
**PART
3**

Child Care Services Offered

In Part 3, States and Territories describe their child care services, including the overall certificate process and how the Lead Agency ensures parental choice. Child Care and Development Fund (CCDF) regulations require Lead Agencies to give parents of eligible children the option to receive a child care certificate; or, if available, to enroll the children with a provider that has a grant or contract for the provision of services (658 E (c)(2)(A)). Lead Agencies report how they make a full range of providers available to all families and any limits they establish on the use of in-home care. States and Territories report their eligibility requirements and priorities for services, payment rates, and sliding fee scales. They also describe how their payment rates ensure eligible children have equal access to comparable care and how the co-payments required in their sliding fee scale are affordable for families.

Section 3.1 – Description of Child Care Services

Lead Agencies must offer child care certificates for services that permit parents to choose from a variety of child care categories, including center-based care, group home care, family child care, and in-home care. Lead Agencies also may provide CCDF services through grants or contracts with providers, reserving slots for specific CCDF-eligible populations.

Section 3.1.1 – Certificate Payment System

Describe the overall child care certificate process, including, at a minimum:

(1) a description of the form of the certificate (98.16(k));

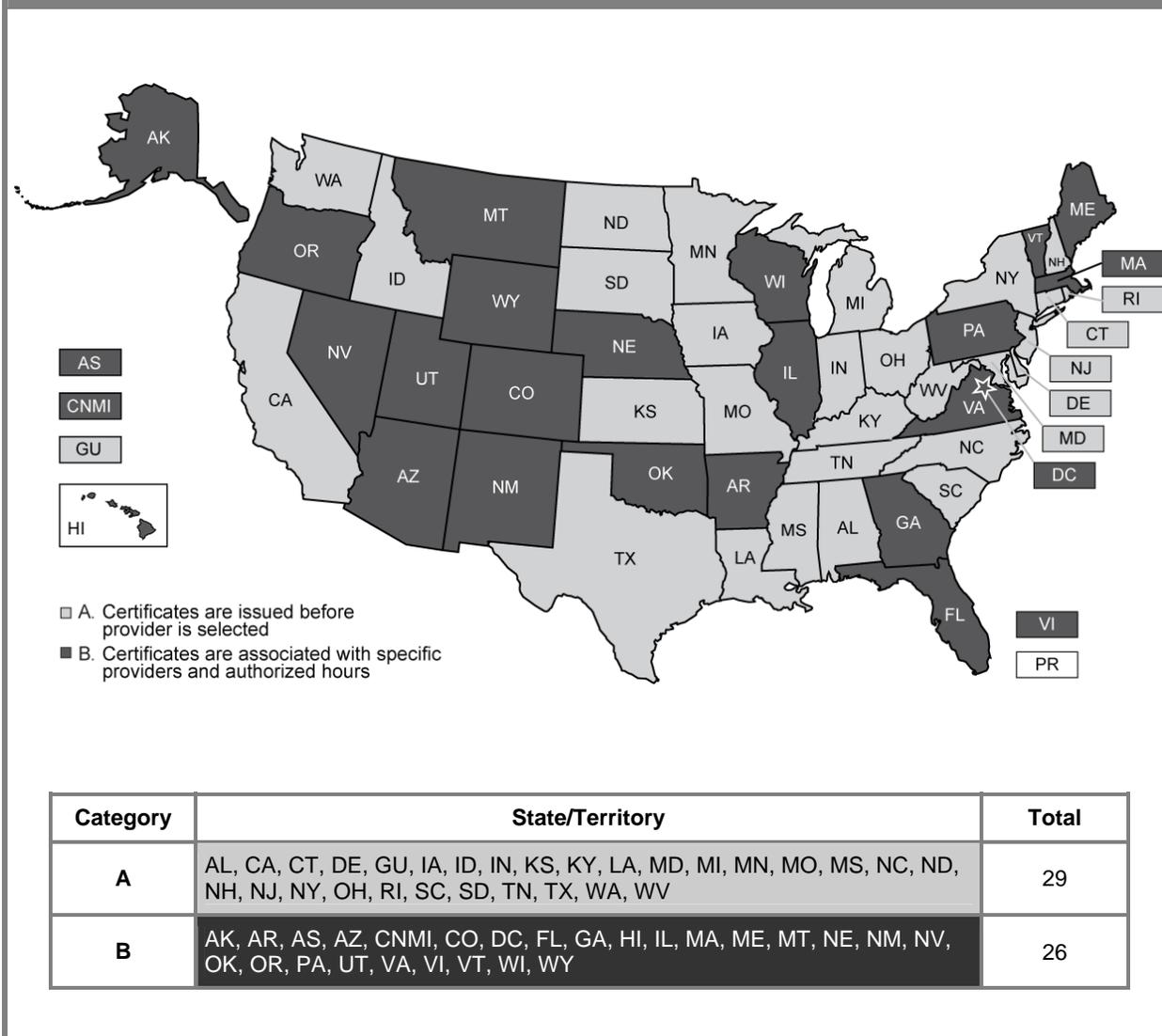
(2) a description of how the certificate program permits parents to choose from a variety of child care settings by explaining how a parent moves from receipt of the certificate to choice of the provider; (658E(c)(2)(A)(iii), 658P(2), 98.2, 98.30(c)(4) & (e)(1) & (2)) and

(3) if the Lead Agency is also providing child care services through grants and contracts, estimate the proportion of \$98.50 services available through certificates versus grants/contracts, and explain how it ensures that parents offered child care services are given the option of receiving a child care certificate. (98.30(a) & (b)) This may be expressed in terms of dollars, number of slots, or percentages of services.

States and Territories must offer certificates for child care subsidy payments. A child care certificate is an authorization form, letter, voucher, or other disbursement document issued by the Lead Agency to parents authorizing child care payments for their provider of choice. States and Territories indicate that the vast majority of child care payments are made through the certificate system.

States and Territories vary in how and when the certificate is issued to parents. As shown in Figure 3.1-A, 29 States and Territories issue the certificate once eligibility is determined and before the child care provider is selected. In these States and Territories, the certificate is portable, allowing parents to purchase child care services from any legally operating child care provider. The certificate typically identifies the children for whom the child care assistance has been approved and hours and/or dollar amount of child care services approved on a daily, weekly, or monthly basis. The certificate also includes the date of eligibility or issuance date and the period of eligibility. In these States and Territories, parents are given timelines to find providers and inform the Lead Agency of their choice. The selected provider typically is required to return a copy of the certificate to the Lead Agency in order to begin receiving payments.

FIGURE 3.1-A
Policies for Issuing Certificates



The other 26 States and Territories require the parent to select a provider before the certificate is issued. In these States and Territories, the certificate is tied to a specific provider and contains the terms of the provider agreement. Information specified in the certificate may include names and birth dates of children, days/hours of services, beginning and end date, payment rates and parent fees, and provider information. Lead Agencies in these States and Territories indicate that the certificate form works as an enrollment form or provider agreement.

