NATIONAL WOMEN'S LAW CENTER

EXPANDING THE POSSIBILITIES

building blocks

state child care assistance policies 2015

ABOUT THE CENTER

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

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table of contents

introduction

CHILD CARE HELPS CHILDREN, FAMILIES, AND COMMUNITIES PROSPER. It gives children the opportunity to learn and develop skills they need to succeed in school and in life.[1] It gives parents the support and peace of mind they need to be productive at work. And, by strengthening the current and future workforce, it helps our nation's economy. Yet many families, particularly low-income families,[2] struggle to afford child care. The average fee for full-time care ranges from approximately $4,000 to $16,500 a year, depending on where the family lives, the type of care, and the age of the child.[3] Child care assistance can help families with these high child care costs.

Given what a difference child care assistance makes for parents and their children, it is a positive development that families in thirty-two states were better off—having greater access to assistance and/or receiving greater benefits from assistance—in February 2015 than in February 2014 under one or more child care assistance policies covered in this report.[4] Families in sixteen states were worse off under one or more of these policies in February 2015 than in February 2014.[5] The policies covered are critical in determining families' ability to obtain child care assistance and the extent of help that assistance offers—income eligibility limits to qualify for child care assistance, waiting lists for child care assistance, copayments required of parents receiving child care assistance, reimbursement rates for child care providers serving families receiving child care assistance, and eligibility for child care assistance for parents searching for a job.[6]

This year is the third year in a row in which the situation for families improved in more states than it worsened. In February 2014, families in thirty-three states were better off under one or more child care assistance policies covered in this report, and families in thirteen states were worse off under one or more of these policies, than in February 2013.[7] In February 2013, families in twenty-seven states were better off under one or more child care assistance policies covered in this report, and families in twenty-four states were worse off under one or more of these policies, than in February 2012.[8]

Families in thirty-two states were better off in February 2015 than in February 2014 under one or more child care assistance policies. Families in sixteen states were worse off under one or more of these policies.

The past three years represent a turnaround from the previous two years, when the situation worsened for families in more states than it improved. In February 2012, families in twenty-seven states were worse off under one or more child care assistance policies covered in this report, and families in seventeen states were better off under one or more of these policies, than in February 2011.[9] In February 2011, families in thirty-seven states were worse off under one or more of these policies, and families in eleven states were better off under one or more of these policies, than in February 2010.[10]

The negative trends between 2010 and 2012 stemmed at least in part from states' exhaustion of the $2 billion in additional federal funding for the Child Care and Development Block Grant (CCDBG) for FY 2009 and FY 2010 provided by the American Recovery and Reinvestment Act (ARRA)[11]—states had to obligate all of the funds by September 2010 and expend those funds by September 2011.[12] The slight increases in annual federal funding for CCDBG in FY 2011 and FY 2012 were not sufficient to keep pace with inflation, much less compensate for the loss of ARRA funds.

In contrast, states made some progress on child care assistance policies in the past three years as federal child care funding stabilized. While CCDBG funding in FY 2013 declined slightly from FY 2012, due to across-the-board federal budget cuts under the Budget Control Act (BCA) of 2011[13] (commonly known as the sequester), CCDBG funding increased slightly from FY 2013 to FY 2014, even after adjusting for inflation, and increased again from FY 2014 to FY 2015, although not sufficiently to keep pace with inflation.[14] In addition, states' overall economies and fiscal situations improved, resulting in fewer budget cuts and increased investments in critical areas.[15]

Although there were more improvements than cutbacks in the year between 2014 and 2015, the improvements states made were generally modest and too small to close persistent shortfalls in families' access to assistance and the level of assistance available. In addition, the number of states in which families were worse off in 2015 than in 2001 was greater than the number of states in which families were better off under each of the four policies for which there are comparison data for 2001.[16]

Moreover, states will confront serious challenges making further progress in the years ahead as they implement the CCDBG Act of 2014,[17] many provisions of which will not be implemented until 2016 to 2019.[18] The legislation makes important changes to the CCDBG program that aim to improve the health and safety of child care, enhance the quality of care, and make it easier for families to access and retain child care assistance. However, the legislation was not accompanied by significant new resources to cover the additional costs entailed in implementing it. As a result, states may be forced to reduce the number of children and families receiving child care assistance or make cutbacks in other policy areas as they shift resources to meet the law's requirements.

Changes between February 2014 and February 2015 and between 2001 and February 2015 are described in more detail below, but in summary:

- Two states increased their income limits for child care assistance by a dollar amount that exceeded inflation between 2014 and 2015. Four states increased their income limits to adjust for multiple years of inflation, and twenty-nine states increased their income limits for one year of inflation, as measured against the change in the state median income or federal poverty level.[19] Fourteen states kept their income limits the same as a dollar amount. Yet two states lowered their income limits for child care assistance as a dollar amount between 2014 and 2015. Comparing 2015 to 2001, in twenty-seven states, the income limits were lower as a percentage of the federal poverty level.[20]
- Twenty-one states had waiting lists or frozen intake for child care assistance in 2015, higher than the eighteen states with waiting lists or frozen intake in 2014 and equal to the number of states with waiting lists or frozen intake in 2001. Among the fifteen states that had waiting lists in both 2014 and 2015 and for which comparable data are available, the number of children on the waiting list decreased in seven states and increased in eight states between 2014 and 2015. Comparing 2015 to 2001, among the ten states that had waiting lists in both years and for which there are comparable data, the number of children on the waiting list decreased in four states and increased in six states.
- In all but a few states, families receiving child care assistance paid the same percentage of their income in copayments in 2015 as in 2014. For a family at 150 percent of poverty, copayments as a percentage of income increased in one state and decreased in one state. For a family at 100 percent of poverty, copayments as a percentage of income increased in two states and decreased in two states. In over one-quarter to over half of the states, depending on income, individual families were required to pay more in copayments in 2015 than the nationwide average amount that families who pay for child care spend on child care. Comparing 2015 to 2001, in nearly half to over half of the states, depending on income, families paid a higher percentage of their income in copayments.
- Eighteen states increased at least some of their reimbursement rates for providers serving families receiving child care assistance, while no state reduced its reimbursement rates, between 2014 and 2015. Yet, only one state had reimbursement rates at the federally recommended level in 2015, the same number of states as in 2014, and a significant decrease from the twenty-two states with rates at the recommended level in 2001. Thirty-nine states had higher reimbursement rates for higher-quality providers in 2015—an increase from thirty-seven states in 2014. However, in over three-quarters of these states, even the higher rates were below the federally recommended level in 2015.
- Forty-six states allowed families receiving child care assistance to continue receiving it while a parent searched for a job in 2015, the same number of states as in 2014. Between 2014 and 2015, six of these states increased the length of time families could receive child care assistance while a parent searched for a job. Thirteen states allowed families not receiving child care assistance to qualify for assistance while a parent searched for a job in 2015, a slight decrease from fourteen states in 2014.[21]

looking ahead: developments since february 2015

ALTHOUGH THIS REPORT PRIMARILY FOCUSES ON CHANGES BETWEEN FEBRUARY 2014 AND FEBRUARY 2015, states reported on some changes they made or expected to make after February 2015. Fourteen states reported they had made or expected to make improvements in one or more of the policies covered in this report after February 2015. Two states reported they had made cutbacks in these policies since February 2015.

- Four states increased their income eligibility limits for child care assistance after February 2015.[22]
  - Kentucky increased its income limit to qualify for assistance from 140 percent of the 2011 federal poverty level ($25,942 a year for a family of three) to 150 percent of the 2011 federal poverty level ($27,795 a year for a family of three) as of July 2015.
  - Maine increased its income limit to qualify for assistance from 250 percent of the 2014 federal poverty level ($49,475 a year for a family of three) to 85 percent of the 2016 state median income estimate ($54,589 a year for a family of three) as of July 2015.
  - Missouri increased its income limit to qualify for assistance from 123 percent of the 2015 federal poverty level ($24,708 a year for a family of three) to 138 percent of the 2015 federal poverty level ($27,720 a year for a family of three) as of August 2015.[23]
  - Ohio increased its income limit to qualify for assistance from 125 percent of the 2015 federal poverty level ($25,116 a year for a family of three) to 130 percent of the 2015 federal poverty level ($26,124 a year for a family of three) as of September 2015.[24]
- Two states reduced the number of children on the waiting list for child care assistance after February 2015.[25]
  - Arizona's waiting list decreased from 1,064 children as of February 2015 to 319 children as of July 2015.[26]
  - Oregon, which had 5,595 children on the waiting list as of February 2015, began serving new families as of August 2015 and had no children on the waiting list as of September 2015.
- One state increased the number of children on the waiting list for child care assistance and one state froze intake (turned families away without taking their names) after February 2015.
  - Illinois, which served all eligible families that applied as of February 2015, froze intake for nearly all families[27] with incomes above 50 percent of the 2015 federal poverty level ($10,056 a year for a family of three) as of July 2015.
  - Pennsylvania's waiting list increased from 1,811 children as of February 2015 to 7,171 children as of August 2015.
- One state reduced copayments for families receiving child care assistance after February 2015.[28]
  - Ohio eliminated copayments for families with incomes up to 100 percent of the federal poverty level ($20,090 for a family of three) as of September 2015. Previously, only families with incomes up to 10 percent of poverty had no copayment, and a family of three with an income just below $20,090 would have had a monthly copayment of $111.[29]
- One state increased copayments for families receiving child care assistance after February 2015.
  - Illinois increased copayments for families receiving child care assistance as of July 2015. For example, the monthly copayment for a family with an income just

above 150 percent of the 2015 federal poverty level ($30,135 a year for a family of three) increased from $191 to $221.[30]

- Six states increased, or planned to increase, their reimbursement rates[31] for providers serving families receiving child care assistance after February 2015.
  - California increased its reimbursement rates by 4.5 percent as of October 2015. For example, the monthly reimbursement rate for center care for a four-year-old in Los Angeles County increased from $850 to $889.
  - Missouri increased its reimbursement rates by 3 percent as of July 2015. For example, the monthly reimbursement rate for center care for a four-year-old in St. Louis increased from $358 to $369.
  - Nebraska increased its reimbursement rates from the 60th percentile of 2013 market rates to the 60th percentile of 2015 market rates as of July 2015. For example, the monthly reimbursement rate for center care for a four-year-old in the state's urban counties increased from $730 to $779.
  - New Hampshire increased its reimbursement rates from the 50th percentile of 2011 market rates to the 50th percentile of 2014 market rates as of June 2015. For example, the monthly reimbursement rate for center care for a four-year-old statewide increased from $736 to $779.
  - New Mexico increased its reimbursement rates for care for preschoolers and school-age children as of September 2015. For example, the monthly reimbursement rate for center care for a four-year-old statewide increased from $458 to $491.
  - Washington planned to increase its reimbursement rates by 2 percent as of January 2016. For example, the monthly reimbursement rate for center care for a four-year-old in King County will increase from $743 to $757.
- One state raised its reimbursement rates for providers at higher quality tiers after February 2015.
  - Michigan increased its reimbursement rates for higher-quality providers as of July 2015. There are now five rate levels, including a base rate level that is paid to providers that do not meet the standards necessary to achieve a rating in the state's voluntary quality rating and improvement system (which has five star levels), do not participate in that system, or are at the one-star level of the system. The state increased rates for two-star providers, which had previously received the base rate, as well as three-, four-, and five-star providers. For example, the monthly reimbursement rate for care for a four-year-old statewide increased from $487 to $536 for a two-star center, from $536 to $585 for a three-star center, from $585 to $633 for a four-star center, and from $633 to $682 for a five-star center, compared to the base rate (which did not change) of $487.
- Seven states increased, or planned to increase, the amount of time parents could receive child care assistance while searching for a job after February 2015.[32]
  - Kentucky planned to extend the amount of time parents could continue receiving child care assistance while searching for a job from four weeks to ninety days as of December 2015.
  - Maine extended the amount of time parents could continue receiving child care assistance while searching for a job from eight weeks to twelve weeks as of April 2015.
  - Michigan, which did not allow parents to receive child care assistance while searching for a job as of February 2015, began allowing parents to continue receiving child care assistance until the end of their twelve-month eligibility period, even in the event of a job loss, as of July 2015.
  - Missouri planned to extend the amount of time parents could continue receiving child care assistance while searching for a job from thirty days to ninety days as of December 2015.

- Oklahoma extended the amount of time parents could continue receiving child care assistance while searching for a job from thirty days to ninety days as of October 2015.
- Oregon, which allowed parents to continue receiving child care assistance until the end of the month following the month in they lost their job as of February 2015, extended the amount of time parents could continue receiving child care assistance while searching for a job to three months as of October 2015.
- Vermont planned to extend the amount of time parents could begin or continue receiving child care assistance while searching for a job from one month to three months as of January 2016.[33]

Fourteen states reported they had made or expected to make improvements in one or more of the policies covered in this report after February 2015.

methodology

THE NATIONAL WOMEN'S LAW CENTER COLLECTED THE DATA IN THIS REPORT from state child care administrators in the fifty states and the District of Columbia (counted as a state in this report). The Center sent the state child care administrators a survey in the spring of 2015 requesting data on policies as of February 2015 in five key areas—income eligibility limits, waiting lists, parent copayments, reimbursement rates, and eligibility for child care assistance for parents searching for a job. The survey also asked state administrators to report on any policy changes that the state had made since February 2014 or expected to make after February 2015 in each of the five areas. The survey questions were largely the same as in previous years, although there were additional questions about policy changes in response to the CCDBG Act of 2014; the data collected from these additional questions will be used for a separate analysis. Center staff contacted state administrators for follow-up information as necessary. The Center obtained supplementary information about states' policies from documents available on state agencies' websites.

The Center collected the 2014 data used in this report for comparison purposes through a similar process and analyzed these data in the Center's October 2014 report, *Turning the Corner: State Child Care Assistance Policies 2014*. The Children's Defense Fund (CDF) collected the 2001 data used in this report and analyzed these data in CDF's report, *State Developments in Child Care, Early Education and School-Age Care 2001*. CDF staff collected the data through surveys and interviews with state child care advocates and verified the data with state child care administrators. The CDF data reflect policies in effect as of June 1, 2001, unless otherwise indicated. The Center uses 2001 as a basis for comparison because it was the year between the peak year for Temporary Assistance for Needy Families (TANF) funding for child care, FY 2000, and what was the peak year for CCDBG funding, FY 2002, until FY 2010, when ARRA provided a temporary boost in CCDBG funding (see the section below on funding for child care assistance).

The Center chose to examine the policy areas covered in this report because they are central determinants of whether low-income families can receive child care assistance and the extent of assistance they can receive. Income eligibility limits reveal how generous a state is in determining whether families qualify for child care assistance,[34] and waiting lists help reveal whether families who qualify for assistance actually receive it. Parent copayment levels reveal whether low-income parents receiving assistance have significant out-of-pocket costs for child care. Reimbursement rates reveal the extent to which families receiving 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. Eligibility policies for parents searching for work reveal whether parents can receive assistance while seeking employment so that they can avoid disrupting their child's child care arrangement and have child care available as soon as the parent finds a job.

The policy areas covered in this report are central determinants of whether low-income families can receive child care assistance and the extent of assistance they can receive.

funding for child care assistance for low-income families

TOTAL FEDERAL FUNDING FOR CHILD CARE ASSISTANCE HAS DECLINED SINCE 2001. The primary source of funding for child care assistance is the federal CCDBG program. CCDBG funding was $5.352 billion in FY 2015.[35] CCDBG funding in FY 2015 was slightly lower than funding in FY 2014 after adjusting for inflation ($5.375 billion in FY 2015 dollars).[36] In addition, CCDBG funding in FY 2015 was significantly lower than in FY 2010, when ARRA boosted funding, even before adjusting for inflation—$6.044 billion (including the additional $2 billion in CCDBG funding for states to obligate in FY 2009 and FY 2010 provided through ARRA, assuming $1 billion of ARRA funds each year for FY 2009 and FY 2010),[37] or $6.653 billion in FY 2015 dollars.[38] The FY 2010 level represented a peak for CCDBG, exceeding the previous peak for CCDBG funding after adjusting for inflation ($6.468 billion in FY 2015 dollars[39]), which occurred in FY 2002. However, the ARRA funding that contributed to the FY 2010 peak funding level was temporary.

Another important source of child care funding is the TANF block grant. States may transfer up to 30 percent of their TANF block grant funds to CCDBG, or use TANF funds directly for child care without first transferring the money. States' use of TANF dollars for child care (including both transfers and direct funding) was $2.615 billion in FY 2014 (the most recent year for which data are available),[40] below the high of $3.966 billion in FY 2000[41] even without adjusting for inflation. (In FY 2015 dollars, use of TANF funds for child care was $2.664 billion in FY 2014 compared to $5.650 billion in FY 2000.[42])

Total federal child care funding from CCDBG and TANF in FY 2015, assuming use of TANF funds was the same as the FY 2014 inflation-adjusted amount, was $8.016 billion, which was significantly below funding in FY 2001 after adjusting for inflation—$11.160 billion in FY 2015 dollars.[43]

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 2014 and 2015, over two-thirds of the states increased their income eligibility limits as a dollar amount by an amount sufficient 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.[44] However, over one-quarter of the states did not increase their income limits, and two states reduced their income limits. Between 2001 and 2015, most states increased their income limits as a dollar amount; however, over half of the states reduced their income limits as a dollar amount or did not increase their income limits sufficiently to keep pace with inflation, as measured against the change in the federal poverty level.[45] Moreover, over three-quarters of the states had income limits at or below 200 percent of poverty in 2015.

