



Connecticut Association for Human Services

2018 Care4Kids Policy Brief

Fully fund Care4Kid Childcare Subsidy

Fully funding the state’s primary child care subsidy is crucial to prevent further program closures and to allow low-income parents to participate fully in the workforce knowing their children are safe in high-quality, reliable child care.

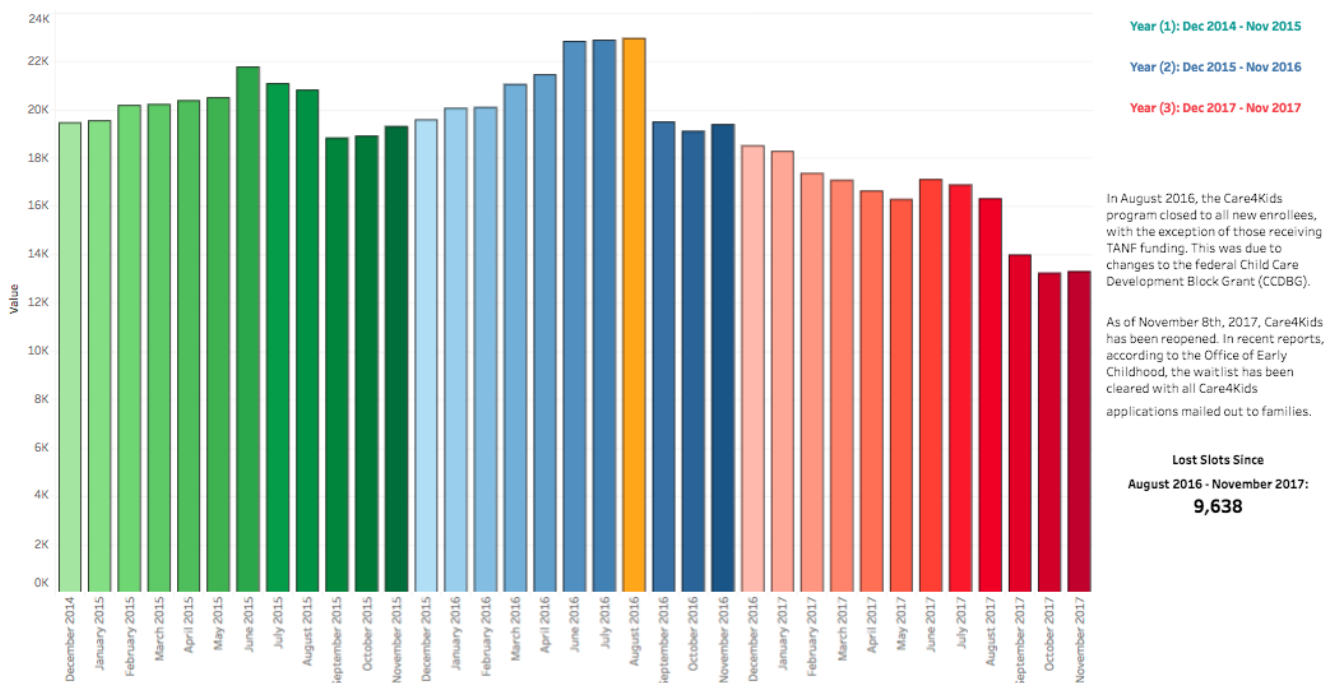
The Care4Kids program helps low-income families pay for high quality early childcare that may otherwise be unaffordable. In August 2016, due to earlier changes to the federal Child Care Development Block Grant which created a \$33 million funding deficit, the program closed to all new enrollees, with the exception of those receiving TANF funding. While the Office of Early Childhood (OEC) announced in November 2017 that the program would reopen to families on the waitlist, Care4Kids enrollment nevertheless declined significantly in the more than one year of the program’s temporary closure.

Between August and November 2016, Care4Kids enrollment dropped by 3,576 slots, or 16 percent. One year later, in November of 2017, Care4Kids enrollment had decreased by 9,638 slots, representing a 42 percent decrease in just over one year. In December 2017, one month after the program reopened to families in priority groups 1-4 and the OEC began accepting new applications, Care4Kids enrollment was still down by more than 39 percent from its pre-closure numbers, with only 13,871 enrollees compared to almost 23,000 in August 2016.

These figures are significant, as they represent decreases in the number of working families who were able to access the high-quality, reliable child care they need to stay in the workforce. Child care is often the single-largest expense for families with young children, making it far out of the financial reach for many of Connecticut’s working families without the Care4Kids subsidy.

Care4Kids Enrollment 3-Year Comparison

Visit <http://bit.ly/C4Kviz> to explore the interactive chart below.





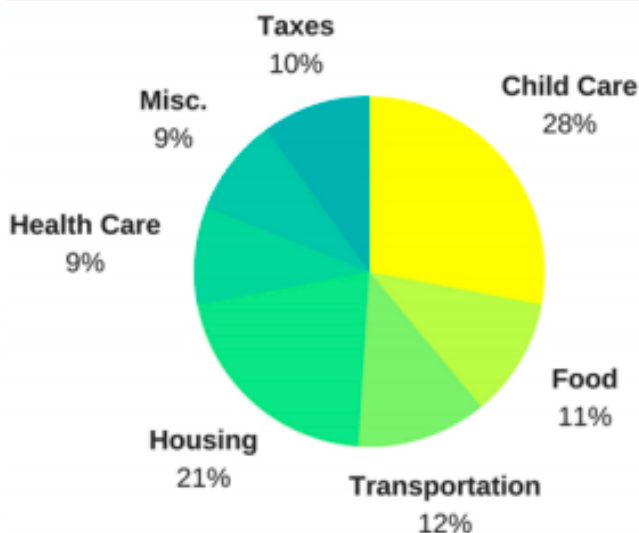
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In 2016, the average cost of childcare in Connecticut was \$19,521, or 28 percent of the median household income for a family of four. Not only does that mean that the average cost of child care is higher than in-state tuition in Connecticut, but that the cost of securing safe, consistent childcare is out of reach for many poor and low-income working families without the Care4Kids subsidy. In particular, the high burden of child care costs are particularly problematic for families living below 100% of the Federal Poverty line, and for Asset Limited, Income Constrained, Employed (ALICE) families, whose earnings are above the FPL yet still fall short of a basic cost of living threshold.

Cost of Child Care as a Percent of Family Budget in CT

Household survival budget for a family of four in the Connecticut



The Budget Breakdown of ALICE Households, from the [CT United Ways ALICE Update](#)

The more than year-long closure of the Care4Kids program also had a disproportionate impact upon families of color. Half of all children subsidized under Care4Kids are located in just eight cities, and two-thirds of the Care4Kids caseload live in just 16 of Connecticut's 169 towns. Of the 16 communities that account for two-thirds of the Care4Kids caseload, 15 of them are among the 18 communities in the state with the highest concentrations of children of color. The five cities that saw the greatest drop in Care4Kids enrollment since August 2016 (Bridgeport, Hartford, Waterbury, New Haven, and New Britain) are comprised primarily of people of color.

In just over one year, the temporary closure of the Care4Kids program had marked impacts on Connecticut working families, children, and child care providers around the state. It is possible that an extra \$18 million in federal Child Care Development Block Grant funding could be authorized for Connecticut. **This funding is intended to bring the state up to pre-closure Care4Kids services levels, and should not supplant existing funding.**

References

<http://alice.ctunitedway.org/childcare/>

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<http://bit.ly/C4Ksurvey>