In all States and Territories, parents are required to report provider changes to the Lead Agency. Some Lead Agencies indicate that a new certificate is issued each time the parent changes providers.

Additionally, all States and Territories indicate that parental choice is integral to their certificate programs. At the time of application, States and Territories typically inform parents about their ability to use the child care voucher or certificate for the provider of their choice and the types of

child care for which a subsidy can be used. On the actual certificate form, some States and Territories include information about parental choice and the range of providers that parents can use. Parents may select from a variety of child care categories, including faith-based providers, although the exact definition of who is included in each category varies across States and Territories. How applicants are assisted in their child care search also varies by the organizational structure.

In some States and Territories, consumer education materials and referrals to providers are offered by the State child care division or by State or local Temporary Assistance for Needy Families (TANF) offices. In others, the contracted child care assistance management agencies or child care resource and referral (CCR&R) agencies provide information about child care choices and referrals to all types of child care providers. In some States and Territories, parents can access referrals to providers through a toll-free parent hotline or referral line. Others contract or coordinate with CCR&R agencies to help parents select appropriate child care.

Section 3.1.2 – Child Care Grants and Contracts

In addition to offering certificates, does the Lead Agency also have grants or contracts for child care slots?

The following describes the types of child care services, the process for accessing grants or contracts, and the range of providers that will be available through grants or contracts: (658A(b)(1), 658P(4), §§98.16(g)(1), 98.30(a)(1) & (b))

As shown in Table 3.1-A, 23 States and Territories offer grants or contracts for child care slots in addition to certificates. In these, the proportion of children served through the grant or contract varies from 1 percent to 60 percent. States and Territories indicate they award grants or contracts primarily to increase the supply of care that is hard to find, or to coordinate child care services with programs such as Head Start, prekindergarten, and after-school programs.

Lead Agencies also award contracts for programs for children with special needs; for onsite care for children of parents completing TANF/other work-related applications, training, and/or supports; and to increase availability when there is a shortage of child care options, especially for a specific age group, for evening care, or care during nontraditional hours. States and Territories also offer contracts for family child care providers or centers that offer enhanced, comprehensive, or educational services that meet standards above licensing requirements. Some State and Territory contracts support partnerships, collaborations, or extended day services between family child care providers or child care centers and Head Start, public prekindergarten, or after-school programs.

**TABLE 3.1-A
Child Care Grant and Contract Policies**

Policy	Number of States/Territories	State/Territory
Offers grants or contracts for child care slots	23	AR, CA, CO, CT, DC, GU, HI, IL, IN, KY, MA, ME, MS, NH, NJ, NV, NY, OR, PA, PR, SD, VT, WI
Allows local agencies to negotiate contracts	5	CO, NV, NY, PA, WI
Negotiates contracts directly to increase supply of specific types of care	19	AR, CA, CT, DC, GU, HI, IL, IN, KY, MA, ME, MS, NH, NJ, OR, PR, SD, VT, WI
Contracts for wraparound care in Head Start, prekindergarten, or other programs	10	AR, DC, GU, IL, KY, MA, ME, OR, PR, VT
Contracts with before- and after-school programs	7	CT, DC, GU, HI, IL, MA, NV
Contracts with programs to serve children with special needs	7	DC, HI, IL, MA, OR, VT, WI
Contracts with programs to serve infants and toddlers	5	CT, DC, HI, MA, VT
Contracts with programs to serve families participating in TANF programs	3	HI, SD, WI
Contracts with programs that provide comprehensive services	3	MA, NJ, WI
Contracts with programs that provide higher quality services	3	AR, CA, IN
Contracts with programs that serve specific geographic areas	2	HI, KY

Section 3.1.3 – Limitations on In-Home Care

The Lead Agency must allow for in-home care but may limit its use. Does the Lead Agency limit the use of in-home care in any way? If yes, the limits and the reasons for those limits are as follows.

Lead Agencies must allow for in-home care (i.e., care in the child’s own home), but may establish limits on its use and must describe reasons for those limits. As shown in Table 3.1-B, two-thirds of the States and Territories establish some type of limitations on the use of in-home care. Twenty-seven States and Territories require in-home providers to receive at least the minimum wage in accordance with the Fair Labor Standards Act.¹ In this approach, the number of children times the daily or hourly rate must be equal to or greater than minimum wage. Some Lead Agencies require

¹ The Fair Labor Standards Act establishes minimum wage, overtime pay, recordkeeping, and child labor standards affecting full-time and part-time workers in the private sector and in Federal, State, and local governments. For more information about the Fair Labor Standards Act, visit the U.S. Department of Labor’s Web site at www.dol.gov/esa/whd/flsa/.

parents to acquire a Federal Employment Identification Number in order to use in-home care. Others may limit the use of in-home care to families with multiple children.

Twenty-one States and Territories require in-home providers, including relatives in some cases, to pass child abuse and neglect and/or criminal background checks or other health and safety checks.

Eleven Lead Agencies indicate that in-home providers must be of a certain age to participate in the child care assistance program. Some restrict the use of in-home care under certain circumstances, such as care in isolated rural areas or care for children who have special needs. Others restrict in-home providers to relatives, such as grandparents, aunts, uncles, or older siblings, not residing in the home. Some States and Territories allow nonrelatives to provide in-home care, but restrict its use to families with multiple children in care. Others do not allow children in protective services or children in homeless or seasonal/migrant programs to use in-home care as the health and safety conditions are not monitored.

TABLE 3.1-B
Limitations on In-Home Care

Policy	Number of States/Territories	State/Territory
Limits use of in-home care in some way	37	AL, AR, AS, CA, DC, DE, FL, GA, HI, IA, ID, IN, KS, KY, LA, MA, ME, MI, MT, NC, ND, NE, NH, NJ, NV, NY, PR, RI, SC, SD, TN, TX, VA, VT, WA, WI, WV
Parents must have a minimum number of children in care in order to meet minimum wage laws and/or Fair Labor Standards Act requirements	27	AL, AR, AS, CA, DE, FL, GA, HI, IA, ID, IN, KS, KY, MA, ME, MI, NC, ND, NE, NV, NY, RI, SC, TN, VA, WI, WV
In-home providers must meet basic health and safety requirements	21	AS, DC, FL, HI, KS, KY, LA, MA, ME, MI, MT, NC, ND, NH, NJ, RI, SC, SD, TN, VT, WA
In-home providers must be of a certain age (e.g., 16 years)	11	KY, MA, ME, MI, MT, NH, NJ, SC, SD, TN, WA
Child must have a special need or medical condition that warrants in-home care	6	DE, ID, ND, NE, PR, WI
In-home providers must be relatives	3	GA, IN, TX

Section 3.1.4 – Extent of Services

Are child care services provided through certificates, grants and/or contracts offered throughout the State? (658E(a), §98.16(g)(3))

While States and Territories are not required to offer all services statewide or territory-wide, most do. Only three States (HI, KY, WA) indicate child care services are not offered uniformly in all parts of the State. In these States, certain contracted child care slots or seasonal child care services are not available in certain geographic areas.