- Two states increased their income eligibility limits by a dollar amount that exceeded inflation between 2014 and 2015 (*see Table 1a*).[46]
- Thirty-three states increased their income eligibility limits as a dollar amount to adjust for inflation between 2014 and 2015, including twenty-nine states that adjusted for one year of inflation,[47] as well as three states that adjusted for two years of inflation[48] and one state that adjusted for three years of inflation to make up for previous years in which they had not adjusted for inflation.[49]
- Fourteen states kept their income eligibility limits the same as a dollar amount between 2014 and 2015.
- Two states lowered their income eligibility limits as a dollar amount between 2014 and 2015. One of these two states switched from setting its income limit based on state median income to setting its income limit based on the federal poverty level.[50] The other of these two states set its income limit based on state median income and reduced its income limit to adjust for state median income that decreased.[51]
- Forty-six states increased their income eligibility limits as a dollar amount between 2001 and 2015 (*see Table 1b*). In ten of these states, the increase was great enough that the income limit was higher as a percentage of the federal poverty level in 2015 than in 2001. In fourteen of these states, the increase was great enough that the income limit stayed the same, or nearly the same, as a percentage of the federal poverty level in 2015 as in 2001.[52] However, in twenty-two 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 2015 than in 2001.
- Five states lowered their income eligibility limits between 2001 and 2015. In these states, the income limit decreased as a percentage of the federal poverty level, bringing to twenty-seven 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 2015.
- A family with an income above 100 percent of the federal poverty level ($20,090 a year for a family of three in 2015) could qualify for child care assistance in all states in 2015. However, a family with an income above 150 percent of poverty ($30,135 a year for a family of three in 2015) could not qualify for assistance in seventeen states. A family with an income above 200 percent of poverty ($40,180 a year for a family of three in 2015) could not qualify for assistance in a total of thirty-nine states. Yet, in most communities across the country, a family needs an income equal to at least 200 percent of poverty to meet its basic needs, including housing, food, child care, transportation, health care, and other necessities, based on a study by the Economic Policy Institute.[53]

waiting lists

EVEN IF FAMILIES ARE ELIGIBLE FOR CHILD CARE ASSISTANCE, THEY MAY NOT NECESSARILY RECEIVE IT. Instead, their state may place eligible families on a waiting list or freeze intake (turn away eligible families without adding their names to a waiting list). Families on the waiting list may wait months to receive child care assistance, or may never receive it. Families on the waiting list are forced to make difficult choices. According to several studies,[54] many of these families struggle to pay for reliable, good-quality child care as well as other necessities, or use low-cost—and frequently low-quality—care. Some families cannot afford any child care, which can prevent parents from working.

In 2015, nearly three-fifths of the states were able to serve eligible families who applied for child care assistance without placing any on waiting lists or freezing intake, but over two-fifths of the states had waiting lists or frozen intake for at least some families applying for assistance. The number of states with waiting lists or frozen intake in 2015 was higher than the number in 2014, and the same as the number in 2001. Among states that had waiting lists in both years, slightly more states' waiting lists increased than decreased between 2014 and 2015. In addition, more states' waiting lists increased than decreased between 2001 and 2015.[55]

The amount of time families spend on the waiting list for child care assistance varies greatly among states. In some states, the average wait is a few weeks or months, while in other states, the average wait is a year or more.

- Twenty-one states had waiting lists or frozen intake in 2015,[56] compared to eighteen states in 2014, and twenty-one states in 2001 (*see Table 2*).
- Of the eighteen states that had waiting lists or frozen intake in both 2014 and 2015, seven states had shorter waiting lists in 2015 than in 2014, and eight states had longer waiting lists. In the remaining three states with waiting lists or frozen intake in both 2014 and 2015, it was not possible to compare the length of waiting lists based on the available data.
- Of the sixteen states that had waiting lists or frozen intake in both 2001 and 2015, four states had shorter waiting lists in 2015 than in 2001, and six states had longer waiting lists. In the remaining six states with waiting lists or frozen intake in both 2001 and 2015, it was not possible to compare the length of waiting lists based on the available data.
- Among the nine states with waiting lists that reported data for 2015, the average length of time families spent on the waiting list before receiving child care assistance was less than six months in four states,[57] between six months and a year in three states,[58] and more than a year in two states.[59] The average length of time families spent on the waiting list ranged from one to two months in one state to eighteen months to two years in another state. Among the seven states that reported data for both years, the average length of time on the waiting list was shorter in 2015 than in 2014 in three states, the same in 2015 as in 2014 in two states, and longer in 2015 than in 2014 in two states.[60]

In 2015, over two-fifths of the states had waiting lists or frozen intake for at least some families applying for assistance.

copayments

MOST STATES REQUIRE FAMILIES RECEIVING CHILD CARE ASSISTANCE to contribute toward their child care costs based on a sliding fee scale that is designed to charge progressively higher copayments to families at progressively higher income levels. Some states also take into account the cost of care used by a family in determining the amount of the family's copayment. Copayment levels are important because if they are so high as to be unaffordable for families, child care providers may have to absorb the lost income or families may be discouraged 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.[61] In all but a few states, families paid the same percentage of their income in copayments in 2015 as in 2014. In only one or two states, depending on income, families paid a higher percentage of their income in copayments in 2015 than in 2014, and in only one or two states, families paid a lower percentage of their income in copayments in 2015 than in 2014. In nearly half to over half of the states, depending on income, families paid a higher percentage of their income in copayments in 2015 than in 2001.

Many states had relatively high copayments in 2015. In over one-quarter to over half of the states, depending on income, a family was required to pay more in copayments than the nationwide average amount that families who pay for child care (including those who receive child care assistance and those who do not) spent on child care—7.2 percent of income.[62]

- In one state, copayments for a family of three at 150 percent of poverty[63] increased as a percentage of income between 2014 and 2015 (*see Table 3a*). In thirty-eight states, copayments remained the same as a percentage of income. In one state, copayments decreased as a percentage of income. In two states, a family at 150 percent of poverty was eligible for child care assistance in 2014 but not 2015, and in nine states, a family at 150 percent of poverty was not eligible in either 2014 or 2015.[64]
- In twenty-four states, copayments for a family of three at 150 percent of poverty[65] increased as a percentage of income between 2001 and 2015. In five states, copayments remained the same as a percentage of income. In ten states, copayments decreased as a percentage of income. In nine states, a family at 150 percent of poverty was eligible for child care assistance in 2001 but not 2015; in one state, a family at 150 percent of poverty was eligible in 2015 but not 2001; and in two states, a family at 150 percent of poverty was not eligible in either 2001 or 2015.
- In two states, copayments for a family of three at 100 percent of poverty increased as a percentage of income between 2014 and 2015 (*see Table 3b*). In forty-six states, copayments remained the same as a percentage of income. In two states, copayments decreased as a percentage of income. In one state, a family at 100 percent of poverty was eligible for child care assistance in 2015 but not 2014.
- In twenty-eight states, copayments for a family of three at 100 percent of poverty increased as a percentage of income between 2001 and 2015. In ten states, copayments remained the same as a percentage of income. In thirteen states, copayments decreased as a percentage of income.
- In twenty-six states, the copayment for a family of three at 150 percent of poverty was above $181 per month (7.2 percent of income) in 2015. In an additional eleven states, a family at this income level was not eligible for child care assistance.
- In fourteen states, the copayment for a family of three at 100 percent of poverty was above $121 per month (7.2 percent of income) in 2015.

reimbursement rates

STATES SET REIMBURSEMENT RATES FOR CHILD CARE PROVIDERS who care for children receiving child care assistance. The reimbursement rate is a ceiling on the amount the state will pay providers, and a provider will be reimbursed at that rate if the provider charges private-paying parents a fee that is equal to or greater than the rate. If a provider charges private-paying parents a fee that is below the maximum reimbursement rate, the state will reimburse the provider an amount equal to the private-pay fee. Reimbursement rates may vary by geographic region, age of the child, type of care, and other factors. Reimbursement rates help determine whether child care providers have sufficient resources to sustain their businesses, offer salaries high enough to attract and retain qualified staff, set low child-staff ratios, maintain facilities, and buy materials and supplies for activities that encourage children's learning and development. Inadequate reimbursement rates deprive child care providers of the resources needed to offer high-quality care and may discourage high-quality providers from enrolling families who receive child care assistance.

In 2015, just one state set its reimbursement rates at the 75th percentile of current market rates, a sharp decline from 2001, when over two-fifths of the states set their reimbursement rates at this level.

The existing federal regulations require states to conduct market rate surveys every two years and recommend, but do not mandate, that rates be set at the 75th percentile of current market rates,[66] a rate that is designed to allow families access to 75 percent of the providers in their communities. In 2015, just one state set its reimbursement rates at the 75th percentile of current market rates, the same as the number of states that set their rates at this recommended level in 2014, and a sharp decline from 2001, when over two-fifths of the states set their reimbursement rates at this level.[67] In 2015, the remaining fifty states set their reimbursement rates below the 75th percentile of current market rates, including many states that set their rates substantially below the 75th percentile. In addition, nearly half of the states had not updated their reimbursement rates in the previous two years. Without regular updates to reimbursement rates to at least keep pace with rises in the cost of care, the gap between reimbursement rates and the 75th percentile of current market rates grows.

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

- One state set its reimbursement rates at the 75th percentile of current market rates (rates from 2013 or 2014) in 2015 (*see Table 4a*).[68] This was the same as the number of states that set their reimbursement rates at this level in 2014 (*see Table 4b*). However, it was substantially lower than the number of states—twenty-two—that set their reimbursement rates at this level in 2001.
- Twenty-eight states increased at least some of their reimbursement rates between 2013 and 2015,[69] including eighteen states that increased their rates between 2014 and 2015.[70] No state reduced its rates between 2013 and 2015. The remaining twenty-three states did not update their reimbursement rates between 2013 and 2015. All states except one updated their reimbursement rates between 2001 and 2015.

- In thirty-one states, reimbursement rates for center care for a four-year-old in 2015 were at least 20 percent below the 75th percentile of market rates (based on the state's most recent market survey for which it reported data) for this type of care (*see Table 4c*).[71]
- In twenty-seven states, reimbursement rates for center care for a one-year-old in 2015 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.[72]
- Thirty-nine states allowed child care providers to charge parents receiving child care assistance the difference between the reimbursement rate and the fee that the provider charged private-paying parents if the reimbursement rate was lower in 2015—the same number of states as in 2014.[73]

Thirty-nine states had higher reimbursement rates (tiered rates) for child care providers that met higher-quality standards in 2015, two more states than in 2014.[74] Some states had a single higher reimbursement rate; other states had progressively higher reimbursement rates for progressively higher levels of quality. Tiered reimbursement rates can offer child care providers incentives and support to improve the quality of their care. However, a minimal rate differential may not cover the additional costs entailed in raising quality sufficiently to qualify for a higher rate. These costs include expenses for additional staff in order to reduce child-staff ratios, increased salaries for staff with advanced education in early childhood development, staff training, facilities upgrades, and/or new equipment and materials. Yet, in more than three-quarters of states with tiered rates, the highest rate fell below the 75th percentile of current market rates. In over two-fifths of the states with tiered rates, the highest reimbursement rate was also less than 20 percent above the base rate.

- Thirty-nine states paid higher reimbursement rates for higher-quality care in 2015,[75] an increase from thirty-seven states in 2014 (*see Table 4d*).[76] 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,[77] one state only paid tiered rates for providers caring for children up to 2.9 years of age,[78] and one state only paid tiered rates for providers caring for children up to three years of age.[79]
- Nine of the thirty-nine states with tiered rates in 2015 had two rate levels (including the base level),[80] five states had three levels, fourteen states had four levels, seven states had five levels, two states had six levels, and two states had seven levels.[81]
- In over three-quarters of the thirty-seven states with tiered rates for center care for a four-year-old in 2015, the reimbursement 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.[82]
  - In twenty-nine of the thirty-seven states, the reimbursement 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).[83] This includes fourteen states in which the reimbursement rate at the highest quality level was at least 20 percent below the 75th percentile.
  - In eight of the thirty-seven states, the reimbursement rate at the highest quality level was above the 75th percentile of market rates. This includes five states in which the reimbursement rate at the highest quality level was at least 10 percent above the 75th percentile.
- Among the thirty-seven states with tiered reimbursement rates for center care for a four-year-old, the difference between a state's lowest rate and highest rate for this type of care ranged from 5 percent to 74 percent in 2015.[84] The states with a greater percentage difference between the lowest and highest rate were somewhat more likely than other states to have their highest rate exceed the 75th percentile of market rates (based on the state's most recent market survey for which it reported data).
  - In four of the thirty-seven states, the highest rate was 5 percent to 9 percent greater than the lowest rate. In all of these four states, the highest rate was below the 75th percentile of market rates.
  - In twelve of the thirty-seven states, the highest rate was 10 percent to 19 percent greater than the lowest rate. In ten of these twelve states, the highest rate was below the 75th percentile of market rates.

- In ten of the thirty-seven states, the highest rate was 20 percent to 29 percent greater than the lowest rate. In seven of these ten states, the highest rate was below the 75th percentile of market rates.
- In eleven of the thirty-seven states, the highest rate was at least 30 percent greater than the lowest rate. In eight of these eleven states, the highest rate was below the 75th percentile of market rates.

- In seven states, the amount of the differential between their lowest and highest rates was greater in 2015 than in 2014.[85] In one state, the amount of the differential between its lowest and highest rates was smaller in 2015 than in 2014.[86]

Thirty-nine states had higher reimbursement rates (tiered rates) for child care providers that met higher-quality standards in 2015, two more states than in 2014.

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 already have child care available when they find a job than if they can only begin arranging child care after finding a job. In addition, children can have greater stability if they can remain in the same child care without disruption while their parent searches for a job.

All but five 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 in 2015, the same as in 2014. Yet only about one-quarter of the states (thirteen) allowed families to qualify for and begin receiving child care assistance while a parent searched for a job in 2015, one fewer than in 2014.[87]

Among states setting a limit by the number of days, weeks, or months, the amount of time families could continue receiving or qualify for and begin receiving child care assistance while a parent searched for a job ranged from twenty-one days to ninety-one days in 2015. Six states increased the length of time families could continue receiving child care assistance while a parent searched for a job between 2014 and 2015.[88] Two of these six states also increased the length of time families could qualify for and begin receiving child care assistance while a parent searched for a job.[89] However, one of these six states stopped allowing families to qualify for and begin receiving child care assistance while a parent searched for a job.[90]

- Forty-six states allowed families receiving child care assistance to continue receiving it while a parent searched for a job in 2015, the same number of states as in 2014 (*see Table 5*).
  - Three states allowed families to continue receiving child care assistance until the end of the month in which the parent lost his or her job in 2015. Two states allowed families to continue receiving child care assistance until the end of the month following the month in which the parent lost his or her job in 2015. In these states, the amount of time a parent had to search for a new job depended on when during the month s/he lost a job.
  - Two states allowed families to continue receiving child care assistance while a parent searched for a job for up to a certain number of hours, including one state for up to 80 hours and one state for up to 240 hours in 2015.
  - One state allowed families to continue receiving child care assistance while a parent searched for a job for up to twenty-one days in 2015.
  - Seventeen states allowed families to continue receiving child care assistance while a parent searched for a job for up to either thirty days, four weeks, or one month in 2015, including one state that increased the length of time from two weeks in 2014.
  - One state allowed families to continue receiving child care assistance while a parent searched for a job for up to forty days in 2015.
  - One state allowed families to continue receiving child care assistance while a parent searched for a job for up to fifty-six days in 2015.
  - Eleven states allowed families to continue receiving child care assistance while a parent searched for a job for up to either sixty days, eight weeks, or two months in 2015, including one state that increased the length of time from thirty days and one state that increased the length of time from 150 hours in 2014.

- Seven states allowed families to continue receiving child care assistance while a parent searched for a job for up to either ninety or ninety-one days, thirteen weeks, or three months in 2015, including two states that increased the length of time from thirty days in 2014.
- One state 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 and then for up to an additional ninety days at the start of a new eligibility period. This state increased the length of time families could continue receiving child care assistance while a parent searched for a job from sixty days in 2014.

• Five states did not allow families receiving child care assistance to continue receiving it while a parent searched for a job in 2015, the same number as in 2014.

• Thirteen states allowed families not receiving child care assistance to qualify for assistance while a parent searched for a job in 2015, one fewer than in 2014.

- Two states allowed families to receive child care assistance while a parent searched for a job for up to a certain number of hours, including one state for up to 80 hours and one state for up to 240 hours in 2015.
- Four states allowed families to receive child care assistance while a parent searched for a job for up to either thirty days, four weeks, or one month in 2015, including one state that increased the length of time from two weeks in 2014.
- One state allowed families to receive child care assistance while a parent searched for a job for up to forty days in 2015.
- Six states allowed families to receive child care assistance while a parent searched for a job for up to either sixty days, eight weeks, or two months in 2015, including one state that increased the length of time from thirty days in 2014.

• One state permitted localities to allow families not receiving child care assistance to qualify for assistance while a parent searched for a job for up to six months (if funds were available) in 2015, the same as in 2014.

• Thirty-seven states did not allow families not receiving child care assistance to qualify for assistance while a parent searched for a job in 2015, one more than in 2014.

Six states increased the length of time families could continue receiving child care assistance while a parent searched for a job between 2014 and 2015.

conclusion

FAMILIES' ACCESS TO CHILD CARE ASSISTANCE AND/OR THE EXTENT OF ASSISTANCE THEY COULD RECEIVE INCREASED under one or more key child care assistance policies in nearly two-thirds of the states—twice the number of states in which families' access to assistance and/or the extent of assistance decreased—between February 2014 and February 2015. This year's trend built on progress made in each of the previous two years, when families experienced improvements in more states than they experienced cutbacks, and contrasted with the two years before that, when families experienced cutbacks in more states than they experienced improvements.

However, the key indicators in this report show only a part of the picture—one other important indicator of families' access to child care assistance suggests a more worrisome trend. The number of children receiving child care assistance in 2014 (the most recent year for which data are available) was 1.41 million,[91] slightly lower than the 1.45 million children receiving child care assistance in 2013,[92] and significantly below the peak of 1.81 million children in 2001,[93] even though the number of children living in low-income families in 2014 was higher than in 2013 or 2001.[94] Even before the past few years' decline in the number of children receiving child care assistance, there were far too many children whose families could not receive the help they needed.[95]

To ensure that more—not fewer—children and families have access to child care assistance, to enable states to make further improvements in the key policy areas examined in this report, and to achieve the important goals of the CCDBG Act of 2014, it will be essential to significantly increase investments in child care at the federal and state level. Expanded investments are essential to allow parents to have the affordable, reliable child care they need to work, children to have the early learning opportunities that encourage their successful development, and our nation to have the strong workforce it needs to prosper and grow.

endnotes

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

2 In 2014 (the most recent year for which data are available), 7.45 million families with children under age six (44.2 percent) had incomes under 200 percent of poverty. U.S. Census Bureau, Current Population Survey, 2015 Annual Social and Economic Supplement, Detailed Table POV08: Families With Related Children Under 6 by Number of Working Family Members and Family Structure: 2014, *available at* http://www.census.gov/hhes/www/cpstables/032015/pov/pov08_200.htm.

3 Child Care Aware of America, Parents and the High Cost of Child Care: 2014 Report (Arlington, VA: Child Care Aware of America, 2014), 14, *available at* http://www.usa.childcareaware.org/advocacy/reports-research/costofcare/.

