Jobs Program.

ARKANSAS: Parents can continue receiving child care assistance while searching for a job for up to 90 days or until the end of their eligibility period, whichever comes first; if the end of the eligibility period occurs before the end of the 90-day period for job search, the family's assistance could be extended once eligibility is reevaluated.

CALIFORNIA: Parents can initially qualify or recertify for child care assistance while searching for a job for up to 12 months, for no more than 5 days per week and less than 30 hours per week.

COLORADO: Counties must allow parents to continue receiving child care assistance while searching for a job for up to 13 weeks (and may allow a longer period of time) after each instance of the loss of a job or other activity. 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, but they must provide the required verification at the end of their eligibility period for assistance to continue. As of October 2020, counties are required to allow parents to qualify for child care assistance while searching for a job for up to 13 weeks; prior to that date, counties did not have to allow parents to qualify for child care assistance while searching for a job if the counties did not have adequate funding.

CONNECTICUT: 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 receiving TANF and participating in an approved Jobs First Employment Services activity.

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. Parents can only qualify for child care assistance while searching for a job if they are participating with a SNAP or TANF Employment and Training Vendor.

DISTRICT OF COLUMBIA: 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: Parents can continue receiving child care assistance while searching for a job for up to 13 consecutive weeks even if they reach the end of their eligibility period for child care assistance before the end of that 13-week period. Parents can only qualify for child care assistance while searching for a job if they are experiencing homelessness, domestic violence, or a natural disaster.

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

ILLINOIS: 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 can only qualify for child care assistance while searching for a job if they are receiving TANF and searching for a job is approved as part of their TANF Responsibility and Service plan.

INDIANA: Parents receiving child care assistance are allowed a time-limited absence to care for a family member, to recover from illness, when not working between regular industry work seasons, for holidays or breaks in employment or education, due to a reduction in work or education hours, or due to any other cessation of work or an education program for a period not to exceed 16 weeks, beginning one day after their loss of employment. 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, and have a referral from their caseworker.

IOWA: 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.

KANSAS: Parents can continue receiving child care assistance while searching for a job for up to 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 or SNAP and searching for a job is part of their work program plan, or if they are receiving social service child care or participating in the Early Head Start-Child Care Partnership program and it is part of their social service plan.

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

LOUISIANA: As of October 2020, a family may qualify for child care assistance while searching for a job for up to 90 days.

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 can continue receiving child care assistance while searching for a job for up to 90 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 applying for or receiving TANF and participating in an approved TANF activity.

MASSACHUSETTS: Parents can continue receiving child care assistance while searching for a job for up to 12 weeks, and can do so multiple times during their eligibility period (as long as the job search periods are not consecutive).

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

MINNESOTA: Parents can continue receiving child care assistance while searching for a job for up to 3 calendar months or until the end of their eligibility period, whichever comes first. Parents can qualify for child care assistance while searching for a job for up to 240 hours per calendar year, for no more than 20 hours per week (unless the parent is receiving TANF, in which case the parent can receive child care assistance while searching for a job for the amount of time identified in the parent's Employment Plan).

MISSISSIPPI: 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 receiving TANF.

MISSOURI: Parents can continue receiving child care assistance while searching for a job until the last day of the month in which the 90th day allowed for job search falls. Parents can continue receiving child care assistance until the end of this time period even if they reach the end of their eligibility period for child care assistance before the end of the time limit for job search.

MONTANA: Parents can continue receiving child care assistance while searching for a job for up to 90 days or until the end of their eligibility period, whichever comes first.

NEBRASKA: In February 2019, parents could 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 already receiving child care assistance could continue to receive it 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 could receive assistance to cover up to 20 hours of care per week. In February 2020, parent could receive child care assistance while searching for a job for up to 3 consecutive calendar months following each instance of the loss of employment; parents already receiving child care assistance could continue to receive it 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 could receive assistance to cover up to 20 hours of care per week. As of September 2020, parents can no longer qualify for child care assistance while searching for a job.

NEVADA: Parents can only qualify for child care assistance while searching for a job if they are receiving TANF, are homeless, or participate in wrap-around services.

NEW HAMPSHIRE: 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 (although they must complete the redetermination process at the end of the eligibility period). Parents must 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.

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 for child care assistance before the end of the time limit for job search.