Section 3.2 – Payment Rates for the Provision of Child Care

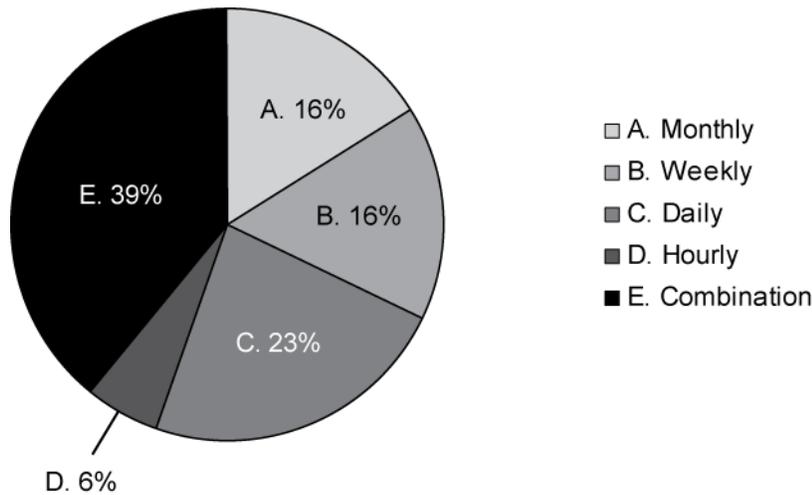
The statute at 658E(c)(4) and the regulations at §98.43(b)(1) require the Lead Agency to establish payment rates for child care services that ensure eligible children equal access to comparable care.

States and Territories provide a copy of their effective payment rates (also known as reimbursement rates) with their CCDF plans, along with a summary of facts used to determine that their rates are sufficient to ensure equal access for eligible children to child care services comparable to those provided to families not eligible to receive CCDF assistance. Payment rates may not differentiate based on family's eligibility status. However, because payment rates reflect the child care market, they often vary by age of child, care setting, number of care hours, and geographic area. Payment rates are reimbursement rate ceilings, meaning the maximum rate providers can receive for child care services through CCDF. States and Territories indicate that providers are paid either the reimbursement rate ceiling or actual fee that providers charge to nonsubsidized parents, whichever is the lesser of the two.

Payment Rate Units

States and Territories determine what time-based unit they use to pay providers, including hours, days, weeks, months, or a combination of units. Thirty-six States and Territories (AK, AL, AR, AZ, CA, CNMI, CO, CT, DC, FL, GA, GU, HI, ID, IL, KY, LA, MD, ME, MO, MT, NE, NJ, NM, NY, OH, OK, OR, PA, PR, RI, SC, TX, VA, VT, WA) use part-time as well as full-time units of payment. The other 20 (AS, DE, IA, IN, KS, MA, MI, MN, MS, NC, ND, NH, NV, SD, TN, UT, VI, WI, WV, WY) use only full-time or part-time units of payment. Figure 3.2-A illustrates the percentage of States and Territories that use the different types of payment units.

FIGURE 3.2-A
Units of Service States and Territories Use to Pay Providers

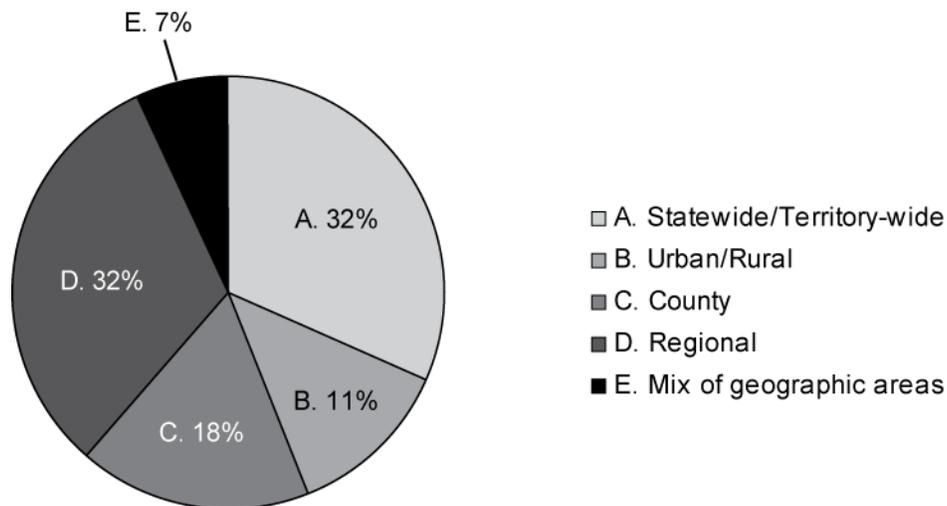


Category	State/Territory	Total
A	AS, CNMI, HI, ID, NC, NM, PR, UT, VI	9
B	AL, CT, DE, GA, ME, NH, RI, SC, TN	9
C	AR, AZ, CO, DC, IA, IL, KY, MA, MO, NV, OK, PA, TX	13
D	KS, MI, SD	3
E	AK, CA, FL, GU, IN, LA, MD, MN, MS, MT, ND, NE, NJ, NY, OH, OR, VA, VT, WA, WI, WV, WY	22

Geographic Rate Areas

The geographic areas defining the child care market within which rates are grouped and for which the rate ceiling is established vary widely. Eighteen States and Territories establish statewide or territory-wide rate structures. Another 18 States establish rates regionally based on groups of counties or other jurisdictions. The remaining States and Territories establish rates by counties, urban/rural areas, or a mix of geographic areas. In determining the geographic area or market for the payment structure, States and Territories balance multiple factors, including demographic and socioeconomic factors, and availability and affordability of care. Figure 3.2-B shows the geographic boundaries States and Territories use for their reimbursement rates.