4 These thirty-two states are Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, Florida, Illinois, Indiana, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Montana, Nebraska, Nevada, New Jersey, New Mexico, New York, North Carolina, Ohio, Pennsylvania, South Dakota, Texas, Utah, Virginia, Washington, West Virginia, and Wisconsin.

5 These sixteen states are Arkansas, Colorado, Florida, Georgia, Hawaii, Illinois, Indiana, Maryland, Massachusetts, Mississippi, Nevada, North Carolina, Oregon, Tennessee, Texas, and Utah. Eleven of these states are also included in the list of thirty-two states above because in these states, families were worse off under some policies, but better off under other policies.

6 Families were considered worse off under the child care assistance policies between 2014 and 2015 if during that time period the state reduced its income eligibility limit to qualify for child care assistance as a dollar amount; implemented a waiting list, increased its waiting list, or froze intake; increased parent copayments for families at 100 percent of poverty and/or 150 percent of poverty as a percentage of income; reduced provider reimbursement rates as a dollar amount or stopped reimbursing providers at the federally recommended level, the 75th percentile of current market rates; reduced reimbursement rate differentials for higher-quality care; and/or reduced the length of time families could receive child care assistance while a parent searched for a job or stopped allowing families to qualify for or continue receiving child care assistance while a parent searched for a job. Families were considered better off under state child care assistance policies between 2014 and 2015 if during that time period the state increased its income eligibility limit to qualify for child care assistance by an amount that exceeded an annual inflation adjustment; reduced its waiting list, served all families on the waiting list, or unfroze intake; reduced parent copayments for families at 100 percent of poverty and/or 150 percent of poverty as a percentage of income; increased provider reimbursement rates as a dollar amount; increased or began implementing reimbursement rate differentials for higher-quality care; and/or increased the amount of time families could receive child care assistance while a parent searched for a job or started allowing families to qualify for or continue receiving child care assistance while a parent searched for a job.

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

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

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

10 Karen Schulman and Helen Blank, State Child Care Assistance Policies 2011: Reduced Support for Families in Challenging Times (Washington, DC: National Women's Law Center, 2011), *available at* http://www.nwlc.org/sites/default/files/pdfs/state_child_care_assistance_policies_report2011_final.pdf. These counts include seven states in which families were better off under some policies and worse off under others.

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

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

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

14 CCDBG funding was $5.195 billion in FY 2012 ($5.483 billion in FY 2015 dollars), $5.123 billion in FY 2013 ($5.317 billion in FY 2015 dollars), $5.275 billion in FY 2014 ($5.375 billion in FY 2015 dollars), and $5.352 billion in FY 2015. FY 2012 funding level from U.S. Department of Health and Human Services, Fiscal Year 2013 Budget in Brief (Washington, DC: U.S. Department of Health and Human Services, 2012), 88, 92, *available at* http://www.hhs.gov/asfr/ob/budgets-in-brief-performance-reports.html. FY 2013 funding level from U.S. Department of Health and Human Services, Fiscal Year 2015 Budget in Brief (Washington, DC: U.S. Department of Health and Human Services, 2014), 108, 113, *available at* http://www.hhs.gov/sites/default/files/budget/fy2015/fy-2015-budget-in-brief.pdf. FY 2014 and FY 2015 funding levels from U.S. Department of Health and Human Services, FY 2016 President's Budget for HHS (Washington, DC: U.S. Department of Health and Human Services, 2015), 120, 125, *available at* http://www.hhs.gov/sites/default/files/budget/fy2016/fy-2016-budget-in-brief.pdf. Inflation adjustments calculated by National Women's Law Center using Congressional Budget Office, The Budget and Economic Outlook report series; figures are adjusted for inflation using the average of the Consumer Price Index and the Employment Cost Index. See section on funding for child care assistance for more details.

15 National Association of State Budget Officers, The Fiscal Survey of States: Spring 2015 (Washington, DC: NASBO, 2015), *available at* http://www.nasbo.org/publications-data/fiscal-survey-states/fiscal-survey-states-spring-2015; National Association of State Budget Officers, The Fiscal Survey of States: Spring 2014 (Washington, DC: NASBO, 2014), *available at* http://www.nasbo.org/sites/default/files/NASBO%20Spring%202014%20Fiscal%20Survey.pdf; National Conference of State Legislatures, State Budget Update: Spring 2014 (Denver, CO: NCSL, 2014), *available at* http://www.ncsl.org/documents/fiscal/SPRING_SBU_2014_free.pdf; National Conference of State Legislatures, State Budget and Tax Actions: Preliminary Report (August 2013) (Denver, CO: NCSL, 2013), *available at* http://www.ncsl.org/Portals/1/Documents/fiscal/SBTA_PreliminaryReport_final.pdf; Elizabeth McNichol, States Should React Cautiously to Recent Income Tax Growth: April Surge Provides Opportunity to Invest in Infrastructure, Boost Reserves (Washington, DC: Center on Budget and Policy Priorities, 2013), *available at* http://www.cbpp.org/files/6-13-13sfp.pdf.

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

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

18 The federal Office of Child Care is allowing states until September 30, 2016, to implement provisions in the law for which an effective date is not specified (*see* U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Care, Draft Child Care and Development Fund Plan Preprint for Public Comment, September 14, 2015, 5, *available at* https://www.acf.hhs.gov/sites/default/files/occ/fy2016_2018_ccdf_plan_preprin_draft_for_public_comment_91415.pdf), and the various effective dates that are specified extend to 2019 for certain provisions (*see* Child Care and Development Block Grant Act of 2014, Pub. L. 113-186, 128 Stat. 1971 (2014)). The new law does not establish specific new requirements for the key policy areas covered in this report, except it requires states to allow parents to remain eligible for child care assistance while searching for a job for at least three months (*see* Child Care and Development Block Grant Act of 2014, Pub. L. 113-186, 128 Stat. 1971, 1979 (2014)). But the new law's direct and indirect effects on these key policies could be seen in coming years.

19 The federal poverty level for a family of three was $20,090 in 2015. U.S. Department of Health and Human Services, 2015 Poverty Guidelines, *available at* http://aspe.hhs.gov/2015-poverty-guidelines. The federal poverty level for a family of three was $19,790 in 2014. U.S. Department of Health and Human Services, 2014 Poverty Guidelines, *available at* http://aspe.hhs.gov/poverty/14poverty.cfm.

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

21 Comparable data were not collected for 2001.

22 States are only counted here if they increased their income limit to qualify for assistance since, as discussed in the methodology section below, this report focuses on the income criteria used to determine a family's eligibility when it first applies for assistance. Some states have a separate exit eligibility limit for families already receiving child care assistance. Two of the states that increased their income limits to qualify for child care assistance have a separate exit eligibility limit and increased that limit as well, as described in the following two endnotes. In addition, as of June 2015, Michigan, which did not increase its income limit to qualify for assistance, began allowing families already receiving assistance to continue doing so until their income reached 250 percent of the 2013 federal poverty level ($48,828 for a family of three); previously, the state did not have a separate exit eligibility limit.

23 Missouri also increased its exit eligibility limit for families already receiving child care assistance from 175 percent of the 2015 federal poverty level ($35,160 a year for a family of three) to 190 percent of the 2015 federal poverty level ($38,172 a year for a family of three) as of August 2015.

24 Ohio also increased its exit eligibility limit for families already receiving child care assistance from 200 percent of the 2015 federal poverty level ($40,176 a year for a family of three) to 300 percent of the 2015 federal poverty level ($60,264 a year for a family of three) as of September 2015.

25 In addition to these two states, New Mexico, which had 126 children on its waiting list as of February 2015, served all eligible children on the waiting list as of March 2015; however, the waiting list had grown to 333 children as of August 2015. New Mexico is not counted as having either a cut or improvement in its waiting list since February 2015 because it did not have a consistent trend in its waiting list.

26 Arizona served all eligible children on the waiting list as of June 7, 2015, and then began placing families with incomes above 100 percent of poverty ($20,090 a year for a family of three) who applied after that date on the waiting list.

27 Illinois still allows families receiving TANF, families who have a child with special needs, and teen parents in high school or studying for a GED full time to qualify for child care assistance even if their income exceeds 50 percent of poverty. In addition, families already receiving child care assistance can continue to receive it with incomes up to the income eligibility limit in effect when the freeze took place—185 percent of poverty ($37,176 a year for a family of three).

28 In addition to this one state, Georgia lowered copayments in four areas of the state for families using providers with higher quality ratings under the state's quality rating and improvement system, which has three star levels; the copayment was reduced to $15 per week ($65 per month) for families using one-star providers, $10 per week ($43 per month) for families using two-star providers, and $5 per week ($22 per month) for families using three-star providers, regardless of the family's income level. In comparison, as of February 2015, the copayment for a family of three with an annual income of $20,090 (100 percent of poverty), for example, was $143 per month, regardless of the provider's quality level.

29 This copayment amount for a family of three with an income at $20,090 differs from that reported in Table 3b because it reflects copayment levels effective March 2015, after the copayment schedule was adjusted for the 2015 federal poverty level.

30 This example uses a family of three with an income just above $30,135 (150 percent of the 2015 federal poverty level) because a family exactly at this income level would have had a decrease in its copayment due to being shifted to a lower bracket on the sliding fee scale as the scale was also adjusted for the updated federal poverty level in July 2015.

31 For states that pay higher rates for higher-quality care, only if the state increased its base rate (the lowest rate) is it included here, and the reimbursement rate increase described is an increase in the base rate.

32 A number of states reported that they planned to extend the amount of time parents receiving child care assistance could continue to receive it while searching for a job to three months to comply with the requirements of the CCDBG Act of 2014. States are only counted here if they reported that they planned to implement the change before February 2016. Also note that in addition to these states, Utah—which as of June 2014 had suspended a separate program (Kids-in-Care) that provided child care assistance to parents while they searched for a job and as of February 2015 did not allow parents to qualify for child care assistance while searching for a job through the primary child care assistance program—reinstated the Kids-in-Care program to serve parents searching for a job and not already receiving child care assistance as of September 2015.

33 As of February 2015, Vermont allowed parents to receive two additional months of child care assistance while searching for a job, beyond the initial month allowed, but only if they requested it and received approval.

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

35 U.S. Department of Health and Human Services, FY 2016 President's Budget for HHS (Washington, DC: U.S. Department of Health and Human Services, 2015), 120, 125, *available at* http://www.hhs.gov/sites/default/files/budget/fy2016/fy-2016-budget-in-brief.pdf. This amount includes $2.435 billion in discretionary funding and $2.917 billion in mandatory (entitlement) funding.

36 CCDBG funding in FY 2014, before adjusting for inflation, was $5.275 billion. This amount includes $2.358 billion in discretionary funding and $2.917 billion in mandatory (entitlement) funding. U.S. Department of Health and Human Services, FY 2016 President's Budget for HHS (Washington, DC: U.S. Department of Health and Human Services, 2015), 120, 125, *available at* http://www.hhs.gov/sites/default/files/budget/fy2016/fy-2016-budget-in-brief.pdf. 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.

37 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* http://www.hhs.gov/asfr/ob/budgets-in-brief-performance-reports.html. In addition to the $1 billion in ARRA funding, this total of $6.044 billion in CCDBG funding includes $2.127 billion in discretionary funding and $2.917 billion in mandatory (entitlement) funding.

38 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.

39 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* http://www.hhs.gov/asfr/ob/budgets-in-brief-performance-reports.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.

40 National Women's Law Center analysis of data from U.S. Department of Health and Human Services, Administration for Children and Families, Fiscal Year 2014 TANF Financial Data, Table A.1.: Federal TANF and State MOE Expenditures Summary by ACF-196 Spending Category, FY 2014, *available at* http://www.acf.hhs.gov/sites/default/files/ofa/tanf_financial_data_fy_2014.pdf. Total includes $1.382 billion transferred to CCDBG, $72 million spent on child care categorized as "assistance," and $1.161 billion spent on child care categorized as "non-assistance."

41 National Women's Law Center analysis of data from U.S. Department of Health and Human Services, Administration for Children and Families, Fiscal Year 2000 TANF Financial Data, Table A. Combined Federal Funds Spent in FY 2000 Through the Fourth Quarter, *available at* http://archive.acf.hhs.gov/programs/ofs/data/tanf_2000.html. 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."

42 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.

43 In FY 2001, CCDBG funding was $4.567 billion ($6.286 billion in FY 2015 dollars) and TANF funding used for child care was $3.541 billion ($4.874 billion in FY 2015 dollars). The CCDBG funding amount includes $2.0 billion in discretionary funding and $2.567 billion in mandatory (entitlement) funding. U.S. Department of Health and Human Services, FY 2002 President's Budget for HHS (Washington, DC: U.S. Department of Health and Human Services, 2001), 89-90, *available at* http://archive.hhs.gov/budget/pdf/hhs2002.pdf. The TANF funding amount includes $1.899 billion transferred to CCDBG, $285 million spent on child care categorized as "assistance," and $1.357 billion spent on child care categorized as "non-assistance." National Women's Law Center analysis of data from U.S. Department of Health and Human Services, Administration for Children and Families, Fiscal Year 2001 TANF Financial Data, Table A. Combined Federal Funds Spent in FY 2001 Through the Fourth Quarter, *available at* http://archive.acf.hhs.gov/programs/ofs/data/tanf_2001.html. CCDBG and TANF amounts in FY 2015 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.

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

45 State median income is not used to measure inflation between 2001 and 2015 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.

46 These two states are Kentucky (which increased its income limit from 100 percent to 140 percent of the 2011 federal poverty level) and Nebraska (which increased its income limit from 125 percent of the 2013 federal poverty level to 130 percent of the 2014 federal poverty level). In most instances, the states included in the counts referenced in the text of this report are discernible from the tables following the endnotes. When the states are not easily discernible from the tables, the endnotes identify the states referenced.

47 These twenty-nine states include one state (Oregon) that set its income limit based on the federal poverty level and adjusted its income limit for the 2015 federal poverty level; twenty-two states (Alabama, Arizona, Delaware, Idaho, Illinois, Indiana, Iowa, Kansas, Maine, New Hampshire, New Jersey, New Mexico, New York, Ohio, Pennsylvania, Rhode Island, South Carolina, South Dakota, Vermont, Washington, Wisconsin, and Wyoming) that set their income limits based on the federal poverty level and adjusted their income limits for the 2014 federal poverty level; and six states (Connecticut, Massachusetts, Minnesota, North Dakota, Texas, and Utah) that set their income limits based on state median income and adjusted their income limits for the 2015 state median income between February 2014 and February 2015.

48 These three states include one state (Florida) that set its income limit based on the federal poverty level and adjusted its income limit from the 2013 to 2015 federal poverty level; and two states (Montana and West Virginia) that set their income limits based on the federal poverty level and adjusted their income limits from the 2012 to 2014 federal poverty level.

49 This state is Louisiana, which set its income limit based on state median income and adjusted its income limit from the 2012 to 2015 state median income.

50 This state is North Carolina, which changed from setting its income limit at 75 percent of the 2014 state median income to setting its income limit at 200 percent of the 2014 federal poverty level for families with children birth through age five and families with children of any age who have special needs and at 133 percent of the 2014 federal poverty level for families with children ages six to thirteen.

51 This state is Tennessee.

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

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

54 *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).

55 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.

56 These twenty-one states include Tennessee, because it does not serve any children or families other than families receiving or transitioning from TANF, teen parents, foster families, and children under protective custody; however, the state no longer refers to this policy as frozen intake. (Families eligible for, but not receiving, TANF may receive Diversion Child Care, but this is limited to three months.)

57 These four states are Colorado, Indiana, Nevada, and Pennsylvania.

58 These three states are Arkansas, Florida, and New Mexico.

59 These two states are Alabama and Massachusetts.

60 Comparable data were not collected in 2001.

61 If a state determines its copayment based on the cost of care, this report assumes that the family had a four-year-old in a licensed, non-accredited center charging the state's maximum reimbursement 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.

62 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).

63 For a family of three, 150 percent of the federal poverty level was equal to an income of $29,685 in 2014 and $30,135 in 2015.

64 These eleven states do not include states that had income eligibility limits to initially qualify for assistance below 150 percent of poverty but allowed families already receiving assistance to remain eligible with incomes above 150 percent of poverty, as was the case for six states in 2014 and 2015 (Florida, Indiana, Missouri, Ohio, South Carolina, and West Virginia).

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

66 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. The CCDBG Act of 2014 codified the ways in which states must set reimbursement rates. Under the new law, 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)." (*See* Child Care and Development Block Grant Act of 2014, Pub. L. 113-186, 128 Stat. 1971, 1985-1986 (2014).) Since federal regulations implementing the new law have not yet been issued, the extent to which the current 75th percentile recommendation will be preserved is unclear.

67 For this analysis, a state's reimbursement rates in a given year are considered up-to-date if based on a market survey conducted no more than two years prior to that year. Also note that for this analysis, a state's reimbursement 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.

68 Montana is not counted as setting its reimbursement rates at the 75th percentile of current market rates, even though some of its reimbursement rates—including the rates shown in Table 4c—are at or above the 75th percentile of 2013 market rates, because the state's reimbursement rates for some other categories fall below the 75th percentile of market rates.

69 These twenty-eight states are California, Colorado, Connecticut, District of Columbia, Illinois, Indiana, Iowa, Maine, Maryland, Massachusetts, Minnesota, Missouri, Montana, Nebraska, New Hampshire, New Jersey, New Mexico, New York, North Carolina, Oklahoma, Oregon, South Dakota, Texas, Utah, Vermont, Virginia, Washington, and Wisconsin. Colorado is included because some of its counties, including the county (El Paso) for which rates are reported in Table 4c, increased their rates. The District of Columbia is included because it increased its rates for care for infants and toddlers, although not for other age groups. Maine is included because it increased its rates for many categories of care, although not the particular categories in the particular counties shown in Table 4c. Texas is included because it reported that twenty-two of its twenty-eight localities—which determine when to update rates—had updated at least some of their rates. Illinois and New Jersey are included because they increased their rates for family child care, although not for centers. The twenty-eight states do not include Florida, which did not report that any of its localities—which determine when to update rates—had increased their rates within the past two years. Michigan is also not included because it did not increase its reimbursement rates; however, it did increase the maximum number of reimbursable hours from 80 hours to 90 hours in a biweekly period as of July 2014, which had the effect of increasing the maximum monthly reimbursement a provider could receive. Differences between rates shown in Table 4c of this report and rates shown in Table 4c of the State Child Care Assistance Policies 2013 and 2014 reports for any states other than those identified in this and the following endnote are due to revisions or recalculations of the data or changes in the category for which data are reported rather than policy changes.

