

# CCDBG: Setting the Course for Child Care in the States

Did you know that CCDBG is also the funding source and starting place for regulations, which providers get licensed by the state, and other important matters of health, safety and quality?

For more information on action to improve child care policy, regulation and funding, please visit [www.ececonsortium.org](http://www.ececonsortium.org)

The Child Care and Development Block Grant (CCDBG) is a federal law that creates a partnership between the federal government and states, creating policies and directing funding to child care services.

One major role of CCDBG is to help low-income families with the cost of child care. Eligible families can participate in their state subsidy program if funding is sufficient to meet need, if parents can find a participating provider, and if the amount of subsidy is sufficient to purchase child care in the area. CCDBG is the primary source of funding for child care assistance.

CCDBG also directs States to create basic health and safety regulations for child care providers. While the federal law directs States to apply these standards to providers participating in CCDBG, the reality is that most states use these standards to create just one set of regulations for all licensed providers, regardless of how families pay for care. So, the CCDBG law and any changes to it have the potential to impact the entire child care marketplace.

Every state has choices within a broad framework of the federal CCDBG law. So, the rules look quite different from state to state. Congress and the Administration have an important (if sometimes unseen) role to play in improving these rules.

## **The Administration of Child Care Policies and Funding**

The federal CCDBG law is administered by the U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Care.

The CCDBG law directs states to designate a “lead agency” to administer the funding and policies. That lead agency can delegate some of the work to other agencies. Some states have matters of child care licensing, subsidy and early learning all in one agency but in others, these are handled separately across multiple agencies or departments.

EARLY CARE AND  
EDUCATION CONSORTIUM

1313 L St NW, Suite 120  
Washington, DC 20005

Phone (202) 408-9625  
Fax (202) 408-9627

[info@ececonsortium.org](mailto:info@ececonsortium.org)  
[www.ececonsortium.org](http://www.ececonsortium.org)

Not only is the federal CCDBG law important to the entire child care industry, but the annual federal and state budget processes are important, too.

### **Health and Safety Requirements for Child Care Operations**

The current law directs States to establish health and safety requirements for child care operations. These requirements are to include the prevention and control of infectious diseases (including immunization); building and physical premises safety; and minimum health and safety training appropriate to the provider setting. Current federal law does not address specifics; each state determines its health and safety requirements for obtaining a license to provide child care.

### **Inspections and Monitoring**

The current law also directs states to set up procedures to ensure that child care providers within the State comply with all applicable State or local health and safety requirements. That is, the State is to set up a procedure for inspections and monitoring. But the federal law does not dictate how the states should do this; every state determines this including frequency of inspections, whether they are announced or unannounced, and the qualifications of inspection staff.

### **Who has to be licensed to operate a child care program?**

The current law does not specify *which* specific types of providers of child care services are to be licensed or required to meet licensing standards. Each state determines this on its own. Some child care providers may be legally exempt from licensure in a particular state, for instance.

### **Quality Initiatives**

Licensing is a baseline, the foundation for quality and continuous quality improvement. Current CCDBG funding rules also include a requirement that states spend no less than four percent of their allocation of funds for activities that are designed to provide comprehensive consumer education to parents and the public, activities that increase parental choice, and activities designed to improve the quality and availability of child care. These activities and uses of the funds vary from state to state, and many states set aside even more than the minimum requirement of four percent.

Please visit [www.ececonsortium.org](http://www.ececonsortium.org) for the status and details of CCDBG Reauthorization in Congress, regulations from the Department of Health and Human Services, and state action.