FIGURE 3.2-B
Geographic Boundaries for State and Territory Child Care Reimbursement Rates



Category	State/Territory	Total
A	AS, CNMI, DC, GU, HI, IA, LA, MS, ND, NH, NJ, PR, RI, UT, VI, VT, WV, WY	18
B	KS, NM, OK, SC, TN, WI	6
C	AR, CA, CO, DE, IN, ME, MN, NC, PA, SD	10
D	AK, AL, AZ, CT, FL, GA, ID, IL, KY, MA, MD, MI, MT, NE, NY, OH, OR, TX	18
E	MO, NV, VA, WA	4

Age Range

The age ranges used in establishing payment rate structures also vary by State and Territory. The most common categories used are infants and toddlers, preschool, and school-age, although the exact definition of ages within these categories varies. Thirty-two States and Territories (AK, AZ, DC, DE, FL, GA, ID, IN, KS, MA, ME, MN, MS, NC, ND, NE, NM, NV, NY, OH, OK, OR, PA, TN, TX, UT, VA, VI, VT, WA, WI, WY) set separate rates for infant, toddler, preschool, and school-age ranges. Some States and Territories only establish rates for two age ranges, one rate that covers children up to 2 or 3 years and another rate that covers children who are older. Other States and Territories use different age ranges that are based on a combination of one or more of the age ranges identified in this section.

For States and Territories that establish a separate rate for infants, the age range varies from birth to 30 months old, and for those that establish a separate rate for toddlers, the age range varies from 12 to 36 months old. For those that establish a separate rate for the preschool-age range, the range is typically defined as 3 to 5 years old, and the school-age range varies from 5 to 12 years old. For States and Territories that establish a separate rate for school-age care, the payment rate units vary

widely and may include multiple categories, including separate payment rates for before and after school, summer and holidays, full-day and part-day, school-in and school-out, and/or other units.

Provider Types

The type of provider identified in the rate structure varies considerably across States and Territories. States and Territories typically include rates for licensed centers and family child care providers. The rate for licensed group home child care providers may be the same as for family child care providers and for centers, or in some cases, a separate rate altogether. The rates for providers legally operating without a license vary considerably because States and Territories define these license-exempt programs very differently. The following are some of the terms used to define license-exempt programs:

- Relative and nonrelative care;
- Legally exempt family child care providers;
- Family, friend, and neighbor care;
- Informal or unregulated care;
- In-home care (i.e., child care in the child's home); and
- Legally exempt facilities.

Center-Based and Family Child Care Rates

While there is great variation in the types of providers identified in the payment rate structures, States and Territories typically have rate categories for child care centers and family child care providers. Table 3.2-A summarizes the reimbursement rate ceilings by age range for licensed center-based child care for full-time care in the largest urban area in each State or Territory. Due to the wide variation in the child care market, these rate ceilings may not always be the highest rates paid within each State or Territory or be representative of the State/Territory as a whole. For States and Territories with tiered reimbursement schedules, the base rate is used in this summary.

TABLE 3.2-A
Payment Rates for Licensed Center-Based Child Care

State/Territory	Infant	Toddler	Preschool	School Age	Geographic Area
Alabama	\$105.00/week	\$105.00/week	\$99.00/week	\$83.00/week	Rates vary by region. Rates for Birmingham are presented.
Alaska	\$647.00/month	\$615.00/month	\$550.00/month	\$537.00/month	Rates are established for six geographic regions. Anchorage/Mat-Su Region are presented.
American Samoa	\$200.00/month	\$180.00/month	\$180.00/month	\$180.00/month	Territory-wide rates are presented.
Arizona	\$31.71/day	\$27.93/day	\$24.99/day	\$24.57/day	Rates vary by district. Rates for District I, Maricopa County, are presented.
Arkansas	\$25.50/day	\$24.50/day	\$21.10/day	\$21.10/day	Rates vary by county. Rates for Pulaski County are presented.
California	\$253.65/week	\$253.65/week	\$182.03/week	\$155.25/week	Rates vary by county. Rates for Los Angeles County are presented.
Colorado	\$30.20/day	\$30.20/day	\$24.20/day	\$24.20/day	Rates vary by county/groups of counties and quality rating. Rates for Denver city and county with no rating are presented.
Commonwealth of the Northern Mariana Islands	\$300.00/month	\$300.00/month	\$300.00/month	\$250.00/month	Commonwealth-wide rates are presented.
Connecticut	\$227.00/week	\$227.00/week	\$179.00/week	\$162.00/week	Rates vary by region. Southwest Region rates are presented.
Delaware	\$147.50/week	\$124.50/week	\$110.40/week	\$110.40/week	Rates vary by county. Rates for New Castle County are presented.
District of Columbia	\$40.70/day	\$39.83/day	\$29.21/day	\$19.85/day	Rates are districtwide, but vary by tier level.
Florida	\$117.00/week	\$102.00/week	\$93.00/week	\$83.00/week	Rates vary by early learning coalition area. Rates for early learning coalition of Miami-Dade and Monroe counties are presented.
Georgia	\$139.00/week	\$129.00/week	\$114.00/week	\$65.00/week	Rates vary by three multicounty zones. Rates for Zone 1 (greater metro Atlanta counties) are presented.

**TABLE 3.2-A, con.
Payment Rates for Licensed Center-Based Child Care**

State/Territory	Infant	Toddler	Preschool	School Age	Geographic Area
Guam	\$175.00/week	\$150.00/week	\$150.00/week	\$130.00/week	Territory-wide rates are presented.
Hawaii	\$700.00/month	\$500.00/month	\$500.00/month	\$140.00/month	Statewide rates are presented.
Idaho	\$594.00/month	\$539.00/month	\$492.00/month	\$301.00/month	Rates vary by region. Rates for Region IV (Ada, Boise, Elmore, and Valley counties) are presented.
Illinois	\$39.27/day	\$33.17/day	\$27.66/day	\$13.83/day	Rates vary by groups of counties. Rates for Group IA (Cook, DuPage, Kane, Kendall, Lake, and McHenry counties) are presented. License-exempt rates are statewide.
Indiana	\$218.00/week	\$188.00/week	\$160.00/week	\$79.00/week	Rates vary by county. Rates for Marion County are presented.
Iowa	\$15.50/day	\$15.50/day	\$12.50/day	\$11.25/day	Statewide rates are presented.
Kansas	\$4.48/hour	\$3.85/hour	\$3.12/hour	\$2.98/hour	Rates vary by urban, near urban, and rural counties. Rates for Group 1 (Douglas and Johnson counties) are presented.
Kentucky	\$24.00/day	\$24.00/day	\$21.00/day	\$20.00/day	Rates vary by region and urban/nonurban area. Urban rates for Central Region are presented.
Louisiana	\$18.50/day	\$18.50/day	\$17.50/day	\$17.50/day	Statewide rates are presented.
Maine	\$200.00/week	\$186.00/week	\$167.00/week	\$140.00/week	Rates vary by county. Rates for Cumberland County are presented.
Maryland	\$177.92/week	\$99.92/week	\$99.92/week	\$99.92/week	Rates vary by region. Rates for Region BC (Baltimore City) are presented.
Massachusetts	\$52.20/day	\$46.20/day	\$34.80/day	\$26.10/day	Rates vary by region and tier level. The Region 6 (Boston) Tier 1 rates are presented.
Michigan	\$2.85/hour	\$2.85/hour	\$2.25/hour	\$2.25/hour	Rates vary by shelter area, which include multiple counties. Rates for Shelter Area IV (including Detroit) are presented.