70 These eighteen states are California, Colorado, Connecticut, Illinois, Indiana, Maryland, Massachusetts, Montana, New Jersey, New Mexico, New York, North Carolina, South Dakota, Texas, Utah, Virginia, Washington, and Wisconsin. Colorado is included because some of its counties increased their rates. New Mexico is included because it increased its rates for infant care and providers in rural areas (after increasing all rates between 2013 and 2014). Texas is included because it reported that fourteen of its twenty-eight localities had updated at least some of their rates. Illinois and New Jersey are included because they increased their rates for family child care, although not for centers.

71 States were asked to report data from their most recent market rate survey, and most states reported data from 2013 or more recent surveys. However, eight states—Connecticut, District of Columbia, Nevada, New Jersey, Virginia, Washington, Wisconsin, and Wyoming—reported data from 2011 or 2012. Connecticut, District of Columbia, Nevada, New Jersey, Washington, and Wyoming are included in these thirty-one states because their reimbursement rates were 20 percent or more below the 75th percentile of market rates based on their outdated surveys, and so presumably their reimbursement rates would be 20 percent or more below the 75th percentile of current market rates. Virginia and Wisconsin are not included in the thirty-one states because their reimbursement rates were less than 20 percent below the 75th percentile of market rates based on their outdated surveys, and thus it is not possible to calculate whether their reimbursement rates were 20 percent or more below the 75th percentile of current market rates. Also note that Tennessee did not have data available on the 75th percentile of market rates, and reported data on the 70th percentile of market rates instead; it is not included in the thirty-one states because its reimbursement rate was less than 20 percent below the 70th percentile of current market rates, and thus is it not possible to calculate whether its reimbursement rate was 20 percent or more below the 75th percentile of current market rates.

72 Connecticut, District of Columbia, Nevada, New Jersey, Washington, and Wyoming are included in these twenty-seven states because their reimbursement rates were 20 percent or more below the 75th percentile of market rates based on their outdated surveys, and so presumably their reimbursement rates would be 20 percent or more below the 75th percentile of current market rates. Tennessee is also included in these twenty-seven states because its reimbursement rate was more than 20 percent below the 70th percentile of current market rates, and so presumably its reimbursement rate would be 20 percent or more below the 75th percentile of current market rates. Virginia and Wisconsin are not included in the twenty-seven states because their reimbursement rates were less than 20 percent below the 75th percentile of market rates based on their outdated surveys, and thus it is not possible to calculate whether their reimbursement rates were 20 percent or more below the 75th percentile of current market rates.

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

74 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.

75 The two states that had tiered rates in 2015 but not 2014 are Arkansas and Michigan.

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

77 This state is Hawaii.

78 This state is Massachusetts.
79 This state is Rhode Island. In addition, the state requires that at least 10 percent of the provider's enrollment must be receiving child care assistance for the provider to be eligible for the increased reimbursement for higher-quality care.
80 This analysis is based on the number of different rate levels, not based on the number of quality levels. The base rate refers to the lowest rate level, regardless of whether the base level is incorporated into the state's quality rating and improvement system (for example, a base rate that is the initial one-star rate in a five-star rating system) or is not a level of the quality rating and improvement system (for example, a base rate that is the rate for providers not participating in a voluntary five-star rating system).
81 Between 2014 and 2015, seven states changed how many rate levels they used. Minnesota increased the number of its rate levels from two to three. Indiana increased the number of its rate levels from two to four. Washington increased the number of its rate levels from two to five. Nebraska increased the number of its rate levels from two to seven. New Mexico increased the number of its rate levels from four to seven. North Carolina reduced the number of its rate levels from five to four. Illinois reduced the number of its rate levels from five to three.
82 Massachusetts and Rhode Island are not included in this analysis because they do not have higher rates for higher-quality care for four-year-olds. Massachusetts' highest rate for center care for a one-year-old was 22 percent below the 75th percentile of current market rates for this type of care. Rhode Island's highest rate for center care for a one-year-old was 19 percent below the 75th percentile of current market rates for this type of care.
83 These twenty-nine states include New Mexico and North Carolina, which determined a separate 75th percentile of current market rates for child care providers at each quality level. In North Carolina, the reimbursement rate at the highest quality level was lower than the 75th percentile for four of the state's five rate levels. In New Mexico, the reimbursement rate at the highest quality level was lower than the 75th percentile for three of the four rate levels in effect at the time of the market rate survey (the state has since added quality levels).
84 Massachusetts' highest rate for center care for a one-year-old was 3 percent above its lowest rate for this type of care. Rhode Island's highest rate for center care for a one-year-old was 5 percent above its lowest rate for this type of care.
85 These seven states are Delaware, Indiana, Minnesota, Nebraska, New Mexico, North Carolina, and Washington.
86 This state is Illinois.
87 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.
88 These six states are Arkansas, Colorado, Montana, Nevada, Ohio, and Utah. See the notes for Table 5 for more details about the states' policy changes.
89 These two states are Colorado and Nevada.
90 This state is Utah, which as of February 2014, provided child care assistance to families who applied for assistance while a parent searched for a job through a separate program. This program was eliminated as of June 2014 but was reinstated as of September 2015.
91 U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Care, FY 2014 CCDF Data Tables (Preliminary), Table 1 - Average Monthly Adjusted Number of Families and Children Served, *available at* http://www.acf.hhs.gov/programs/occ/resource/fy-2014-preliminary-data-table-1.
92 U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Care, FY 2013 CCDF Data Tables, Table 1 - Average Monthly Adjusted Number of Families and Children Served, *available at* http://www.acf.hhs.gov/programs/occ/resource/fy-2013-final-data-table-1-average-monthly-adjusted-number-of-families-and-children-served.
93 U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Care, FY 2001 CCDF Data Tables and Charts, Table 1 - Child Care and Development Fund Average Monthly Adjusted Number of Families and Children Served, *available at* http://www.acf.hhs.gov/sites/default/files/occ/fy2001tables1.pdf.
94 The number of related children under age six living in low-income families (families with incomes below 200 percent of poverty) increased from 9.5 million in 2001 to 10.6 million in 2013 and 10.8 million in 2014. U.S. Census Bureau, Current Population Survey, March 2002, Detailed Poverty Table 22. Age, Gender, Household Relationship, Race and Hispanic Origin - Poverty Status of People by Selected Characteristics in 2001, *available at* http://www.census.gov/hhes/www/cpstables/macro/032002/pov/new22_008.htm; Carmen DeNavas-Walt and Bernadette D. Proctor, U.S. Census Bureau, Current Population Reports, P60-249, Income and Poverty in the United States: 2013 (Washington, DC: U.S. Government Printing Office, 2014), 17, *available at* https://www.census.gov/content/dam/Census/library/publications/2014/demo/p60-249.pdf; Carmen DeNavas-Walt and Bernadette D. Proctor, U.S. Census Bureau, Current Population Reports, P60-252, Income and Poverty in the United States: 2014 (Washington, DC: U.S. Government Printing Office, 2015), 17, *available at* https://www.census.gov/content/dam/Census/library/publications/2015/demo/p60-252.pdf.
95 Only one in six children eligible for federal child care assistance received it in 2011 (the most recent year for which data are available). U.S. Department of Health and Human Services, Office of Human Services Policy, Office of the Assistant Secretary for Planning and Evaluation, Estimates of Child Care Eligibility and Receipt for Fiscal Year 2011 (Washington, DC: U.S. Department of Health and Human Services, 2015), *available at* http://aspe.hhs.gov/sites/default/files/pdf/ib_ChildCareEligibility.pdf.

TABLE 1A: INCOME ELIGIBILITY LIMITS FOR A FAMILY OF THREE IN 2014 AND 2015

	Income limit in 2015			Income limit in 2014			Change in income limit 2014 to 2015		
State	As annual dollar amount	As percent of poverty ($20,090 a year)	As percent of state median income	As annual dollar amount	As percent of poverty ($19,790 a year)	As percent of state median income	As annual dollar amount	As percent of poverty	As percent of state median income
Alabama*	$25,728	128%	47%	$25,392	128%	47%	$336	0%	0%
Alaska*	$54,288	270%	73%	$54,288	274%	74%	$0	-4%	-1%
Arizona*	$32,676	163%	61%	$32,244	163%	60%	$432	0%	2%
Arkansas	$29,760	148%	60%	$29,760	150%	62%	$0	-2%	-2%
California*	$42,216	210%	65%	$42,216	213%	65%	$0	-3%	1%
Colorado*	$25,727-$60,288	128%-300%	36%-84%	$25,389-$60,288	128%-305%	36%-85%	$0-$338	-5%-0%	-1%-0%
Connecticut*	$43,770	218%	50%	$43,333	219%	50%	$437	-1%	0%
Delaware*	$39,588	197%	55%	$39,060	197%	56%	$528	0%	0%
District of Columbia*	$45,775	228%	54%	$45,775	231%	62%	$0	-3%	-8%
Florida*	$30,135	150%	55%	$29,295	148%	53%	$840	2%	2%
Georgia	$28,160	140%	49%	$28,160	142%	50%	$0	-2%	0%
Hawaii	$47,124	235%	66%	$47,124	238%	66%	$0	-4%	0%
Idaho*	$25,728	128%	49%	$25,392	128%	49%	$336	0%	0%
Illinois*	$36,612	182%	53%	$36,132	183%	53%	$480	0%	0%
Indiana*	$25,128	125%	42%	$24,804	125%	42%	$324	0%	0%
Iowa*	$28,716	143%	44%	$28,332	143%	44%	$384	0%	1%
Kansas*	$36,612	182%	58%	$36,144	183%	58%	$468	0%	0%
Kentucky*	$25,942	129%	46%	$18,540	94%	33%	$7,402	35%	13%
Louisiana	$31,860	159%	55%	$30,540	154%	53%	$1,320	4%	2%
Maine*	$49,475	246%	76%	$48,828	247%	78%	$647	0%	-2%
Maryland	$29,990	149%	34%	$29,990	152%	34%	$0	-2%	0%
Massachusetts*	$43,909	219%	50%	$43,165	218%	50%	$744	0%	0%
Michigan*	$23,880	119%	38%	$23,880	121%	39%	$0	-2%	0%
Minnesota*	$35,462	177%	47%	$34,459	174%	47%	$1,003	2%	0%
Mississippi	$34,999	174%	74%	$34,999	177%	72%	$0	-3%	1%
Missouri*	$24,036	120%	40%	$24,036	121%	40%	$0	-2%	-1%
Montana*	$29,688	148%	51%	$28,632	145%	49%	$1,056	3%	1%
Nebraska*	$25,728	128%	41%	$24,408	123%	39%	$1,320	5%	2%
Nevada*	$25,392	126%	46%	$25,392	128%	44%	$0	-2%	2%
New Hampshire*	$49,475	246%	60%	$48,825	247%	61%	$650	0%	-1%
New Jersey*	$39,580	197%	45%	$39,060	197%	45%	$520	0%	0%
New Mexico*	$39,580	197%	81%	$39,060	197%	81%	$520	0%	0%
New York*	$39,580	197%	56%	$39,060	197%	56%	$520	0%	0%
North Carolina*	$39,576	197%	70%	$42,204	213%	75%	-$2,628	-16%	-5%
North Dakota	$61,524	306%	85%	$58,980	298%	85%	$2,544	8%	0%
Ohio*	$24,732	123%	39%	$24,420	123%	39%	$312	0%	0%
Oklahoma*	$35,100	175%	65%	$35,100	177%	66%	$0	-3%	-1%
Oregon	$37,188	185%	64%	$36,612	185%	63%	$576	0%	2%
Pennsylvania*	$39,580	197%	58%	$39,060	197%	57%	$520	0%	0%
Rhode Island*	$35,622	177%	47%	$35,154	178%	48%	$468	0%	0%
South Carolina*	$29,685	148%	56%	$29,295	148%	55%	$390	0%	1%
South Dakota*	$36,075	180%	58%	$35,613	180%	60%	$463	0%	-1%
Tennessee	$32,256	161%	60%	$32,268	163%	60%	-$12	-2%	0%
Texas*	$34,629-$48,384	172%-241%	61%-85%	$34,178-$47,752	173%-241%	61%-85%	$451-$632	0%	0%
Utah*	$34,404	171%	60%	$34,395	174%	60%	$9	-3%	0%
Vermont	$39,576	197%	58%	$39,060	197%	57%	$516	0%	1%
Virginia*	$29,295-$48,828	146%-243%	38%-64%	$29,295-$48,828	148%-247%	39%-65%	$0	-4%- -2%	-1%
Washington*	$39,576	197%	56%	$39,072	197%	56%	$504	0%	0%
West Virginia*	$29,688	148%	53%	$28,632	145%	53%	$1,056	3%	0%
Wisconsin*	$36,612	182%	54%	$36,132	183%	54%	$480	0%	0%
Wyoming*	$37,032	184%	58%	$36,588	185%	57%	$444	-1%	1%

TABLE 1B: INCOME ELIGIBILITY LIMITS FOR A FAMILY OF THREE IN 2001 AND 2015

State	Income limit in 2015			Income limit in 2001			Change in income limit 2001 to 2015		
	As annual dollar amount	As percent of poverty ($20,090 a year)	As percent of state median income	As annual dollar amount	As percent of poverty ($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*	$25,728	128%	47%	$18,048	123%	41%	$7,680	5%	6%
Alaska*	$54,288	270%	73%	$44,328	303%	75%	$9,960	-33%	-3%
Arizona*	$32,676	163%	61%	$23,364	160%	52%	$9,312	3%	9%
Arkansas*	$29,760	148%	60%	$23,523	161%	60%	$6,237	-13%	0%
California*	$42,216	210%	65%	$35,100	240%	66%	$7,116	-30%	-1%
Colorado*	$25,727-$60,288	128%-300%	36%-84%	$19,020-$32,000	130%-219%	36%-61%	$6,707-$28,288	-2%-81%	0%-23%
Connecticut*	$43,770	218%	50%	$47,586	325%	75%	-$3,816	-107%	-25%
Delaware*	$39,588	197%	55%	$29,260	200%	53%	$10,328	-3%	2%
District of Columbia*	$45,775	228%	54%	$34,700	237%	66%	$11,075	-9%	-12%
Florida*	$30,135	150%	55%	$20,820	142%	45%	$9,315	8%	10%
Georgia	$28,160	140%	49%	$24,278	166%	50%	$3,882	-26%	-1%
Hawaii*	$47,124	235%	66%	$46,035	315%	83%	$1,089	-80%	-17%
Idaho*	$25,728	128%	49%	$20,472	140%	51%	$5,256	-12%	-2%
Illinois*	$36,612	182%	53%	$24,243	166%	43%	$12,369	17%	10%
Indiana*	$25,128	125%	42%	$20,232	138%	41%	$4,896	-13%	1%
Iowa*	$28,716	143%	44%	$19,812	135%	41%	$8,904	8%	4%
Kansas*	$36,612	182%	58%	$27,060	185%	56%	$9,552	-3%	1%
Kentucky*	$25,942	129%	46%	$24,140	165%	55%	$1,802	-36%	-9%
Louisiana*	$31,860	159%	55%	$29,040	205%	75%	$2,820	-46%	-20%
Maine*	$49,475	246%	76%	$36,452	249%	75%	$13,023	-3%	1%
Maryland	$29,990	149%	34%	$25,140	172%	40%	$4,850	-23%	-6%
Massachusetts*	$43,909	219%	50%	$28,968	198%	48%	$14,941	21%	2%
Michigan*	$23,880	119%	38%	$26,064	178%	47%	-$2,184	-59%	-9%
Minnesota*	$35,462	177%	47%	$42,304	289%	76%	-$6,842	-113%	-29%
Mississippi	$34,999	174%	74%	$30,999	212%	77%	$4,000	-38%	-3%
Missouri*	$24,036	120%	40%	$17,784	122%	37%	$6,252	-2%	2%
Montana*	$29,688	148%	51%	$21,948	150%	51%	$7,740	-2%	0%
Nebraska*	$25,728	128%	41%	$25,260	173%	54%	$468	-45%	-13%
Nevada*	$25,392	126%	46%	$33,420	228%	67%	-$8,028	-102%	-21%
New Hampshire*	$49,475	246%	60%	$27,797	190%	50%	$21,678	56%	10%
New Jersey*	$39,580	197%	45%	$29,260	200%	46%	$10,320	-3%	-2%
New Mexico*	$39,580	197%	81%	$28,300	193%	75%	$11,280	4%	6%
New York*	$39,580	197%	56%	$28,644	202%	61%	$10,936	-5%	-5%
North Carolina*	$39,576	197%	70%	$32,628	223%	69%	$6,948	-26%	1%
North Dakota	$61,524	306%	85%	$29,556	202%	69%	$31,968	104%	16%
Ohio*	$24,732	123%	39%	$27,066	185%	57%	-$2,334	-62%	-18%
Oklahoma*	$35,100	175%	65%	$29,040	198%	66%	$6,060	-24%	-1%
Oregon	$37,188	185%	64%	$27,060	185%	60%	$10,128	0%	4%
Pennsylvania*	$39,580	197%	58%	$29,260	200%	58%	$10,320	-3%	-1%
Rhode Island*	$35,622	177%	47%	$32,918	225%	61%	$2,704	-48%	-13%
South Carolina*	$29,685	148%	56%	$21,225	145%	45%	$8,460	3%	11%
South Dakota*	$36,075	180%	58%	$22,826	156%	52%	$13,249	24%	6%
Tennessee	$32,256	161%	60%	$24,324	166%	56%	$7,932	-6%	4%
Texas*	$34,629-$48,384	172%-241%	61%-85%	$21,228-$36,516	145%-250%	47%-82%	$11,868-$13,401	-9%-27%	3%-14%
Utah*	$34,404	171%	60%	$28,248	193%	59%	$6,156	-22%	1%
Vermont	$39,576	197%	58%	$31,032	212%	64%	$8,544	-15%	-6%
Virginia*	$29,295-$48,828	146%-243%	38%-64%	$21,948-$27,060	150%-185%	41%-50%	$7,347-$21,768	-4%-58%	-3%-14%
Washington*	$39,576	197%	56%	$32,916	225%	63%	$6,660	-28%	-6%
West Virginia*	$29,688	148%	53%	$28,296	193%	75%	$1,392	-46%	-21%
Wisconsin*	$36,612	182%	54%	$27,060	185%	51%	$9,552	-3%	3%
Wyoming*	$37,032	184%	58%	$21,948	150%	47%	$15,084	34%	11%

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.

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 for a family of three.

