



May 15, 2018

The Honorable Kevin Brady
Chair
House Ways and Means Committee
Washington, DC 20515

The Honorable Richard Neal
Ranking Member
House Ways and Means Committee
Washington, DC 20515

Dear Chairman Brady and Ranking Member Neal:

In response to the draft "Joining Opportunity with Benefits and Services (JOBS) for Success Act," Child Care Aware® of America is providing comments on the legislation. In particular, we are offering our feedback on the proposed changes to child care entitlements.

Child Care Aware® of America (CCAOA) is a national membership-based nonprofit organization working to advance the affordability, accessibility, and quality of child care environments and to support the positive development and learning of all children in child care. Founded in 1987, we advocate for child care policies that improve the lives of children and families, lead research that advances the child care and early learning field, leverage technology to help families make informed decisions about child care, and provide professional development for child care providers. CCAOA is the only national nonprofit organization that focuses exclusively on child care and serves as 'our nation's leading voice for child care.' We work with more than 500 state and local child care resource and referral (CCR&R) agencies nationwide.

The Temporary Assistance for Needy Families (TANF) program greatly assists in lifting families out of poverty and helping parents find work. Because reliable, quality child care is crucial to parents who are working, searching for work, or in a job training or educational program, it is central to TANF's goal of helping a family achieve self-sufficiency. While the Child Care and Development Fund (CCDF) is the primary source of public funding for child care, a state may transfer up to 30 percent of its TANF funds to CCDF, or directly allocate its TANF funds, to provide child care subsidies to families in need.

Reauthorized in 2014, the Child Development Block Grant (CCDBG), which supports CCDF, is the primary federal grant program that provides child care assistance for families and funds child care quality initiatives. CCDBG is administered to states in formula block grants, and states use the grants to subsidize child care for low-income working families. Most of the assistance is administered through vouchers or certificates, which can be used by parents for the provider or program of their choice. CCDBG also funds Child Care Resource and Referral services and quality projects for infants and toddlers.

The CCDBG Act of 2014 also mandated that states meet new requirements on infant and toddler spending, comprehensive criminal background checks, consumer education, and disaster preparedness and response planning. However, many states have requested, and have been granted, waivers from the Administration for Children and Families (ACF) delaying implementation dates for many of the new requirements. The primary obstacle for states being fully compliant with the new law is lack of funding. In the FY 2018 budget, Congress provided a \$2.4 billion increase for CCDBG to assist states in meeting these new standards. However, this program continues to be underfunded in the long-term.

In the current version of the JOBS for Success Act, the legislation proposes raising the cap by allowing states to transfer up 50% of TANF funds to CCDF. However, it would prohibit these funds from being spent on child care activities. While CCAoA supports giving states more flexibility on child care investment, we fear that this proposal could negatively affect families and communities who depend on this support.

While this bill raises the cap on transfers, it does not provide any “new funding” to support TANF. Therefore, funds could be diverted from other TANF-funded initiatives including case management. In addition, prohibiting the use of funds for child care activities would likely impact the ability of states to comply with the 2014 CCDBG law such as quality set-asides for infant and toddler care, which increase to nine percent annually by FY 2020.

While we appreciate the Committee addressing the reauthorization of TANF, CCAoA recommends the following with regards to child care:

- Require states to ensure that TANF-funded child care meets the same quality standards as CCDBG-funded care (including basic health and safety requirements established in 2014 CCDBG reauthorization);

- Streamline the TANF eligibility re-determination period to line up with the 12-month re-determination period established in the 2014 CCDBG reauthorization to create consistency across programs and reduce burdensome, unnecessary requirements;
- Ensure sufficient mandatory funding to enable low-income parents who are searching for a job or in an educational or job training program to obtain the necessary child care, and;
- Authorize the Department of Health and Human Services (HHS) to collect (and require states to provide to the HHS) the same data for TANF-funded child care as is required under CCDBG.

I appreciate your time and consideration and would be more than happy to answer any questions you may have.

Sincerely,

A handwritten signature in black ink that reads "Lynette M. Fraga". The signature is written in a cursive, flowing style.

Lynette M. Fraga, Ph.D.
Executive Director