TABLE 3.2-A, con.
Payment Rates for Licensed Center-Based Child Care

State/Territory	Infant	Toddler	Preschool	School Age	Geographic Area
Minnesota	\$266.40/week	\$218.94/week	\$198.45/week	\$190.91/week	Rates vary by regional groups of counties. Rates for Hennepin County are presented.
Mississippi	\$78.28/week	\$75.19/week	\$72.10/week	\$71.07/week	Statewide rates are presented.
Missouri	\$27.04/day	\$27.04/day	\$16.07/day	\$15.75/day	Rates vary by metro, sub-metro, and the rest of the State. Rates for metro area (Franklin, Jefferson, St. Charles, St. Louis City, and St. Louis counties) are presented.
Montana	\$29.00/day	\$29.00/day	\$25.00/day	\$25.00/day	Rates vary by resource and referral district. Rate for Billings District are presented.
Nebraska	\$34.00/day	\$28.75/day	\$28.75/day	\$28.75/day	Rates vary by group of counties. Rates for unaccredited care in Dakota, Douglas, Lancaster, and Sarpy counties are presented.
Nevada	\$31.00/day	\$28.00/day	\$23.00/day	\$19.00/day	Rates vary by county and groups of rural counties. Rates for Clark County are presented.
New Hampshire	\$149.00/week	\$149.00/week	\$131.00/week	\$131.00/week	Statewide rates are presented.
New Jersey	\$156.00/week	\$156.00/week	\$128.60/week	\$128.60/week	Statewide rates are presented.
New Mexico	\$467.84/month	\$417.19/month	\$368.48/month	\$337.11/month	Rates vary by metro and rural area. Metro rates are presented.
New York	\$370.00/week	\$255.00/week	\$224.00/week	\$185.00/week	Rates vary by groups of counties. Rates for group E counties (Bronx, Kings, New York, Queens, and Richmond) are presented.
North Carolina	\$536.00/month	\$490.00/month	\$477.00/month	\$423.00/month	Rates vary by county and tiered quality level. Rates for one-star centers in Mecklenburg County are presented.
North Dakota	\$115.00/week	\$110.00/week	\$105.00/week	\$100.00/week	Statewide rates are presented.

**TABLE 3.2-A, con.
Payment Rates for Licensed Center-Based Child Care**

State/Territory	Infant	Toddler	Preschool	School Age	Geographic Area
Ohio	\$186.70/week	\$169.74/week	\$148.55/week	\$107.55/week	Rates vary by groups of counties classified as large and mid-size and rural areas. Rates for large metropolitan areas are presented.
Oklahoma	\$15.00/day	\$15.00/day	\$13.00/day	\$11.00/day	Rates vary by geographic area and quality level. Five-day weekly rates paid on a monthly basis for one-star metro area (Canadian, Cleveland, Kay, Oklahoma, Tulsa, Wagoner, and Washington counties) centers are presented.
Oregon	\$900.00/month	\$894.00/month	\$705.00/month	\$698.00/month	Rates vary by zip code group. Rates for Group Area A (Ashlands, Corvallis, Eugene, Monmouth, and Portland areas) are presented.
Pennsylvania	\$42.00/day	\$36.00/day	\$33.00/day	\$27.40/day	Rates vary by county. Rates for Philadelphia County are presented.
Puerto Rico	\$249.00/month	\$249.00/month	\$243.00/month	\$200.00/month	Commonwealth-wide rates are presented.
Rhode Island	\$182.00/week	\$182.00/week	\$150.00/week	\$135.00/week	Statewide rates are presented.
South Carolina	\$105.00/week	\$105.00/week	\$90.00/week	\$78.00/week	Rates vary by urban and rural area. Rates for urban areas are presented.
South Dakota	\$3.50/hour	\$3.50/hour	\$3.00/hour	\$2.55/hour	Rates vary by county. Rates for Minnehaha County are presented.
Tennessee	\$110.00/week	\$105.00/week	\$91.00/week	\$75.00/week	Rates vary by the Top 20 Counties (highest average populations and incomes), by the 75 other counties, as well as by tiered quality level. The State's basic rate for Top 20 Counties are presented.
Texas	\$24.72/day	\$21.63/day	\$19.57/day	\$18.54/day	Rates vary by Workforce Development Board. Gulf Coast Board rates are presented.
Utah	\$564.00/month	\$495.00/month	\$450.00/month	\$396.00/month	Statewide rates are presented.
Vermont	\$129.22/week	\$128.15/week	\$114.14/week	\$111.36/week	Statewide rates are presented.

TABLE 3.2-A, con.
Payment Rates for Licensed Center-Based Child Care

State/Territory	Infant	Toddler	Preschool	School Age	Geographic Area
Virginia	\$232.00/week	\$224.00/week	\$191.00/week	\$148.00/week	Rates vary by region and county. Rates for Fairfax County/City and Falls Church are presented.
Virgin Islands	\$280.00/month	\$280.00/month	\$280.00/month	\$150.00/month	Territory-wide rates are presented.
Washington	\$43.09/day	\$35.98/day	\$30.18/day	\$27.18/day	Rates vary by region. Rates for Region IV (King County) are presented.
West Virginia	\$25.00/day	\$20.00/day	\$19.00/day	\$18.00/day	Statewide rates are presented.
Wisconsin	\$232.00/week	\$200.00/week	\$180.00/week	\$175.00/week	Rates vary by county. Rates for Milwaukee County are presented.
Wyoming	\$27.38/day	\$27.00/day	\$24.54/day	\$21.58/day	Statewide rates are presented.

The payment for family child care varies widely across Lead Agencies, depending on how each State/Territory defines this type of care. Some establish a separate rate for family child care and group home child care, and others establish a single rate for family child care and group home child care. Some also have separate rates for certified or registered homes. Table 3.2-B illustrates the rates for licensed family child care.

TABLE 3.2-B
Payment Rates for Family Child Care

State/Territory	Infant	Toddler	Preschool	School Age	Geographic Area
Alabama*	\$85.00/week	\$85.00/week	\$78.00/week	\$75.00/week	Rates vary by region. Rates for Birmingham are presented.
Alaska*	\$582.00/month	\$553.00/month	\$495.00/month	\$483.00/month	Rates are established for six geographic regions. Anchorage/ Mat-Su Region are presented.
American Samoa	\$160.00/month	\$140.00/month	\$140.00/month	\$140.00/month	Territory-wide rates are presented.
Arizona	\$21.00/day	\$21.00/day	\$18.90/day	\$17.85/day	Rates vary by district. Rates for District I, Maricopa County, are presented.
Arkansas	\$23.50/day	\$22.50/day	\$18.70/day	\$17.50/day	Rates vary by county. Rates for Pulaski County are presented.