Data in the tables for 2015 reflect policies as of February 2015, data in the tables for 2014 reflect policies as of February 2014, and data in the tables for 2001 reflect policies as of June 2001, unless otherwise indicated. Certain changes in policies since February 2015 are noted below.

Alabama: In 2001, families already receiving assistance could continue doing so until their income reached $27,756. In 2014, the exit eligibility limit was $29,292, and in 2015, it was $29,688. As of October 2015, the income limit to qualify for assistance was expected to increase to $26,117 (130 percent of poverty), and the exit eligibility limit was expected to increase to $30,135 (150 percent of poverty), to adjust for the 2015 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: As of October 2015, the income limit was expected to increase to $33,149 (165 percent of poverty) to adjust for the 2015 federal poverty level.

Arkansas: The income limit shown in the table for 2001 takes into account a deduction of $100 per month ($1,200 a 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 2014 or 2015.

California: Under policies in effect in 2001, families that had been receiving assistance as of January 1, 1998 could continue doing so until their income reached $46,800 since they were subject to higher income limits previously in effect. Also note that two counties (San Mateo and San Francisco) allowed families already receiving assistance to continue to receive it up to an income of $53,556 in 2014 and 2015.

Colorado: Counties set their income limits within state guidelines; the ranges in the tables reflect the minimum and maximum income limits allowed by the state. Counties may also allow families already receiving assistance to continue doing so for up to six months after their income exceeds the county's initial income limit, if their income remains below 85 percent of state median income. As of October 2015, the maximum level at which counties are allowed to set their income limits was expected to increase to $61,344 (85 percent of state median income) to adjust for the updated state median income estimate.

Connecticut: As of July 2015, the income limit increased to $44,601 (50 percent of state median income) to adjust for the updated state median income estimate.

Delaware: As of October 2015, the income limit was expected to increase to $40,188 (200 percent of poverty) to adjust for the 2015 federal poverty level.

District of Columbia: In 2001, families already receiving assistance could continue doing so until their income reached $41,640. In 2014 and 2015, the exit eligibility limit was $51,101.

Florida: In 2014, families already receiving assistance could continue doing so until their income reached $39,060. In 2015, the exit eligibility limit was $40,180.

Hawaii: The income limit shown in the table 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 2014 or 2015.

Idaho: As of October 2015, the income limit was expected to increase to $26,112 (130 percent of poverty) to adjust for the 2015 federal poverty level.

Illinois: The income limit shown in the table 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 2014 or 2015. As of July 2015, the state froze intake for all families applying for assistance with incomes above $10,056 a year (50 percent of poverty), unless the family is receiving TANF, has a child with special needs, or is a teen parent attending high school or a GED program full time; families already receiving assistance can continue doing so until their income reaches $37,176 (185 percent of poverty), which is equal to the previous initial income limit adjusted for the 2015 federal poverty level.

Indiana: In 2014, families already receiving assistance could continue doing so until their income reached $33,204. In 2015, the exit eligibility limit was $33,648. As of May 2015, the income limit to qualify for assistance was increased to $25,512 (127 percent of poverty), and the exit eligibility limit was increased to $34,152 (170 percent of poverty), to adjust for the 2015 federal poverty level.

Iowa: For special needs care, the income limit was $39,060 in 2014 and $39,600 in 2015. As of July 2015, the income limit for standard care was increased to $29,136 (145 percent of poverty), and the income limit for special needs care was increased to $40,188 (200 percent of poverty), to adjust for the 2015 federal poverty level.

Kansas: As of May 2015, the income limit was increased to $37,164 (185 percent of poverty) to adjust for the 2015 federal poverty level.

Kentucky: As of July 2015, the income limit was increased to $27,795 (150 percent of the 2011 federal poverty level).

Louisiana: Data on the state's policies as of 2001 are not available, so data on policies as of March 15, 2000 are used instead.

Maine: As of July 2015, the income limit was increased to $54,589 (85 percent of the updated state median income estimate).

Massachusetts: In 2001, families already receiving assistance could continue doing so until their income reached $49,248. In 2014, the exit eligibility limit was $73,380, and in 2015, it was $74,645. Also note that, for special needs care, the income limit to qualify for assistance was $73,380 in 2014 and $74,645 in 2015, and the exit eligibility limit was $86,329 in 2014 and $87,818 in 2015. As of October 2015, for standard care, the income limit to qualify for assistance was expected to increase to $44,593 (50 percent of state median income), and the exit eligibility limit was expected to increase to $75,808 (85 percent of state median income), to adjust for the updated state median income estimate.

Michigan: As of June 2015, families already receiving assistance could continue doing so until their income reached $48,828 (250 percent of the 2013 federal poverty level). The state did not have a separate exit eligibility limit prior to that.

Minnesota: In 2014, families already receiving assistance could continue doing so until their income reached $49,124. In 2015, the exit eligibility limit was $50,554. As of October 2015, the income limit to qualify for assistance was expected to increase to $36,365 (47 percent of state median income), and the exit eligibility limit was expected to increase to $51,840 (67 percent of state median income), to adjust for the updated state median income estimate.

Missouri: In 2014 and 2015, families already receiving assistance could continue doing so until their income reached $34,188. As of April 2015, the income limit to qualify for assistance was increased to $24,708 (123 percent of poverty), and the exit eligibility limit was increased to $35,160 (175 percent of poverty), to adjust for the 2015 federal poverty level. As of August 2015, income limit to qualify for assistance was increased to $27,720 (138 percent of poverty), and the exit eligibility limit was increased to $38,172 (190 percent of poverty).

Montana: As of June 2015, the income limit was increased to $30,132 (150 percent of poverty) to adjust for the 2015 federal poverty level.

Nebraska: As of July 2014, 10 percent of a family's income is disregarded at redetermination if the family has been continuously eligible for child care assistance for 12 months. Also note that for families transitioning from TANF, the income limit was $36,132 in 2014 and $36,612 in 2015. As of July 2015, the income limit was increased to $37,167 (185 percent of poverty) for families transitioning from TANF, and the income limit for all other families was increased to $26,112 (130 percent of poverty), to adjust for the 2015 federal poverty level.

Nevada: For contracted slots (which are mostly used for before- and after-school programs) and wrap-around services (which are services provided before and after Head Start programs), the income limit was $43,764 (75 percent of the 2014 state median income) in 2014 and 2015.

New Hampshire: As of July 2015, the income limit was increased to $50,225 (250 percent of poverty) to adjust for the 2015 federal poverty level.

New Jersey: In 2001, families already receiving assistance could continue doing so until their income reached $36,575. In 2014, the exit eligibility limit was $48,825, and in 2015, it was $49,475.

New Mexico: As of April 2015, the income limit was increased to $40,180 (200 percent of poverty) to adjust for the 2015 federal poverty level.

New York: Data on the state's policies as of 2001 are not available, so data on policies as of March 15, 2000 are used instead. As of June 2015, the income limit was increased to $40,180 (200 percent of poverty) to adjust for the 2015 federal poverty level. Also note that a few small demonstration projects set the income limit at $49,802 in 2014 and $50,465 in 2015.

North Carolina: The income limit shown in the tables for 2015 applies 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 thirteen was $26,316 (133 percent of the 2014 federal poverty level). This separate income limit for families with older children went into effect in October 2014.

Ohio: In 2014, families already receiving assistance could continue doing so until their income reached $39,072. In 2015, the exit eligibility limit was $39,576. The state did not have a separate exit eligibility limit in 2001. As of March 2015, the income limit to qualify for assistance was increased to $25,116 (125 percent of poverty), and the exit eligibility limit was increased to $40,176 (200 percent of poverty), to adjust for the 2015 federal poverty level. As of September 2015, income limit to qualify for assistance was increased to $26,124 (130 percent of poverty), and the exit eligibility limit was increased to $60,264 (300 percent of poverty).

Oklahoma: The income limit depends on how many children are in child care. The income limits shown in the tables assume that the family was receiving assistance for two children in care. The income limit for a family receiving assistance for only one child in care was $29,100 in 2014 and 2015.

Pennsylvania: In 2001, families already receiving assistance could continue doing so until their income reached $34,381. In 2014, the exit eligibility limit was $45,896, and in 2015, it was $46,507. As of May 2015, the income limit to qualify for assistance was increased to $40,180 (200 percent of poverty), and the exit eligibility limit was increased to $47,212 (235 percent of poverty), to adjust for the 2015 federal poverty level.

Rhode Island: In 2014, families already receiving assistance could continue doing so until their income reached $43,943, under a pilot program begun in October 2013 and extended through September 2016. In 2015, the exit eligibility limit was $44,528. As of April 2015, the income limit to qualify for assistance was increased to $36,162 (180 percent of poverty), and the exit eligibility limit was increased to $45,203 (225 percent of poverty), to adjust for the 2015 federal poverty level.

South Carolina: In 2001, families already receiving assistance could continue doing so until their income reached $24,763. In 2014, the exit eligibility limit was $34,178, and in 2015, it was $34,633. As of October 2015, the income limit to qualify for assistance was expected to increase to $30,135 (150 percent of poverty), and the exit eligibility limit was expected to increase to $35,158 (175 percent of poverty), to adjust for the 2015 federal poverty level.

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, $34,188 in 2014, and $34,632 in 2015. As of March 2015, the stated income limit was increased to $35,160 (175 percent of poverty) to adjust for the 2015 federal poverty level.

Texas: Local workforce development boards set their income limits within state guidelines; the ranges shown in the tables indicate the lowest and highest income limits set by local boards. In addition, some local boards allow families an extended year of child care assistance up to a higher income than the initial eligibility limit; however, this exit eligibility limit cannot exceed 85 percent of state median income ($47,752 in 2014 and $48,384 in 2015). As of October 2015, the maximum income at which local boards can set their eligibility limits was expected to increase to $49,635 (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 a year) for each working parent, assuming there is one working parent in the family, and a standard deduction of $100 per month ($1,200 a year) for all families to help cover any medical expenses. The stated income limits, in policy, were $25,848 in 2001, $31,995 in 2014, and $32,004 in 2015. Also note that in 2014, families already receiving assistance could continue doing so up to a stated income limit of $39,994. In 2015, the stated exit eligibility limit was $40,008. As of October 2015, the stated income limit to qualify for assistance was expected to increase to $33,276 (56 percent of state median income), and the stated exit eligibility limit was expected to increase to $41,595 (70 percent of state median income), to adjust for the updated state median income estimate. The stated income limit to qualify for special needs care was $48,564 in 2014 and $48,576 in 2015.

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 2014 and 2015, the state had four separate regional income limits: $29,295, $31,248, $36,132, and $48,828.

Washington: As of April 2015, the income limit was increased to $40,200 (200 percent of poverty) to adjust for the 2015 federal poverty level.

West Virginia: In 2014, families already receiving assistance could continue doing so until their income reached $35,316. In 2015, the exit eligibility limit was $36,612.

Wisconsin: In 2001, families already receiving assistance could continue doing so until their income reached $29,256. In 2014, the exit eligibility limit was $39,060, and in 2015, it was $39,576. As of March 2015, the income limit to qualify for assistance was increased to $37,164 (185 percent of poverty), and the exit eligibility limit was increased to $40,176 (200 percent of poverty), to adjust for the 2015 federal poverty level.

Wyoming: The income limits shown in the tables for 2014 and 2015 take into account a standard deduction of $200 per month ($2,400 a year) for each working parent, assuming there is one working parent in the family. The stated income limits, in policy, were $34,188 in 2014 and $34,632 in 2015. Also note that in 2001, families already receiving assistance could continue doing so until their income reached $27,060. In 2014, the stated exit eligibility limit was $43,956, and in 2015, it was $44,532. As of April 2015, the stated income limit to qualify for assistance was increased to $35,160 (175 percent of poverty), and the stated exit eligibility limit was increased to $45,204 (225 percent of poverty), to adjust for the 2015 federal poverty level.

TABLE 2: WAITING LISTS FOR CHILD CARE ASSISTANCE

State	Number of children or families on waiting lists as of early 2015	Number of children or families on waiting lists as of early 2014	Number of children or families on waiting lists as of December 2001
Alabama*	7,887 children	8,394 children	5,089 children
Alaska	No waiting list	No waiting list	588 children
Arizona*	1,064 children	6,366 children	No waiting list
Arkansas*	4,409 children	2,514 children	8,000 children
California*	Waiting lists at local level	Waiting lists at local level	280,000 children (estimated)
Colorado*	45 children	12 children	Waiting lists at county 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*	51,397 children	37,867 children	46,800 children
Georgia*	Frozen intake at local level	No waiting list	16,099 children
Hawaii	No waiting list	No waiting list	No waiting list
Idaho	No waiting list	No waiting list	No waiting list
Illinois*	No waiting list	No waiting list	No waiting list
Indiana*	9,120 children	No waiting list	11,958 children
Iowa	No waiting list	No waiting list	No waiting list
Kansas	No waiting list	No waiting list	No waiting list
Kentucky	No waiting list	No waiting list	No waiting list
Louisiana	No waiting list	No waiting list	No waiting list
Maine	No waiting list	No waiting list	2,000 children
Maryland*	3,196 children	1,643 children	No waiting list
Massachusetts*	25,436 children	40,047 children	18,000 children
Michigan	No waiting list	No waiting list	No waiting list
Minnesota*	4,417 families	7,973 families	4,735 children
Mississippi*	2,200 children	No waiting list	10,422 children
Missouri	No waiting list	No waiting list	No waiting list
Montana	No waiting list	No waiting list	Varies by resource and referral district
Nebraska	No waiting list	No waiting list	No waiting list
Nevada*	908 children	653 children	No waiting list
New Hampshire	No waiting list	No waiting list	No waiting list
New Jersey*	No waiting list	No waiting list	9,800 children
New Mexico*	126 children	259 children	No waiting list
New York*	Waiting lists at local level	Waiting lists at local level	Waiting lists at local level
North Carolina	31,359 children	20,162 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*	5,595 children	1,980 children	No waiting list
Pennsylvania*	1,811 children	2,651 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*	See notes	See notes	9,388 children (and frozen intake)
Texas*	17,730 children	16,470 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*	5,811 children	7,786 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 2015 reflect policies as of February 2015, and data in the tables for 2014 reflect policies as of February 2014, unless otherwise indicated.

Alabama: Families receiving TANF that are participating in the JOBS program, families that have transitioned from TANF assistance within the past 6 months and are employed, minor parents working toward the completion of a high school diploma or a GED, families receiving protective services, and foster care families are served without being placed on the waiting list. Also note that data for December 2001 are not available so data from November 2001 are used instead.

Arizona: Families receiving child protective services and families receiving or transitioning from TANF who need child care for employment are served without being placed on the waiting list.

Arkansas: Foster care families, families receiving protective services, families receiving TANF, families receiving Extended Support Services (which are available to certain families who lose eligibility for TANF due to earnings), homeless families, teen parents, children with special needs, and deployed parents are served without being placed on the waiting list.

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

Colorado: Waiting lists are kept at the county level, rather than at the state level. Four counties had waiting lists in 2001, but data on the total number of children on waiting lists in counties that had them are not available. In addition, four counties had frozen intake in 2001. The waiting list totals for 2014 and 2015 are the totals of reported county waiting lists. Counties determine whether to serve any groups of families without placing them on the waiting list; counties typically allow families receiving TANF and teen parents to be served without being placed on the waiting list.

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

Florida: The waiting list total for 2014 is from March 2014. The waiting list total for 2015 is from March 2015.

Georgia: As of February 1, 2015, certain counties froze intake for families who did not meet priority criteria. Children and families prioritized for services include families participating in TANF activities; families transitioning from a TANF activity to a work activity; children with medically documented special needs; grandparents raising grandchildren under age five; children under court-ordered supervision; critical child protective services cases; children in Division of Family and Children Services (DFCS) custody; parents 20 years of age or under attending middle school, high school, or GED classes full time; families who are victims of natural disasters; and new children in an existing child care assistance case.

Illinois: As of July 1, 2015, the state froze intake for all families with incomes above 50 percent of poverty ($10,056 a year for a family of three), except for families receiving TANF, families who have a child with special needs, and teen parents in high school or studying for a GED full time.

Indiana: In addition to the waiting list, some counties froze intake in 2001. TANF/IMPACT families with a complete referral from their caseworker are served with out being placed on the waiting list.

Maryland: Families receiving or transitioning from TANF, families receiving Supplemental Security Income (SSI), and children with documented disabilities are served without being placed on the waiting list. The waiting list total for 2014 is from March 24, 2014. The waiting list total for 2015 is from July 31, 2015.

Massachusetts: Families receiving TANF and participating in the employment services program and families referred by the child welfare agency based on open cases of abuse or neglect are served without being placed on the waiting list.

Minnesota: The waiting list total for 2015 is from March 2015. Families receiving TANF, families transitioning from TANF (for up to one year after their TANF case closes), and parents under 21 years of age pursuing a high school degree or GED are served without being placed on the waiting list.

Mississippi: The figure reported in the table for 2015 represents the number of applications received; the state had not yet determined whether these families were eligible for child care assistance.

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

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

New Mexico: In 2014 and 2015, families with incomes at or below 150 percent of poverty were served without being placed on the waiting list. In addition, families receiving or transitioning from TANF, teen parents in school, families with children who have special needs, and homeless families are served without being placed on the waiting list.

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

Oregon: Families with at least one member who has received TANF in the state in the current or previous three months; caretakers reapplying after a break of less than two months; families referred from child welfare when an ongoing safety plan states that child care is needed to keep (or return) a child home, with a relative, or other known adult; and families applying for an open slot with a contracted child care program are served without being placed on the waiting list.

Pennsylvania: Families receiving or transitioning from TANF are served without being placed on the waiting list.

Tennessee: When the state reported its data in 2001, intake was frozen for all families other than those receiving or transitioning from TANF. The waiting list total for 2001 represents the number of children on the waiting list when intake was closed. In 2014 and 2015, the state did not serve any families other than families receiving or transitioning from TANF, teen parents, children in foster care or receiving protective services, At-Risk Child Care for Child-Only caretakers (typically grandparents, aunts, or uncles that have care and control of a relative child), and families that qualify for Diversion Child Care (families that meet TANF eligibility criteria, have an identifiable one-time financial need, have not received cash assistance in any state in the last two years, and have a recent work history); however, the state no longer refers to this policy as frozen intake.