NEW MEXICO: Parents can continue receiving child care assistance following a temporary change of activity, including the cessation of work or attendance at a training or education program, for up to 90 days. Parents can also continue receiving assistance when they experience a non-temporary change of activity, including the loss of employment, during a 3-month grace period. A parent can continue receiving child care assistance for 90 days following a job loss plus an additional 3 months to look for work during the grace period, for a total of 6 months. 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 to continue receiving child care assistance 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: 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.

NORTH DAKOTA: Parents can continue receiving child care assistance while searching for a job for up to 3 consecutive months within a 12-month eligibility period 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 or transitioning from TANF or are experiencing homelessness.

OHIO: Parents can continue receiving child care assistance while searching for a job for up to 13 weeks 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 experiencing homelessness or if they are receiving TANF and have job search as an approved activity.

OKLAHOMA: 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. Parents can continue receiving assistance for longer than 3 months after the loss of a job if they provide verification from an employer of the date they expect to return to work.

PENNSYLVANIA: Parents can only qualify for child care assistance while searching for a job if they are homeless; families experiencing homelessness can qualify for child care assistance for up to 92 days while searching for a job. Parents already receiving child care assistance can be granted presumptive eligibility, for 92 days, at their redetermination if they are not working because they are on approved leave (disability, maternity, or a temporary break) and have a verified job to go back to within 92 days.

RHODE ISLAND: Parents can continue receiving child care assistance until the end of their eligibility period, unless the parent loses a job near the end of the eligibility period, in which case the family can continue receiving child care assistance for a 3-month period that would extend beyond the end of the eligibility period. Parents can only qualify for child care assistance while searching for a job if they are entering an approved education or training program or if they are receiving TANF.

SOUTH CAROLINA: Parents can continue receiving child care assistance while searching for a job for up to 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 experiencing homelessness, dual language learners, or receiving assistance through TANF-related funding sources.

SOUTH DAKOTA: Parents can continue receiving child care assistance while searching for a job for up to 90 days or until the end of their eligibility period, whichever comes first.

TENNESSEE: In February 2019, 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. As of October 2019, the state changed its policy so that parents can continue receiving child care assistance while searching for a job until the end of their 12-month eligibility period. Parents can only qualify for child care assistance while searching for a job if they are receiving TANF or participating in the SNAP Employment and Training program.

TEXAS: Parents can continue receiving child care assistance while searching for a job for up to 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 their family is experiencing homelessness.

UTAH: In 2019, parents could continue receiving child care assistance while searching for a job for up to 3 months, following the month in which they lost a job, even if they reached the end of their eligibility period for child care assistance before the end of that 3-month period (although they had to complete the recertification). Parents were required to report the job loss within 10 days, and the job loss had to be verified by the end of the first month of the job search period to continue receiving child care assistance through the second and third month. In 2020, parents could continue receiving child care assistance while searching for a job until the end of their 12-month eligibility period. 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: 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.

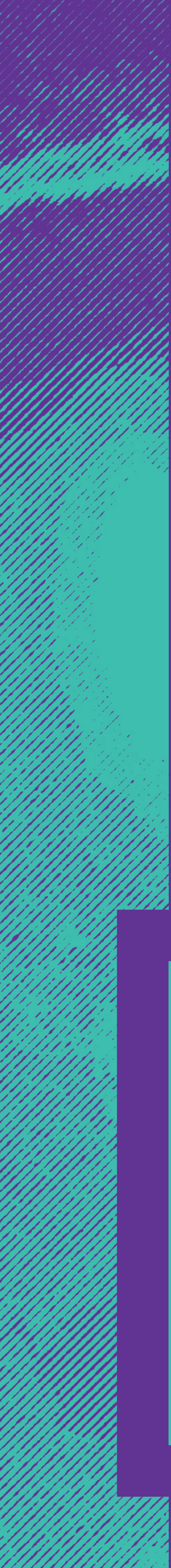
VIRGINIA: Parents can only qualify for child care assistance while searching for a job if they are participating in the TANF work program.

WASHINGTON: 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 or if they are experiencing homelessness.

WEST VIRGINIA: Parents can continue receiving child care assistance while searching for a job for up to 90 days (for up to 8 hours per day, 5 days per week) even if they reach the end of their eligibility period for child care assistance before the end of that 90-day period. The parent must notify the state of the job loss within 5 days of the loss.

WISCONSIN: Parents can continue receiving child care assistance while searching for a job for up to 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 participating in TANF, Tribal TANF, or the FoodShare Employment and Training program.

WYOMING: Parents can continue receiving child care assistance while searching for a job for up to 90 days or until the end of their eligibility period, whichever comes first.



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