**TABLE 3.2-B, con.
Payment Rates for Family Child Care**

State/Territory	Infant	Toddler	Preschool	School Age	Geographic Area
California	\$183.32/week	\$183.32/week	\$169.99/week	\$151.30/week	Rates vary by county. Rates for Los Angeles County are presented.
Colorado	\$23.20/day	\$23.20/day	\$21.20/day	\$21.20/day	Rates vary by county/groups of counties and quality rating. Rates for Denver city and county with no rating are presented.
Commonwealth of the Northern Mariana Islands*	\$250.00/month	\$250.00/month	\$250.00/month	\$250.00/month	Commonwealth-wide rates are presented.
Connecticut*	\$173.00/week	\$173.00/week	\$173.00/week	\$162.00/week	Rates vary by region. Southwest region rates are presented.
Delaware	\$112.50/week	\$107.50/week	\$87.00/week	\$87.00/week	Rates vary by county. Rates for New Castle County are presented.
District of Columbia	\$28.49/day	\$27.14/day	\$22.03/day	\$20.00/day	Rates are districtwide, but vary by tier.
Florida	\$101.00/week	\$94.50/week	\$83.00/week	\$78.00/week	Rates vary by early learning coalition area. Rates for early learning coalition of Miami-Dade and Monroe counties are presented.
Georgia*	\$110.00/week	\$100.00/week	\$96.00/week	\$50.00/week	Rates vary by three multicounty zones. Rates for Zone 1 (greater metro Atlanta counties) are presented.
Guam	\$175.00/week	\$150.00/week	\$150.00/week	\$130.00/week	Territory-wide rates are presented.
Hawaii*	\$450.00/month	\$450.00/month	\$450.00/month	\$140.00/month	Statewide rates are presented.
Idaho*	\$505.00/month	\$473.00/month	\$460.00/month	\$301.00/month	Rates vary by region. Rates for Region IV (Ada, Boise, Elmore, and Valley counties) are presented.
Illinois	\$25.83/day	\$24.86/day	\$23.30/day	\$11.65/day	Rates vary by groups of counties. Rates for Group IA (Cook, DuPage, Kane, Kendall, Lake, and McHenry counties) are presented. License-exempt rates are statewide.
Indiana	\$130.00/week	\$125.00/week	\$100.00/week	\$76.00/week	Rates vary by county. Rates for Marion County are presented.

**TABLE 3.2-B, con.
Payment Rates for Family Child Care**

State/Territory	Infant	Toddler	Preschool	School Age	Geographic Area
Iowa*	\$12.00/day	\$12.00/day	\$11.25/day	\$10.00/day	Statewide rates are presented.
Kansas	\$3.12/hour	\$2.72/hour	\$2.72/hour	\$2.72/hour	Rates vary by urban, near urban, and rural counties. Rates for Group 1 (Douglas and Johnson counties) are presented.
Kentucky*	\$21.00/day	\$21.00/day	\$19.00/day	\$18.00/day	Rates vary by region and urban/honurban area. Urban rates for Central Region are presented.
Louisiana	\$16.00/day	\$16.00/day	\$15.00/day	\$15.00/day	Statewide rates are presented.
Maine	\$150.00/week	\$150.00/week	\$135.00/week	\$125.00/week	Rates vary by county. Rates for Cumberland County are presented.
Maryland	\$124.85/week	\$99.00/week	\$99.00/week	\$99.00/week	Rates vary by region. Rates for Region BC (Baltimore City) are presented.
Massachusetts	\$29.65/day	\$29.65/day	\$26.10/day	\$15.00/day	Rates vary by region and tier level. The Region 6 (Boston) Tier 1 rates are presented.
Michigan	\$2.00/hour	\$2.00/hour	\$2.00/hour	\$2.00/hour	Rates vary by shelter areas, which include multiple counties. Rates for Shelter Area IV (including Detroit) are presented.
Minnesota	\$167.17/week	\$160.17/week	\$145.60/week	\$134.82/week	Rates vary by regional groups of counties. Rates for Hennepin County are presented.
Mississippi*	\$56.65/week	\$54.59/week	\$51.50/week	\$50.47/week	Statewide rates are presented.
Missouri*	\$15.75/day	\$15.75/day	\$13.65/day	\$12.60/day	Rates vary by metro, sub-metro, and the rest of the State. Rates for metro area (Franklin, Jefferson, St. Charles, St. Louis City, and St. Louis counties) are presented.
Montana*	\$25.00/day	\$25.00/day	\$21.00/day	\$21.00/day	Rates vary by resource and referral district. Rate for Billings District are presented.
Nebraska	\$25.00/day	\$22.00/day	\$22.00/day	\$22.00/day	Rates vary by group of counties. Family child care rates for unaccredited care in Dakota, Douglas, Lancaster, and Sarpy counties are presented.

**TABLE 3.2-B, con.
Payment Rates for Family Child Care**

State/Territory	Infant	Toddler	Preschool	School Age	Geographic Area
Nevada*	\$30.00/day	\$27.00/day	\$26.00/day	\$23.00/day	Rates vary by county and groups of rural counties. Rates for Clark County are presented.
New Hampshire*	\$149.00/week	\$149.00/week	\$131.00/week	\$131.00/week	Statewide rates are presented.
New Jersey	\$123.20/week	\$123.20/week	\$96.80/week	\$96.80/week	Statewide rates are presented.
New Mexico*	\$365.20/month	\$325.08/month	\$324.17/month	\$319.28/month	Rates vary by metro and rural areas. Metro rates are presented.
New York*	\$160.00/week	\$150.00/week	\$150.00/week	\$141.00/week	Rates vary by groups of counties. Rates for group E counties (Bronx, Kings, New York, Queens, and Richmond) are presented.
North Carolina	\$446.00/month	\$423.00/month	\$404.00/month	\$404.00/month	Rates vary by county and tiered quality level. Rates for one-star centers in Mecklenburg County are presented.
North Dakota*	\$110.00/week	\$100.00/week	\$98.00/week	\$95.00/week	Statewide rates are presented.
Ohio	\$186.70/week	\$169.74/week	\$148.55/week	\$107.55/week	Rates vary by groups of counties classified as large and mid-size and rural areas. Rates for large metropolitan areas are presented.
Oklahoma	\$14.00/day	\$14.00/day	\$12.00/day	\$10.80/day	Rates vary by geographic area and quality level. One-star metro area (Canadian, Cleveland, Kay, Oklahoma, Tulsa, Wagoner, and Washington counties) centers are presented.
Oregon	\$860.00/month	\$745.00/month	\$688.00/month	\$600.00/month	Rates vary by zip code group. Rates for Group Area A (Ashlands, Corvallis, Eugene, Monmouth, and Portland areas) are presented.
Pennsylvania*	\$34.00/day	\$30.00/day	\$28.20/day	\$26.00/day	Rates vary by county. Rates for Philadelphia County are presented.
Puerto Rico	\$196.00/month	\$196.00/month	\$175.00/month	\$200.00/month	Commonwealth-wide rates are presented.
Rhode Island	\$150.00/week	\$150.00/week	\$150.00/week	\$135.00/week	Statewide rates are presented.