Texas: Local workforce development boards maintain waiting lists. The totals in the table represent the aggregate number of children on waiting lists across all of the state's 28 boards. In addition, some boards have frozen intake. In 2014, 15 boards had a waiting list and 5 boards had frozen intake (including some of which may have had both a waiting list and frozen intake). In 2015, 14 boards had a waiting list and 3 boards had frozen intake (including some of which may have had both a waiting list and frozen intake). Families in the TANF Work Program, families in the Supplemental Nutrition Assistance Program (SNAP) Employment and Training program, families transitioning from TANF, 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. The waiting list total for 2014 is from May 2014. Families receiving TANF and families with children enrolled in Head Start 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 fee in 2015		Monthly fee in 2014		Monthly fee in 2001		Change 2014 to 2015		Change 2001 to 2015	
State	As a dollar amount	As a percent of income	As a dollar amount	As a percent of income	As a dollar amount	As a percent of income	In dollar amount	In percent of income	In dollar amount	In percent of income
Alabama	Not eligible	Not eligible	Not eligible	Not eligible	$215	12%	N/A	N/A	N/A	N/A
Alaska	$124	5%	$124	5%	$71	4%	$0	0%	$53	1%
Arizona	$152	6%	$152	6%	$217	12%	$0	0%	-$65	-6%
Arkansas	Not eligible	Not eligible	$365	15%	$224	12%	N/A	N/A	N/A	N/A
California	$128	5%	$115	5%	$0	0%	$13	0%	$128	5%
Colorado	$276	11%	$272	11%	$185	10%	$4	0%	$91	1%
Connecticut	$151	6%	$148	6%	$110	6%	$3	0%	$41	0%
Delaware	$264	11%	$264	11%	$159	9%	$0	0%	$105	2%
District of Columbia	$118	5%	$118	5%	$91	5%	$0	0%	$27	0%
Florida*	$217	9%	$217	9%	$104	6%	$0	0%	$113	3%
Georgia	Not eligible	Not eligible	Not eligible	Not eligible	$139	8%	N/A	N/A	N/A	N/A
Hawaii	$473	19%	$473	19%	$38	2%	$0	0%	$435	17%
Idaho	Not eligible	Not eligible	Not eligible	Not eligible	Not eligible	Not eligible	N/A	N/A	N/A	N/A
Illinois	$191	8%	$197	8%	$134	7%	-$6	0%	$57	0%
Indiana*	$227	9%	$224	9%	$154	8%	$3	0%	$73	1%
Iowa*	Not eligible	Not eligible	Not eligible	Not eligible	Not eligible	Not eligible	N/A	N/A	N/A	N/A
Kansas	$207	8%	$207	8%	$162	9%	$0	0%	$45	-1%
Kentucky	Not eligible	Not eligible	Not eligible	Not eligible	$177	10%	N/A	N/A	N/A	N/A
Louisiana*	$227	9%	$227	9%	$114	6%	$0	0%	$113	3%
Maine	$251	10%	$247	10%	$183	10%	$4	0%	$68	0%
Maryland	Not eligible	Not eligible	$313	13%	$236	13%	N/A	N/A	N/A	N/A
Massachusetts	$325	13%	$271	11%	$160	9%	$54	2%	$165	4%
Michigan	Not eligible	Not eligible	Not eligible	Not eligible	$24	1%	N/A	N/A	N/A	N/A
Minnesota	$82	3%	$80	3%	$53	3%	$2	0%	$29	0%
Mississippi*	$180	7%	$172	7%	$105	6%	$8	0%	$75	1%
Missouri	$287	11%	$287	12%	Not eligible	Not eligible	$0	0%	N/A	N/A
Montana	Not eligible	Not eligible	Not eligible	Not eligible	$256	14%	N/A	N/A	N/A	N/A
Nebraska*	Not eligible	Not eligible	Not eligible	Not eligible	$129	7%	N/A	N/A	N/A	N/A
Nevada*	Not eligible	Not eligible	Not eligible	Not eligible	$281	15%	N/A	N/A	N/A	N/A
New Hampshire	$314	12%	$309	13%	$2	0%	$5	0%	$312	12%
New Jersey	$106	4%	$106	4%	$133	7%	$0	0%	-$27	-3%
New Mexico	$174	7%	$169	7%	$115	6%	$5	0%	$59	1%
New York*	$302	12%	$297	12%	$191	10%	$5	0%	$111	2%
North Carolina	$251	10%	$247	10%	$159	9%	$4	0%	$92	1%
North Dakota	$106	4%	$102	4%	$293	16%	$4	0%	-$187	-12%
Ohio	$216	9%	$219	9%	$88	5%	-$3	0%	$128	4%
Oklahoma*	$226	9%	$226	9%	$146	8%	$0	0%	$80	1%
Oregon	$455	18%	$438	18%	$319	17%	$17	0%	$136	1%
Pennsylvania	$229	9%	$229	9%	$152	8%	$0	0%	$77	1%
Rhode Island	$201	8%	$198	8%	$19	1%	$3	0%	$182	7%
South Carolina	$87	3%	$87	4%	$77	4%	$0	0%	$10	-1%
South Dakota	$362	14%	$356	14%	$365	20%	$5	0%	-$3	-6%
Tennessee	$178	7%	$178	7%	$112	6%	$0	0%	$66	1%
Texas*	$125-$270	5%-11%	$125-$270	5%-11%	$165-$256	9%-14%	$0	0%	-$40-$14	-4%- -3%
Utah	$213	8%	$213	9%	$220	12%	$0	0%	-$7	-4%
Vermont	$260	10%	$260	11%	$123	7%	$0	0%	$137	4%
Virginia	$201	8%	$247	10%	$183	10%	-$46	-2%	$18	-2%
Washington	$187	7%	$182	7%	$87	5%	$5	0%	$100	3%
West Virginia	$119	5%	$114	5%	$54	3%	$5	0%	$65	2%
Wisconsin	$247	10%	$242	10%	$160	9%	$5	0%	$87	1%
Wyoming	$43	2%	$43	2%	$98	5%	$0	0%	-$55	-4%

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

	Monthly fee in 2015		Monthly fee in 2014		Monthly fee in 2001		Change 2014 to 2015		Change 2001 to 2015	
State	As a dollar amount	As a percent of income	As a dollar amount	As a percent of income	As a dollar amount	As a percent of income	In dollar amount	In percent of income	In dollar amount	In percent of income
Alabama	$67	4%	$67	4%	$65	5%	$0	0%	$2	-1%
Alaska	$49	3%	$49	3%	$14	1%	$0	0%	$35	2%
Arizona	$65	4%	$65	4%	$65	5%	$0	0%	$0	-1%
Arkansas*	$37	2%	$0	0%	$0	0%	$37	2%	$37	2%
California	$0	0%	$0	0%	$0	0%	$0	0%	$0	0%
Colorado	$33	2%	$165	10%	$113	9%	-$131	-8%	-$80	-7%
Connecticut	$67	4%	$66	4%	$49	4%	$1	0%	$18	0%
Delaware	$120	7%	$120	7%	$55	5%	$0	0%	$65	3%
District of Columbia	$44	3%	$44	3%	$32	3%	$0	0%	$12	0%
Florida*	$130	8%	$130	8%	$69	6%	$0	0%	$61	2%
Georgia*	$143	9%	$143	9%	$21	2%	$0	0%	$122	7%
Hawaii	$270	16%	$203	12%	$0	0%	$67	4%	$270	16%
Idaho	$50	3%	$50	3%	$65	5%	$0	0%	-$15	-2%
Illinois	$75	4%	$77	5%	$65	5%	-$2	0%	$10	-1%
Indiana*	$84	5%	$83	5%	$0	0%	$1	0%	$84	5%
Iowa*	$9	1%	$9	1%	$22	2%	$0	0%	-$13	-1%
Kansas	$58	3%	$58	4%	$22	2%	$0	0%	$36	2%
Kentucky	$130	8%	Not eligible	Not eligible	$97	8%	N/A	N/A	$33	0%
Louisiana*	$152	9%	$152	9%	$49	4%	$0	0%	$103	5%
Maine	$134	8%	$132	8%	$97	8%	$2	0%	$37	0%
Maryland*	$244	15%	$244	15%	$90	7%	$0	0%	$154	7%
Massachusetts	$141	8%	$141	9%	$40	3%	$0	0%	$101	5%
Michigan	$24	1%	$24	1%	$24	2%	$0	0%	$0	-1%
Minnesota	$45	3%	$43	3%	$5	0%	$2	0%	$40	2%
Mississippi*	$97	6%	$88	5%	$47	4%	$9	0%	$50	2%
Missouri	$108	6%	$108	7%	$43	4%	$0	0%	$65	3%
Montana	$67	4%	$66	4%	$49	4%	$1	0%	$18	0%
Nebraska	$63	4%	$63	4%	$30	2%	$0	0%	$33	1%
Nevada*	$50	3%	$50	3%	$0	0%	$0	0%	$50	3%
New Hampshire	$126	7%	$124	8%	$0	0%	$2	0%	$126	7%
New Jersey	$77	5%	$77	5%	$71	6%	$0	0%	$6	-1%
New Mexico	$76	5%	$72	4%	$47	4%	$4	0%	$29	1%
New York*	$9	1%	$8	0%	$4	0%	$1	0%	$5	0%
North Carolina	$167	10%	$165	10%	$106	9%	$2	0%	$61	1%
North Dakota	$37	2%	$35	2%	$158	13%	$2	0%	-$121	-11%
Ohio*	$119	7%	$120	7%	$43	4%	-$1	0%	$76	4%
Oklahoma	$139	8%	$132	8%	$54	4%	$7	0%	$85	4%
Oregon	$173	10%	$168	10%	$90	7%	$5	0%	$83	3%
Pennsylvania	$134	8%	$134	8%	$65	5%	$0	0%	$69	3%
Rhode Island	$33	2%	$33	2%	$0	0%	$0	0%	$33	2%
South Carolina	$61	4%	$61	4%	$43	4%	$0	0%	$18	0%
South Dakota	$0	0%	$0	0%	$0	0%	$0	0%	$0	0%
Tennessee	$113	7%	$113	7%	$39	3%	$0	0%	$74	4%
Texas*	$55-$180	3%-11%	$75-$180	5%-11%	$109-$170	9%-14%	-$20-$0	-1%-0%	-$54-$10	-6%- -3%
Utah	$16	1%	$16	1%	$36	3%	$0	0%	-$20	-2%
Vermont	$6	0%	$6	0%	$0	0%	$0	0%	$6	0%
Virginia	$100	6%	$164	10%	$122	10%	-$64	-4%	-$22	-4%
Washington	$65	4%	$65	4%	$20	2%	$0	0%	$45	2%
West Virginia	$76	5%	$76	5%	$27	2%	$0	0%	$49	2%
Wisconsin	$108	6%	$108	7%	$61	5%	$0	0%	$47	1%
Wyoming	$0	0%	$0	0%	$10	1%	$0	0%	-$10	-1%

NOTES FOR TABLES 3A AND 3B: PARENT COPAYMENTS

For a family of three, an income at 100 percent of poverty was equal to $14,630 a year in 2001, $19,790 a year in 2014, and $20,090 a year in 2015.

For a family of three, an income at 150 percent of poverty was equal to $21,945 a year in 2001, $29,685 a year in 2014, and $30,135 a year in 2015.

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

Monthly fees were calculated from hourly, daily, and weekly fees 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 2015 reflect policies as of February 2015, data in the tables for 2014 reflect policies as of February 2014, and data in the tables for 2001 reflect policies as of June 2001, unless otherwise indicated.

Arkansas: As of March 2014, the copayment varies with the quality level of the care a family uses, with a family paying 8 percent of the cost of care if using a provider at the basic level (a provider that is not participating in the state's three-tier quality rating and improvement system or that does not meet the criteria for a rating in that system), 6 percent if using a provider at quality level one, 4 percent if using a provider at quality level two, and 2 percent if using a provider at quality level three. The copayment amount for 2015 shown in Table 3b assumes the family is using a provider at the basic level.

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.

Georgia: As of July 2015, in four areas of the state (covering Bibb, Brooks, Catoosa, Clarke, Colquitt, Cook, Echols, Gilmer, Gordon, Lowndes, Murray, and Whitfield counties), copayments were lowered for families using providers with quality ratings under the state's quality rating and improvement system, which has three star levels; the copayment was reduced to $15 per week ($65 per month) for families using one-star providers, $10 per week ($43 per month) for families using two-star providers, and $5 per week ($22 per month) for families using three-star providers, regardless of the family's income level.

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.

Iowa: A family with an income at 150 percent of poverty would be eligible for assistance if the family were using special needs care. For this family, the copayment would have been $174 per month in 2014 and 2015. A family with an income at 100 percent of poverty that is using special needs care would have the same copayment as a family using standard care. Also note that 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.

Louisiana: Data are not available for June 2001, so data from March 2000 are used instead.

Maryland: The state determines copayments based on maximum state reimbursement rates in the region where the family lives.

Mississippi: For children in foster care or protective services and children receiving SSI benefits, the copayment is $10 per month.

Nebraska: A family with an income at 150 percent of poverty would be eligible if the family were transitioning from TANF. This family's copayment would have been $190 per month in 2014 and 2015.

Nevada: Families receiving TANF and participating in work or work-related activities, certain families receiving child protective services, and certain foster parents are exempt from copayments. Also note that a family with an income at 150 percent of poverty may be eligible in some extraordinary circumstances, such as if the family has a child with disabilities, a child in protective services, or a dramatic change in circumstances. A family at 150 percent of poverty would also be eligible for a contracted slot or wrap-around services. The copayment for a family at this income level would have been $199 per month in 2014 and 2015 (unless exempt from the copayment).

New York: Local social services districts set their copayments within a state-specified range; the copayments in the tables reflect the maximum amount allowed in that range. Families receiving TANF and participating in their required activity do not have a copayment. Also note that data are not available for June 2001, so data from March 2000 are used instead.

Ohio: As of September 2015, the state eliminated copayments for families with incomes up to 100 percent of poverty; previously, only families with incomes up to 10 percent of poverty had no copayment.

Oklahoma: The copayment amounts shown in Table 3a for a family with an income at 150 percent of poverty in 2014 and 2015 assume the family had two children in care; if the family had one child in care, it would not have been eligible for child care assistance.

Texas: Local workforce development boards set their copayments within state guidelines; the copayments in the tables reflect the range of copayments set by local boards. Also note that parents participating in the TANF Work Program and the SNAP Employment and Training program are exempt from the copayment.

TABLE 4A: STATE REIMBURSEMENT RATES IN 2015

State	State reimbursement rates compared to market rates	Year when reimbursement rates last changed	If state rate is lower than rate provider charges, is provider allowed to charge parents the difference?
Alabama	53rd-64th percentile of 2013 rates	2009	Yes
Alaska*	50th-75th percentile of 2009 rates	2010	Yes
Arizona*	75th percentile of 2000 rates	2009	Yes
Arkansas*	75th percentile of 2007 rates	2007	Yes, for certified
California*	10 percent below the 85th percentile of 2009 rates	2015	Yes
Colorado*	Locally determined	Varies by locality	No
Connecticut*	60th percentile of 2012 rates	2014	Yes
Delaware*	50 cents/day above 65% of the 75th percentile of 2011 rates	2011	Yes
District of Columbia*	Equal to or 15% above the 75th percentile of 2001 rates	2006/2013	No
Florida*	Locally determined	Varies by locality	Yes
Georgia	5th-40th percentile of 2013 rates	2006	Yes
Hawaii*	75th percentile of 2007 rates	2008/2010	Yes
Idaho	75th percentile of 2001 rates	2001	Yes
Illinois*	17th-95th percentile of 2014 rates	2012/2014	Yes, unless contracted
Indiana*	55th percentile of 2013 rates	2014	Yes
Iowa*	2%, 2%, and 4% increases above the 75th percentile of 2004 rates	2013	No
Kansas	65th percentile of 2000 rates	2002	Yes
Kentucky	68th percentile of 2005 rates	2006	Yes
Louisiana*	10th-50th percentile of 2012 rates	2007	Yes
Maine	50th percentile of 2013 rates	2013	No
Maryland*	2.5% above the 51st percentile of 2005 rates	2015	Yes
Massachusetts*	Below the 75th percentile of 2012-13 rates	2014	No
Michigan*	4th-100th percentile of 2013 rates	2009	Yes
Minnesota*	25th percentile of 2011 rates	2014	Yes
Mississippi*	36th-75th percentile of 2009 rates	2007	Yes
Missouri*	33rd percentile of 2014 rates	2013	Yes
Montana*	Two 2% increases above the 75th percentile of 2009 rates	2014	Yes
Nebraska*	60th percentile of 2013 rates	2013	No
Nevada	15th-65th percentile of 2011 rates	2004	Yes
New Hampshire*	50th percentile of 2011 rates	2013	Yes
New Jersey*	Below the 75th percentile of 2010 rates	2009/2014	Yes, unless contracted
New Mexico*	Above or below the 75th percentile of 2013 rates	2014/2015	No
New York*	69th percentile of 2013 rates	2014	Yes
North Carolina*	Below the 75th percentile of 2012-13 rates	2015	Yes
North Dakota	50th percentile of 2013 rates	2012	Yes
Ohio*	26th percentile of 2008 rates	2011	No
Oklahoma	Below the 75th percentile of 2012 rates	2013	No
Oregon	69th percentile of 2014 rates	2013	Yes
Pennsylvania*	33rd percentile (on average) of 2014 rates	2013	Yes
Rhode Island	75th percentile of 2002/2004 rates	2008	No
South Carolina	50th-75th percentile of 2011 rates	2007	Yes
South Dakota*	75th percentile of 2013 rates	2014	Yes
Tennessee	45th-75th percentile of 2006-07 rates	2008	Yes
Texas*	8th-74th percentile of 2013 rates	Varies by locality	Yes
Utah*	60th-75th percentile of 2013 rates	2014	Yes
Vermont	4th-20th percentile of 2014 rates	2013	Yes
Virginia*	50th percentile of 2012 rates	2014	Yes
Washington*	65th percentile of 2012 rates	2015	No
West Virginia*	20th-85th percentile of 2013 rates	2009	No
Wisconsin*	Below the 75th percentile of 2014 rates	2014	Yes
Wyoming*	Below the 75th percentile of 2007 rates	2012	Yes

TABLE 4B: STATE REIMBURSEMENT RATES COMPARED TO THE 75TH PERCENTILE OF CURRENT MARKET RATES IN 2015, 2014, AND 2001

	Rates equal to or above the 75th percentile of current market rates….		
State	In 2015?	In 2014?	In 2001?
Alabama	No	No	Yes
Alaska	No	No	No
Arizona	No	No	No
Arkansas	No	No	Yes
California	No	No	Yes
Colorado*	No	No	Yes
Connecticut	No	No	No
Delaware	No	No	No
District of Columbia	No	No	No
Florida*	No	No	Yes
Georgia	No	No	No
Hawaii	No	No	No
Idaho	No	No	Yes
Illinois*	No	No	No
Indiana	No	No	Yes
Iowa	No	No	No
Kansas	No	No	No
Kentucky	No	No	Yes
Louisiana	No	No	Yes
Maine	No	No	Yes
Maryland	No	No	Yes
Massachusetts	No	No	No
Michigan	No	No	No
Minnesota	No	No	Yes
Mississippi	No	No	Yes
Missouri	No	No	No
Montana*	No	No	No
Nebraska	No	No	No
Nevada	No	No	Yes
New Hampshire	No	No	No
New Jersey*	No	No	No
New Mexico*	No	No	No
New York	No	No	Yes
North Carolina*	No	No	No
North Dakota	No	No	Yes
Ohio	No	No	No
Oklahoma	No	No	No
Oregon	No	Yes	No
Pennsylvania	No	No	No
Rhode Island	No	No	Yes
South Carolina	No	No	No
South Dakota*	Yes	No	Yes
Tennessee	No	No	No
Texas*	No	No	Yes
Utah	No	No	No
Vermont	No	No	No
Virginia	No	No	No
Washington	No	No	No
West Virginia*	No	No	Yes
Wisconsin	No	No	Yes
Wyoming	No	No	Yes

TABLE 4C: STATE REIMBURSEMENT RATE AMOUNT IN 2015 COMPARED TO MARKET RATE AMOUNT FOR CHILD CARE CENTERS

		Center care for a four-year-old					Center care for a one-year-old				
State	City/county/ region	Monthly state reimburse-ment rate	75th percentile of market rate	Year of market rate	Difference between state rate and 75th percentile	Percentage difference between state rate and 75th percentile	Monthly state reimburse-ment rate	75th percentile of market rate	Year of market rate	Difference between state rate and 75th percentile	Percentage difference between state rate and 75th percentile
Alabama	Birmingham Region	$442	$585	2014	-$143	-24%	$481	$658	2014	-$178	-27%
Alaska	Anchorage	$650	$825	2013	-$175	-21%	$850	$945	2013	-$95	-10%
Arizona	Maricopa County (Phoenix)	$515	$883	2014	-$368	-42%	$576	$1,005	2014	-$429	-43%
Arkansas	Pulaski County	$457	$569	2013	-$113	-20%	$552	$698	2013	-$146	-21%
California*	Los Angeles County	$850	$1,039	2014	-$189	-18%	$1,237	$1,466	2014	-$229	-16%
Colorado*	El Paso County	$578	$918	2013	-$340	-37%	$738	$1,013	2013	-$275	-27%
Connecticut*	North Central Region	$693	$1,065	2012	-$372	-35%	$870	$1,299	2012	-$429	-33%
Delaware	New Castle County	$574	$916	2013	-$342	-37%	$622	$998	2013	-$376	-38%
District of Columbia*	Citywide	$909	$1,409	2012	-$500	-35%	$1,355	$1,829	2012	-$474	-26%
Florida	Miami-Dade County	$403	$570	2013	-$167	-29%	$442	$628	2013	-$186	-30%
Georgia*	Zone 1	$494	$784	2013	-$290	-37%	$602	$909	2013	-$307	-34%
Hawaii	Statewide	$675	$815	2014	-$140	-17%	$1,395	$1,595	2014	-$200	-13%
Idaho*	Region IV (Boise Metro Area)	$492	$613	2013	-$121	-20%	$594	$752	2013	-$158	-21%
Illinois*	Group 1A	$708	$1,169	2014	-$461	-39%	$1,007	$1,287	2014	-$280	-22%
Indiana*	Marion County (Indianapolis)	$762	$805	2013	-$43	-5%	$905	$1,078	2013	-$173	-16%
Iowa*	Statewide	$595	$770	2014	-$175	-23%	$738	$902	2014	-$164	-18%
Kansas	Sedgwick County	$444	$600	2013	-$156	-26%	$661	$844	2013	-$183	-22%
Kentucky	Central Region	$466	$572	2013	-$106	-19%	$532	$616	2013	-$84	-14%
Louisiana	Statewide	$390	$541	2014	-$151	-28%	$413	$585	2014	-$172	-29%
Maine	Cumberland County	$810	$953	2013	-$143	-15%	$974	$1,121	2013	-$147	-13%
Maryland*	Region W	$546	$815	2013	-$269	-33%	$865	$1,190	2013	-$324	-27%
Massachusetts*	Boston	$827	$1,221	2013	-$394	-32%	$1,230	$1,632	2013	-$402	-25%
Michigan*	Statewide	$487	$823	2013	-$336	-41%	$731	$1,219	2013	-$488	-40%
Minnesota	Hennepin County	$870	$1,156	2014	-$286	-25%	$1,160	$1,541	2014	-$381	-25%
Mississippi	Statewide	$339	$476	2013	-$137	-29%	$375	$563	2013	-$188	-33%
Missouri*	St. Louis Metropolitan Area	$358	$766	2014	-$408	-53%	$614	$1,102	2014	-$488	-44%
Montana*	Billings Region	$649	$650	2013	-$1	0%	$743	$714	2013	$29	4%
Nebraska*	Urban Counties	$730	$844	2013	-$114	-14%	$844	$909	2013	-$65	-7%
Nevada	Clark County	$498	$769	2011	-$271	-35%	$606	$866	2011	-$260	-30%
New Hampshire*	Statewide	$736	$897	2014	-$161	-18%	$874	$1,031	2014	-$157	-15%
New Jersey	Statewide	$573	$906	2012	-$333	-37%	$695	$1,031	2012	-$335	-33%
New Mexico*	Statewide	$458	$714	2013	-$256	-36%	$721	$721	2013	$0	0%
New York*	New York City	$1,009	$1,044	2013	-$35	-3%	$1,429	$1,464	2013	-$35	-2%
North Carolina*	Mecklenburg County	$776	$1,010	2013	-$234	-23%	$870	$1,118	2013	-$248	-22%
North Dakota	Statewide	$565	$600	2013	-$35	-6%	$663	$700	2013	-$37	-5%
Ohio	Cuyahoga County (Cleveland)	$570	$910	2014	-$340	-37%	$713	$1,254	2014	-$542	-43%
Oklahoma*	Enhanced Area Counties	$461	$602	2014	-$141	-23%	$624	$714	2014	-$90	-13%
Oregon	Portland/Multnomah County	$850	$895	2014	-$45	-5%	$1,130	$1,211	2014	-$81	-7%
Pennsylvania	Philadelphia	$707	$850	2014	-$143	-17%	$902	$1,023	2014	-$121	-12%
Rhode Island	Statewide	$680	$866	2013	-$186	-21%	$814	$1,054	2013	-$240	-23%
South Carolina	Statewide Urban Counties	$476	$563	2013	-$87	-15%	$528	$630	2013	-$102	-16%
South Dakota*	Minnehaha County (Sioux Falls)	$692	$692	2013	$0	0%	$770	$770	2013	$0	0%
Tennessee*	Top Tier Counties	$515	$625	2014	-$110	-18%	$598	$758	2014	-$160	-21%
Texas	Gulf Coast Area	$507	$670	2013	-$163	-24%	$713	$780	2013	-$67	-9%
Utah*	Statewide	$505	$537	2013	-$32	-6%	$650	$710	2013	-$60	-8%
Vermont	Statewide	$809	$931	2014	-$122	-13%	$856	$1,031	2014	-$174	-17%
Virginia*	Fairfax County	$1,147	$1,293	2012	-$145	-11%	$1,364	$1,481	2012	-$117	-8%
Washington*	Region 4 (King County)	$743	$1,117	2012	-$374	-34%	$885	$1,358	2012	-$473	-35%
West Virginia	Statewide	$498	$563	2013	-$65	-12%	$606	$650	2013	-$43	-7%
Wisconsin*	Milwaukee County	$827	$1,007	2012	-$180	-18%	$1,065	$1,299	2012	-$234	-18%
Wyoming	Statewide	$521	$649	2012	-$128	-20%	$573	$758	2012	-$185	-24%

TABLE 4D: STATE TIERED REIMBURSEMENT RATES FOR CENTER CARE FOR A FOUR-YEAR-OLD IN 2015

State	City/county/ region	Number of tier levels (including base rate)	Reimburse-ment rate for lowest tier	Reimburse-ment rate for highest tier	Reimbursement rates between highest and lowest tiers	Difference between highest and lowest tiers	Percentage difference between highest and lowest tiers	75th percentile of market rate	Difference between rate at highest tier and 75th percentile	Percentage difference between rate at highest tier and 75th percentile
Alabama										
Alaska										
Arizona	Maricopa County (Phoenix)	2	$515	$567	N/A	$52	10%	$883	-$317	-36%
Arkansas*	Pulaski County	4	$457	$588	$511, $536	$131	29%	$569	$18	3%
California										
Colorado*	El Paso County	5	$578	$635	$589, $601, $618	$58	10%	$918	-$283	-31%
Connecticut*	North Central Region	2	$693	$727	N/A	$35	5%	$1,065	-$338	-32%
Delaware*	New Castle County	4	$574	$883	$693, $805	$309	54%	$916	-$32	-4%
District of Columbia	Citywide	3	$632	$909	$771	$277	44%	$1,409	-$500	-35%
Florida*	Miami-Dade County	2	$403	$483	N/A	$81	20%	$570	-$87	-15%
Georgia*	Zone 1	4	$494	$543	$503, $518	$49	10%	$784	-$241	-31%
Hawaii*	Statewide	2	$675	$710	N/A	$35	5%	$815	-$105	-13%
Idaho										
Illinois*	Group 1A	3	$708	$815	$779	$106	15%	$1,169	-$354	-30%
Indiana*	Marion County (Indianapolis)	4	$762	$992	$840, $914	$229	30%	$805	$187	23%
Iowa										
Kansas										
Kentucky*	Central Region	4	$455	$516	See notes	$61	13%	$572	-$56	-10%
Louisiana*	Statewide	5	$379	$455	$390, $409, $430	$76	20%	$541	-$87	-16%
Maine	Cumberland County	4	$810	$891	$826, $850	$81	10%	$953	-$62	-7%
Maryland*	Region W	4	$546	$687	$600, $649	$142	26%	$815	-$128	-16%
Massachusetts*										
Michigan*	Statewide	4	$487	$633	$536, $585	$146	30%	$823	-$190	-23%
Minnesota*	Hennepin County	3	$870	$1,044	$1,001	$174	20%	$1,156	-$112	-10%
Mississippi*	Statewide	5	$312	$424	See notes	$111	36%	$476	-$52	-11%
Missouri*	St. Louis	2	$358	$430	N/A	$72	20%	$766	-$336	-44%
Montana*	Billings Region	5	$649	$778	$681, $714, $746	$130	20%	$650	$129	20%
Nebraska*	Urban Counties	7	$730	$929	$767, $803, $840, $844, $887	$199	27%	$844	$85	10%
Nevada	Clark County	4	$498	$558	$528, $543	$60	12%	$769	-$212	-27%
New Hampshire*	Statewide	3	$736	$810	$773	$74	10%	$897	-$88	-10%
New Jersey	Statewide	2	$573	$604	N/A	$31	5%	$906	-$302	-33%
New Mexico*	Statewide	7	$458	$708	$546, $558, $580, $608, $638	$250	55%	$768	-$60	-8%
New York*	New York City	2	$1,009	$1,160	N/A	$151	15%	$1,044	$117	11%
North Carolina*	Mecklenburg County	4	$477	$776	$721, $746	$299	63%	$1,010	-$234	-23%
North Dakota										
Ohio	Cuyahoga County (Cleveland)	6	$570	$712	$598, $627, $655, $684	$142	25%	$910	-$198	-22%
Oklahoma*	Enhanced Area Counties	4	$292	$509	$375, $461	$217	74%	$602	-$93	-15%
Oregon										
Pennsylvania*	Philadelphia	5	$707	$815	$714, $727, $767	$108	15%	$850	-$35	-4%
Rhode Island*										
South Carolina	Statewide Urban Counties	5	$390	$624	$455, $476, $580	$234	60%	$563	$61	11%
South Dakota										
Tennessee*	Top Tier Counties	4	$429	$515	$450, $494	$87	20%	$625	-$110	-18%
Texas	Gulf Coast Area	2	$507	$533	N/A	$25	5%	$670	-$138	-21%
Utah										
Vermont	Statewide	6	$578	$809	$607, $636, $694, $751	$231	40%	$931	-$122	-13%
Virginia										
Washington*	Region 4 (King County)	5	$743	$854	$757, $772, $817	$111	15%	$1,117	-$263	-24%
West Virginia	Statewide	3	$498	$585	$541	$87	17%	$563	$22	4%
Wisconsin*	Milwaukee County	4	$786	$1,034	$827, $910	$248	32%	$1,007	$27	3%
Wyoming										

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

State reimbursement 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 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 2015 are considered current if set at the 75th percentile of 2013 or more recent market rates).

States were asked to report reimbursement 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 reimbursement rates and the 75th percentile were calculated using raw data, rather than the rounded numbers shown in the table.

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

Data in the tables for 2015 reflect policies as of February 2015, data in the tables for 2014 reflect policies as of February 2014, and data in the tables for 2001 reflect policies as of June 2001, unless otherwise indicated. Certain changes in policies since February 2015 are noted below.

Alaska: Reimbursement rates are set at the 75th percentile of 2009 market rates for infant and toddler care and at the 50th percentile for all other categories of care.

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

Arkansas: Only facilities certified at level two or three of the state's three-tier quality rating and improvement system are allowed to charge parents the difference between the state reimbursement rate and the rate charged to private-paying parents. Also note that the reimbursement rates in Table 4d reflect that the state began paying higher rates for higher-quality care as of July 2014.

California: The reimbursement rates in Table 4c reflect that the state increased rates from the 85th percentile of 2005 market rates to 10.11 percent below the 85th percentile of 2009 market rates as of January 2015. The state planned to increase rates for licensed care by 4.5 percent and planned to increase rates for license-exempt family child care from 60 percent to 65 percent of licensed family child care rates as of October 2015.

Colorado: Counties determine their reimbursement rates and when to update them. The reimbursement rates in Tables 4c and 4d reflect that El Paso increased its rates as of February 2015. Counties also determine whether to offer higher rates for higher-quality care. While only some counties (including El Paso) had higher rates for higher-quality care in 2015, all counties will be required to have such tiered rates by July 2016.

Connecticut: The reimbursement rates in Tables 4c and 4d reflect that the state increased rates by 3 percent as of July 2014 and by an additional 3 percent as of January 2015.

Delaware: Providers are allowed to charge parents the difference between the state reimbursement rate and the rate charged to private-paying parents under the Purchase of Care Plus option. Also note that the state has five quality rating levels, but only four different reimbursement rate tiers; providers at both quality level one and quality level two receive the base rate. Table 4d reflects that the state increased reimbursement rates for providers at the top two quality levels as of July 2014.

District of Columbia: The District increased reimbursement rates for infant and toddler care by 15 percent in October 2013; the remaining rates were last changed in 2006.

Florida: Local early learning coalitions determine their reimbursement rates and when to update them. 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.

Georgia: Zone 1 includes Camden, Cherokee, Clayton, Cobb, DeKalb, Douglas, Fayette, Forsyth, Fulton, Gwinnett, Hall, Henry, Paulding, and Rockdale Counties.

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

Idaho: Region IV includes Ada, Boise, Elmore, and Valley Counties.

Illinois: Reimbursement rates vary by the age of the child, type of care, and region of the state. Rates for centers range from the 17th to 62nd percentile of 2014 market rates and rates for family child care range from the 57th to 95th percentile. The state last increased rates for child care centers in January 2012 and for family child care in December 2014. Reimbursement rates are reported for the Metropolitan Region (referred to as Group 1A), which includes Cook, DeKalb, DuPage, Kane, Kendall, Lake, and McHenry Counties. Also note that a provider that has a contract with the state is not permitted to ask families to pay the difference between the state reimbursement rate and the rate charged to private-paying parents. Table 4d reflects that the state reduced the number of reimbursement rate tiers and the differential between the lowest and highest tiers for child care centers since February 2014 following implementation of a new quality rating and improvement system; previously, the state had five rate tiers, with the highest tier 20 percent above the base rate. The state is transitioning to the new quality rating and improvement system and corresponding tiered rates for family child care providers as well.

Indiana: The reimbursement rates in Tables 4c and 4d reflect that the state increased base rates from the 75th percentile of 2007 market rates to the 55th percentile of 2013 market rates as of May 2014. Table 4d also reflects that the state increased the number of reimbursement rate tiers and the differential between the lowest and highest tiers as of May 2014; previously, the state had two rate tiers, with the highest tier 10 percent above the base rate.

Iowa: The state set its rates at the 75th percentile of 2004 market rates in 2007, and then increased its rates by 2 percent in 2008, by another 2 percent in January 2013, and by 4 percent in July 2013. Also note that 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.

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

Louisiana: Reimbursement rates are below the 50th percentile of 2012 market rates for most age groups and types of care. Rates for center care for infants, toddlers, and preschoolers are at or below the 10th percentile, rates for family child care for infants and toddlers are between the 25th and 50th percentile, and rates for family child care for preschoolers are between the 15th and 30th percentile. Rates were last updated as of January 2007, except for the addition of rates for military providers in October 2009. Also note that, although shown in Table 4d as incorporated into the monthly reimbursement rate, bonuses for higher-quality care are paid quarterly.

Maryland: The reimbursement rates in Tables 4c and 4d reflect that the state increased rates by 2.5 percent as of January 2015. Region W includes Anne Arundel, Calvert, Carroll, Charles, and Prince George's Counties.

Massachusetts: The reimbursement rates in Table 4c reflect that the state increased rates for center care by 2.3 percent as of March 2014 and by an additional 1.806 percent as of December 2014; the state also increased rates for family child care by 4 percent as of March 2014 and by an additional 3 percent as of July 2014. 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 for children up to 2.9 years old.

Michigan: In October 2011, reimbursement rates for legally exempt family child care providers at tier one (providers that do not complete the additional training required to achieve tier two) were reduced; reimbursement rates for other types of providers remained the same. Also note that monthly rates in Tables 4c and 4d were calculated based on hourly rates and taking into account that the state increased the maximum reimbursable hours from 80 to 90 in a two-week period as of July 2014. Table 4d reflects that the state also implemented tiered rates for providers at the three-star level and higher under the state's quality rating and improvement system, which has five star levels, as of July 2014. The state increased reimbursement rates for providers with ratings at the two-star level and higher as of July 2015.