**TABLE 3.2-B, con.
Payment Rates for Family Child Care**

State/Territory	Infant	Toddler	Preschool	School Age	Geographic Area
South Carolina	\$87.00/week	\$87.00/week	\$75.00/week	\$70.00/week	Rates vary by urban and rural areas. Rates for urban areas are presented.
South Dakota*	\$2.50/hour	\$2.50/hour	\$2.40/hour	\$2.40/hour	Rates vary by county. Rates for Minnehaha County are presented.
Tennessee	\$85.00/week	\$85.00/week	\$80.00/week	\$65.00/week	Rates vary by the Top 20 Counties (highest average populations and incomes), by the 75 other counties, as well as by tier level. The State's rate for Top 20 Counties are presented.
Texas*	\$20.60/day	\$18.54/day	\$17.51/day	\$13.39/day	Rates vary by Workforce Development Board. Gulf Coast Board rates are presented.
Utah*	\$450.00/month	\$430.00/month	\$420.00/month	\$389.00/month	Statewide rates are presented.
Vermont*	\$129.22/week	\$128.15/week	\$114.14/week	\$111.36/week	Statewide rates are presented.
Virginia	\$181.00/week	\$175.00/week	\$165.00/week	\$133.00/week	Rates vary by region and county. Rates for Fairfax County/City and Falls Church are presented.
Virgin Islands	\$280.00/month	\$280.00/month	\$280.00/month	\$150.00/month	Territory-wide rates are presented.
Washington	\$38.87/day	\$33.80/day	\$28.48/day	\$27.34/day	Rates vary by region. Rates for Region IV (King County) are presented.
West Virginia*	\$17.00/day	\$16.00/day	\$15.00/day	\$15.00/day	Statewide rates are presented.
Wisconsin*	\$190.00/week	\$175.00/week	\$165.00/week	\$155.00/week	Rates vary by county. Rates for Milwaukee County are presented.
Wyoming	\$25.00/day	\$25.00/day	\$22.50/day	\$22.00/day	Statewide rates are presented.

*Alabama, the Commonwealth of the Northern Mariana Islands, Connecticut, Hawaii, Idaho, Iowa, Mississippi, Missouri, Montana, Nevada, New Mexico, New York, Pennsylvania, South Dakota, Texas, Utah, West Virginia, and Wisconsin establish a separate rate for family child care providers and group home child care. In Alaska, Georgia, Kentucky, and North Dakota, group home child care rates are the same as center-based rates. In New Hampshire and Vermont, the family child care rate is the same as the center-based rate. Some Lead Agencies establish separate rates for license-exempt family child care providers. Others establish additional family child care rates based on tiered quality levels.

Summary of Facts Used to Determine Payment Rates

Provide a summary of the facts relied on by the State to determine that the attached rates are sufficient to ensure equal access to comparable child care services provided to children whose parents are not eligible to receive child care assistance under the CCDF and other governmental programs. Include, at a minimum:

- *The month and year when the local market rate survey(s) was completed. (§98.43(b)(2))*
- *A copy of the Market Rate Survey instrument and a summary of the results of the survey. At a minimum, this summary should include a description of the sample population, data source, the type of methodology used, response rate, description of analyses, and key findings.*

States and Territories are required to ensure that families receiving child care assistance have equal access to comparable care purchased by private-paying parents. One element measuring equal access is “adequate payment rates, based on a local market survey” (§98.43(b)(2)). A child care Market Rate Survey (MRS) is a tool States and Territories use to assess the price of care charged to parents in the child care market. States and Territories must conduct a local MRS every 2 years and also must include in their CCDF Plans copies of their MRS instruments and summaries of results.

Each State and Territory’s MRS report may include the methodology, data source, data collection instrument, and final survey results. In some States and Territories, the Lead Agency is responsible for conducting the MRS directly. Others indicate the MRS is conducted by other entities, including consulting firms, universities, CCR&R agencies, and other government agencies.

The types of child care providers included in the survey sample vary widely across States and Territories. The types of providers included depend on the data source used to select the provider sample, which may include child care licensing data, CCR&R agency data, and/or CCDF Lead Agency data on providers registered to receive child care assistance.

Percentile of MRS at Which Rate Ceilings Are Set

Does the Lead Agency use its ~~current~~ Market Rate Survey (a survey completed within the allowable time period –10/1/05 -9/30/07) to set payment rates?

At what percentile of the ~~current~~ Market Rate Survey is the State rate ceiling set? If you do not use your current Market Rate Survey to set your rate ceilings or your percentile varies across categories of care (e.g., type of setting, region, age of children), describe and provide the range of variation in relation to your current survey.

How the payment rates are adequate to ensure equal access to the full range of providers based on the results of the above noted local market rate survey (i.e., describe the relationship between the attached payment rates and the market rates observed in the survey). (§98.43(b))

Lead Agencies are required to report how their payment rate ceilings compare to their most current MRS, even if they do not use the current MRS to establish their payment rates. Lead Agencies also are asked to report the percentile of the market rate at which the rates are set and whether the rates

vary by area of the State or Territory. CCDF regulations suggest the 75th percentile as a benchmark for payment rates to be considered as providing equal access. At the 75th percentile, the rate ceiling equals or exceeds the rate charged by three out of every four of the providers who responded to the State or Territory MRS; or, three out of four slots, depending on how the State/Territory makes its calculation.

Twenty-nine States and Territories (AL, AR, AS, CA, CNMI, CT, DC, FL, GA, GU, HI, IL, IN, MA, ME, MO, MT, NC, NE, NH, NY, OH, OR, PA, PR, SC, SD, UT, WY) use their current MRS to set payment rates. Table 3.2-C shows how the State and Territory payment rates compare to the current MRS. Half of the States and Territories use their current MRS to set their payment rates. Across the country, current payment rates range from an average of the 10th percentile of the current MRS to the 85th percentile. Rates for specific settings, ages, and regions can vary. Twenty-nine States and Territories (AL, AR, AZ, CA, CO, CNMI, CT, FL, GU, KS, MN, MO, MT, NE, NV, IA, IN, KY, MD, ME, NJ, OH, OR, PR, SC, UT, VA, WI, WY) reference the MRS to show that payment rates are affordable and accessible.