Minnesota: Base reimbursement rates were set at the 25th percentile of 2011 market rates or left at the existing level (the level that went into effect as of November 28, 2011, following a 2.5 percent rate reduction), whichever was higher, as of February 2014. Table 4d reflects that the state increased the number of reimbursement rate tiers and the differential between the lowest and highest tiers as of March 2014; previously, the state had two rate tiers, with the highest tier 15 percent above the base rate.

Mississippi: Reimbursement rates for licensed centers are at the 51st percentile of 2009 market rates for infants, 49th percentile for toddlers, 56th percentile for preschoolers, 62nd percentile for school-age care during the summer, and 75th percentile for special needs care. Reimbursement rates for family child care are at the 36th percentile for infants, 65th percentile for toddlers, 64th percentile for preschoolers, 75th percentile for school-age care during the summer, and 42nd percentile for special needs care. Also note that the state has two separate tiers for providers: tier two for those meeting basic licensing/regulatory requirements and tier one for those that are accredited or have a director who meets certain educational and/or experience criteria; tier one providers receive a higher rate. In addition, the state has a five-star quality rating and improvement system that provides bonuses equal to 7 percent of the total payment for two-star centers, 17 percent for three-star centers, 22 percent for four-star centers, and 25 percent for five-star centers. The highest rate shown in Table 4d assumes that the provider qualifies for the tier one rate level and five-star bonus.

Missouri: The state does not allow parents involved in the protective services system to be asked to pay the difference between the state reimbursement rate and the rate charged to private-paying parents. Also note that the state increased its reimbursement rates by 3 percent as of July 2015.

Montana: While some of the state's reimbursement rates in 2015—including the rates shown in Table 4c—were at or above the 75th percentile of 2013 market rates, some rates for other age groups, regions, and types of care were below the 75th percentile. Reimbursement rates were set at the 75th percentile of 2009 market rates in 2009, and then increased by 2 percent as of August 2013 and by an additional 2 percent as of July 2014. The reimbursement rates in Table 4c and 4d reflect the 2 percent increase as of July 2014. Also note that data on policies as of 2001 are not available, so policies as of March 2000 are used instead.

Nebraska: Providers are not allowed to charge the parent or caretaker the difference between the state reimbursement rate and the provider's private pay rate, except in the case of a foster parent or subsidized adoptive parent or guardian. Also note that Urban Counties include Dakota, Douglas, Lancaster, and Sarpy Counties. Table 4d reflects that the state increased the number of rate tiers as of July 2014. Previously, the state had two rate tiers, including one for non-accredited care ($730 per month) and one for accredited care ($844 per month). Under the current system, non-accredited providers are reimbursed at the base rate if they do not participate in the state's five-level quality rating and improvement system or are at step one or two of the system, 5 percent above the base rate once they reach step three, 10 percent above the base the rate once they reach step four, and 15 percent above the base rate once they reach step five; accredited providers are reimbursed at the accredited rate if they do not participate in the quality rating and improvement system or are at step one, two, or three, 5 percent above the accredited rate once they reach step four, and 10 percent above the accredited rate once they reach step five. The state increased base reimbursement rates from the 60th percentile of 2013 market rates to the 60th percentile of 2015 market rates as of July 2015.

New Hampshire: The state increased base reimbursement rates from the 50th percentile of 2011 market rates to the 50th percentile of 2014 market rates as of June 2015.

New Jersey: The percentile of the market rate at which reimbursement rates are set depends on the age of the child and category of care. The state increased rates for approved home providers and registered family child care providers represented by the Child Care Workers Union in April 2014 and again in August 2014; rates for centers were last changed in 2009. Also note that centers that have direct contracts with the state are not permitted to ask families receiving child care assistance to pay the difference between the state reimbursement rate and the rate charged to private-paying parents. Data on policies as of 2001 are not available, so policies as of March 2000 are used instead.

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

New York: The reimbursement rates in Tables 4c and 4d reflect that the state increased rates from the 75th percentile of 2011 market rates to the 69th percentile of 2013 market rates as of April 2014. Also note that local social services districts may set reimbursement rates for accredited programs 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. 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 facilities not participating in the quality rating and improvement system are reimbursed at the rate that had been used for one-star providers; this rate was set based on 2003 market rate survey data. The reimbursement rates in Tables 4c and 4d reflect that the state increased rates for three-, four-, and five-star licensed providers as of January 2015. In Table 4c, the reimbursement rate for the most common rate level is compared to the 75th percentile for that same quality level. In Table 4d, the reimbursement rate for the highest quality level is compared to the 75th percentile for that quality level.

Ohio: The state reduced base reimbursement rates to the 26th percentile of 2008 market rates (from the 35th percentile of 2008 market rates) as of July 2011.

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

Pennsylvania: The state has five rate tiers, including the base rate and a rate for each level of the state's quality rating and improvement system, which has four star levels. The state lowered base reimbursement rates for centers with no star rating as of January 2013. The rates for one-star providers, which previously were reimbursed at the base level, and for two-star providers were not changed. The rates for three- and four-star providers were increased in January 2013 and again in August 2013.

Rhode Island: The state began providing higher reimbursement, in the form of monthly awards, for higher-quality care for infants and toddlers as of August 2013. To be eligible for an award, a provider must serve children under age three and at least 10 percent of the children enrolled must receive child care assistance. For each child under age three receiving child care assistance, three-star providers receive $100 per year ($8.33 per month), four-star providers receive $300 per year ($25 per month), and five-star providers receive $500 per year ($41.67 per month), in addition to the base rate.

South Dakota: The reimbursement rates in Table 4c reflect that the state increased rates from the 75th percentile of 2011 market rates to the 75th percentile of 2013 market rates as of June 2014.

Tennessee: Data on the 75th percentile of 2014 market rates are not available, so the 70th percentile of market rates is shown in Tables 4c and 4d instead. Top Tier Counties are those with the 20 highest average populations in 2007 and/or 20 highest per capita incomes in 2005-2007; these counties include: Anderson, Blount, Bradley, Cheatham, Coffee, Davidson, Fayette, Greene, Hamilton, Knox, Loudon, Madison, Maury, Montgomery, Putnam, Roane, Robertson, Rutherford, Sevier, Shelby, Sullivan, Sumner, Washington, and Williamson.

Texas: Local workforce development boards set their reimbursement rates and determine when to update them. Average rates across board areas range from the 8th to 74th percentile of 2013 market rates. Twenty-two of the 28 boards have updated reimbursement rates in at least one category of care within the last two years; the Gulf Coast Workforce Development Area last updated its reimbursement rates in 2010. Also note that providers are allowed to ask parents to pay the difference between the reimbursement rate and the rate charged to private-paying parents, unless specifically prohibited by the local board or when the parent is exempt from having to pay a copayment or the parent's copayment is calculated to be zero.

Utah: The reimbursement rates in Table 4c reflect that the state increased rates in May 2014 and again in July 2014.

Virginia: The reimbursement rates in Table 4c reflect that the state increased rates for licensed and regulated providers to the 50th percentile of 2012 market rates as of September 2014.

Washington: The reimbursement rates in Tables 4c and 4d reflect that the state increased base reimbursement rates by 4 percent as of July 2014 and by another 4 percent as of January 2015. Table 4d also reflects that the state increased the number of rate tiers and the differential between the lowest and highest tiers; previously, the state had two levels, with the highest level 2 percent above the base rate. Also note that the state planned to increase base rates by 2 percent as of January 2016.

West Virginia: The percentile of the market rate for reimbursement rates varies by the type of care, age of the child, and quality tier. Also note that policies as of 2001 are not available, so policies as of March 2000 are used instead.

Wisconsin: The reimbursement rates in Tables 4c and 4d reflect that the state increased rates as of November 2014 to ensure that all rates were within 18 percent of the 75th percentile of 2014 market rates.

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

TABLE 5: ELIGIBILITY FOR CHILD CARE ASSISTANCE WHILE PARENTS SEARCH FOR A JOB IN 2015

	Parents receiving child care assistance when they lose a job		Parents applying for child care assistance while searching for a job	
State	Can they continue receiving assistance?	For how much time?	Can they qualify for assistance?	For how much time?
Alabama	No	N/A	No	N/A
Alaska*	Yes	80 hours	Yes	80 hours
Arizona*	Yes	60 days	No	N/A
Arkansas*	Yes	Until end of 12-month eligibility period	No	N/A
California*	Yes	60 days	Yes	60 days
Colorado*	Yes	60 days	Yes	60 days
Connecticut*	Yes	Until end of following month	No	N/A
Delaware	Yes	3 months	No	N/A
District of Columbia*	Yes	3 months	No	N/A
Florida	Yes	60 days	No	N/A
Georgia*	Yes	8 weeks	No	N/A
Hawaii*	Yes	30 days	Yes	30 days
Idaho*	Yes	Until end of month	No	N/A
Illinois*	Yes	90 days	No	N/A
Indiana*	Yes	13 weeks	No	N/A
Iowa*	Yes	30 days	Yes	30 days
Kansas*	Yes	Until end of month	No	N/A
Kentucky*	Yes	4 weeks	No	N/A
Louisiana	No	N/A	No	N/A
Maine*	Yes	8 weeks	No	N/A
Maryland*	Yes	30 days	No	N/A
Massachusetts*	Yes	8 weeks	Yes	8 weeks
Michigan*	No	N/A	No	N/A
Minnesota*	Yes	240 hours	Yes	240 hours
Mississippi*	Yes	60 days	Yes	60 days
Missouri*	Yes	30 days	No	N/A
Montana*	Yes	90 days	No	N/A
Nebraska*	Yes	2 months	Yes	2 months
Nevada*	Yes	4 weeks	Yes	4 weeks
New Hampshire*	Yes	40 days	Yes	40 days
New Jersey*	Yes	90 days	No	N/A
New Mexico*	Yes	30 days	No	N/A
New York*	Yes	4 weeks	Local decision	See notes
North Carolina*	Yes	30 days	No	N/A
North Dakota*	Yes	8 weeks	Yes	8 weeks
Ohio*	Yes	91 days	No	N/A
Oklahoma*	Yes	30 days	No	N/A
Oregon*	Yes	Until end of following month	No	N/A
Pennsylvania*	Yes	30 days	No	N/A
Rhode Island*	Yes	21 days	No	N/A
South Carolina*	Yes	30 days	No	N/A
South Dakota*	Yes	30 days	No	N/A
Tennessee	Yes	30 days	No	N/A
Texas*	Yes	4 weeks	No	N/A
Utah*	Yes	2 months	No	N/A
Vermont*	Yes	1 month	Yes	1 month
Virginia*	No	N/A	No	N/A
Washington*	Yes	56 days	No	N/A
West Virginia	Yes	30 days	No	N/A
Wisconsin	Yes	Until end of month	No	N/A
Wyoming	No	N/A	No	N/A

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 reflect policies as of February 2015. Certain changes in policies since February 2015 are noted below.

Alaska: Parents can receive child care assistance while searching for a job for up to 80 hours per year.

Arizona: Parent receiving child care assistance can continue to receive it while searching for a job for up to two 30-day periods or one 60-day period, beginning after the last day worked, in each 12-month period.

Arkansas: The data in the table reflect that, as of January 2015, parents receiving child care assistance can continue to receive it until the end of their 12-month eligibility period, including in the event of a job loss; at the end of the eligibility period, parents can continue receiving child care assistance while searching for a job for up to an additional 90 days. Previously, parents could continue to receive child care assistance while searching for a job for up to 60 consecutive days once in a calendar year. Also note that the state allows parents to qualify for child care assistance while searching for a job on a case-by-case basis, if funds are available.

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

Colorado: The data in the table reflect that the state increased the amount of time parents could receive child care assistance while searching for a job from 30 days to 60 days as of December 2014. Parents can receive child care assistance for up to 60 days in a 12-month period from when the job search began.

Connecticut: Parents receiving child care assistance can continue to receive it until the end of the month following the month of a job loss, if the parent timely reports the loss and is actively seeking a new job.

District of Columbia: Parents receiving child care assistance can continue to receive it for up to 3 months from the effective date of employment termination if they lost a job due to a reduction in force by the employer and through no fault of the employee.

Georgia: Parents receiving child care assistance can continue to receive it for up to 8 weeks after each occurrence of job loss. Families must be able to document the reason for the job loss and that they are receiving unemployment benefits from the state.

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 searching for a new job can continue to receive child care assistance through the end of the month in which they lost their previous job.

Illinois: Parents receiving child care assistance can continue to receive it while searching for a job for up to 90 consecutive days, beginning with the day after the parent's last day of work or school, or up to 30 consecutive days during three separate times within a 12-month period.

Indiana: Parents receiving child care assistance can continue to receive it while searching for a job for up to 13 cumulative weeks per 12-month period beginning one day after the loss of a job. Parents are allowed the same number of hours of child care during their job search as they had for their prior documented activity.

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

Kansas: Parents receiving child care assistance must report the loss of a job within 10 days, and the caseworker must provide 10 days' notice that the case will be closed. Cases always close the last day of the month.

Kentucky: The state planned to extend the amount of time parents could continue to receive child care assistance while searching for a job to 90 days as of December 2015.

Maine: Parents receiving child care assistance could continue to receive it while searching for a job for up to 8 weeks, for up to 20 hours per week, under the policy in effect as of February 2015. The state extended the amount of time parents can continue to receive child care assistance while searching for a job to 12 weeks as of April 2015.

Maryland: Parents receiving child care assistance can continue to receive it while searching for a job for up to 30 consecutive days.

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

Michigan: Parents receiving child care assistance can continue to receive it until the end of their 12-month eligibility period, including in the event of a job loss, as of July 2015.

Minnesota: Parents can receive child care assistance while searching for a job for up to 240 hours per calendar year.

Mississippi: Parents can receive child care assistance while searching for a job for up to 60 days from the last date of employment, per instance of job loss.

Missouri: Parents receiving child care assistance can continue to receive it for up to 30 days after losing a job, twice per calendar year. The state planned to extend the amount of time parents could continue receiving child care assistance while searching for a job to 90 days as of December 2015.

Montana: The data in the table reflect that the state increased the amount of time parents could receive child care assistance while searching for a job from 30 days to 90 days as of August 2014.

Nebraska: Parents can receive child care assistance while searching for a job for up to 2 consecutive calendar months following each instance of the loss of employment. Families with school-age children generally cannot receive child care assistance while a parent searches for a job.

Nevada: The data in the table reflect that the state increased the amount of time parents could receive child care assistance while searching for a job from 2 weeks to 4 weeks as of July 2014. Parents can receive child care assistance while searching for a job for up to 4 weeks in a 12-month calendar year. If child care assistance is provided for at least one day, the entire week is counted toward this limit. Child care assistance is only provided while a parent searches for a job for a child who is not attending full-day school.

New Hampshire: Parents can receive child care assistance while searching for a job for up to 40 days in a 6-month period, for up to 30 hours per week. 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: Parents receiving child care assistance can continue to receive it after losing a job for up to 90 days from the date of a layoff notice. Parents cannot receive child care assistance while searching for a job if they voluntarily quit employment.

New Mexico: Parents receiving child care assistance can continue to receive it while searching for a job for up to 30 calendar days, twice per calendar year, immediately following the loss of employment or graduation from high school or undergraduate school.

New York: Local social services districts may allow parents receiving child care assistance to continue to receive it while searching for a job for up to 2 weeks, or 4 weeks if child care arrangements would be lost if assistance was not continued. 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 receiving child care assistance can continue to receive it while searching for a job for up to 30 calendar days, and can request a 30-day extension.

North Dakota: Parents can receive child care assistance while searching for a job for up to 8 weeks in a calendar year, for up to 20 hours per week.

Ohio: The data in the table reflect that, as of September 2014, parents receiving child care assistance can continue to receive it for up to 91 days or until the end of the eligibility period (whichever comes first) while searching for a job, even if they are not scheduled to return to work, school, or training; under the previous policy, parents receiving child care assistance could continue to receive it for up to 30 days if they were scheduled to return to work, school, or training within that timeframe.

Oklahoma: Parents can continue to receive child care assistance for up to 30 calendar days while searching for a job if they had been receiving child care assistance for at least 30 days prior to losing a job or completing an education program. Parents may be approved to receive child care assistance while searching for a job no more than twice per calendar year, and must have been employed or going to school for at least 90 calendar days between approval periods. Also note that the state planned to extend the amount of time parents can continue to receive child care assistance while searching for a job to 90 days as of October 2015.

Oregon: Parents receiving child care assistance can continue to receive it through the end of the month following the month in which they lost their job. The state planned to extend the amount of time parents can continue to receive child care assistance while searching for a job to 3 months (starting the month after the job loss occurs) as of October 2015.

Pennsylvania: Parents who voluntarily leave a job can continue to receive child care assistance during a 13-day notification period. Parents who involuntarily lose a job can continue to receive child care assistance for up to 30 days, in addition to the 13-day notification period. After the 30-day period, parents can remain eligible for child care assistance for up to 30 additional days, but their case is suspended and they cannot receive child care assistance to help pay for child care during this time.

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

South Carolina: Parents receiving child care assistance can continue to receive it while searching for a job for up to 30 days from the date of the employment loss.

South Dakota: Parents receiving child care assistance can continue to receive it while searching for a job for up to 30 days from the last date of employment.

Texas: Parents receiving child care assistance can continue to receive it while searching for a job for up to 4 weeks in a federal fiscal year.

Utah: Parents receiving child care assistance can continue to receive it while searching for a job for up to 2 months once in a 12-month period, if they were employed at least 32 hours per week at the time of the job loss. Prior to 2015, parents could continue to receive assistance through the primary child care assistance program only until the end of the month of a job loss. Previously, parents could also qualify or continue to receive child care assistance while searching for a job for up to 150 hours in a 6-month period under the Kids-In-Care Program; this program was ended in June 2014 but was reinstated as of September 2015 to serve families not already receiving child care assistance.

Vermont: Parents can request and be approved to receive child care assistance while searching for a job for an additional 2 months (beyond the initial month). Parent must complete a log documenting their work search activities. The state planned to extend the amount of time parents can receive child care assistance while searching for a job to 3 months, and eliminate the requirement for them to request the additional months of child care assistance while searching for a job, as of January 2016.

Virginia: Parents cannot receive child care assistance while searching for a job, but families must be provided at least 10 days' advance notice before their case is closed.

Washington: Parents receiving child care assistance can continue to receive it while searching for a job for up to 28 days twice per calendar year or up to 56 days once per calendar year.

NATIONAL WOMEN'S LAW CENTER
EXPANDING THE POSSIBILITIES

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