Policy	Number of States/Territories	State/Territory
Rates vary by category of care, and all rates are below the 75th percentile of the current MRS	17	AL, AZ, DE, IA, ID, MA, MI, MN, MO, NH, NJ, NM, RI, TN, TX, VA, VT
Rates vary by category of care, and some rates are at the 75th percentile of the current MRS or higher	17	AK, CO, DC, FL, IL, LA, MS, ND, NE, OK, OR, PA, SC, UT, WA, WI, WV
All rates are set at the 75th percentile of the current MRS or higher	13	AR, CA, CNMI, GU, IN, ME, MT, NC, NY, PR, SD, VI, WY
All rates are set below the 75th percentile of the current MRS	8	CT, GA, HI, KS, KY, MD, OH, VA
Rate setting is devolved to counties or other sub-state levels of government	4	CO, FL, TX, NY

*Data are not available for Nevada.

Lead Agencies report it is difficult to conduct an accurate MRS among license-exempt child care providers because they are not systematically part of any known database. Therefore, some States and Territories index or tie license-exempt care rate ceilings to regulated family child care rates or minimum wage standards, ensuring the rate ceiling increases at the same rate as regulated family child care or minimum wage standards. Fifteen States (FL, HI, KS, MD, ME, MN, MT, NC, NH, NY, OK, PA, SC, UT, WI) indicate that license-exempt rates are based on a percentage of licensed family child care rates, and six States (CT, IA, IN, ME, NE, NV) indicate that in-home rates are tied to minimum wage standards.

Additional Factors Used to Ensure Equal Access

Does the Lead Agency consider any additional facts to determine that its payment rates ensure equal access? (§98.43(d))

Thirty-three States and Territories (AR, AS, CT, DC, DE, FL, GA, HI, IA, IL, IN, KS, LA, MA, ME, MO, MT, NC, NE, NH, NJ, NM, NV, OH, OR, PA, SC, SD, TX, VA, WA, WI, WV) use additional indicators to ensure that eligible families have equal access to the full range of child care providers. Indicators include parental access to some providers in all categories of care or that all types of legal child care providers are willing to, or accept, the Lead Agency's payment rates. States and Territories reference patterns in care usage to determine the specific number and type of providers who accept child care assistance payments. Some indicate the percentage of available spaces that are purchased by the child care assistance program. Others point to the lack of complaints from providers regarding payment rates and the lack of complaints from families regarding access.

States and Territories also report other factors used to ensure equal access, including effective and timely provider payment systems, electronic benefit transfers to make payments, enhanced CCR&R services, differential rates for care that is more difficult to find or more expensive to provide, and other methods.

Tiered Reimbursement Systems

Does the State have a tiered reimbursement system (higher rates for child care centers and family child care homes that achieve one or more levels of quality beyond basic licensing requirements)?

Tiered reimbursements rates (also known as differential rates) include higher payments for providers who demonstrate they provide higher quality child care and/or care that is more difficult to find or more expensive to provide. Table 3.2-D illustrates the number of States and Territories that indicate the Lead Agency establishes tiered reimbursement rates. Nearly 60 percent of States and Territories have higher rates for child care centers and family child care providers that achieve one or more levels of quality beyond basic licensing requirements. Half of States and Territories choose to set higher rate ceilings for care that is more difficult to find or more expensive to provide. Typically, such differential rates apply to care for children with special needs, care provided during nontraditional hours or on weekends, and infant and toddler care.

**TABLE 3.2-D
Tiered Reimbursement Rates**

Policy	Number of States/Territories	State/Territory
Has tiered reimbursement rates (also known as differential rates)	44	AS, AZ, CT, DC, DE, FL, GU, HI, IA, IL, IN, KS, KY, LA, MA, MD, ME, MI, MN, MO, MS, MT, NC, NE, NH, NJ, NM, NV, NY, OH, OK, OR, PA, PR, RI, SC, SD, TX, UT, VA, VT, WA, WI, WV
Higher quality rate	33	AZ, CT, DC, FL, GU, HI, IL, IN, KY, LA, MA, MD, ME, MN, MO, MS, MT, NC, NE, NH, NJ, NM, NY, OH, OK, PA, RI, SC, TX, VT, WA,* WI, WV
Special needs rate	31	AR, AZ, CO, DE, FL, GU, IA, IL, KS, KY, LA, MN, MO, MS, MT, NC, NE, NH, NJ, NY, OH, OK, OR, PR, SD, TX, UT, VA, WA, WI, WV
Nontraditional hour rate	12	AR, DC, KY, MA, ME, MN, MO, MT, NM, NY, OR, WV
Infant rate	10	AR, IL, LA, MI, MO, NM, NV, SC, SD, WY

*In Washington, higher quality differential rates are available as a pilot in Spokane County.

Section 3.3 – Eligibility Criteria for Child Care

CCDF eligibility is based on a combination of factors, including child age, family income, and parental employment status. In this section, States and Territories describe the various criteria used to determine eligibility, including age and income eligibility limits, and definitions, priority rules, and any additional criteria used to determine eligibility.

Section 3.3.1 – Age Eligibility

Does the Lead Agency allow CCDF-funded child care for children above age 13 but below age 19 who are physically and/or mentally incapable of self-care? (658E(c)(3)(B), 658P(3), §98.20(a)(1)(ii))

Does the Lead Agency allow CCDF-funded child care for children above age 13 but below age 19 who are under court supervision? (658P(3), 658E(c)(3)(B), §98.20(a)(1)(ii))

Under CCDF, children are eligible for services until they reach 13 years of age. Lead Agencies have the option of extending the age eligibility until children reach 19 years of age if the children are physically or mentally incapable of self-care or under court supervision. Table 3.3-A shows the States and Territories offering child care services for children in this age range.

Criterion	Number of States/ Territories	State/Territory
Children older than age 13 but younger than age 19 who are physically and/or mentally incapable of self-care	52	AK, AL, AR, CA, CO, CT, DC, DE, FL, GA, GU, HI, IA, ID, IL, IN, KS, KY, LA, MA, MD, ME, MI, MN, MO, MS, MT, NC, ND, NE, NH, NJ, NM, NV, NY, OK, OR, PA, PR, RI, SC, SD, TN, TX, UT, VA, VI, VT, WA, WI, WV, WY
Children older than age 13 but younger than age 19 who are under court supervision	34	AK, CT, GA, GU, ID, IL, IN, KS, KY, LA, MI, MO, MS, MT, NC, ND, NE, NH, NM, NY, OK, OR, PR, SC, SD, TN, TX, UT, VA, VI, VT, WA, WV, WY

Section 3.3.2 – Income Eligibility

Eligibility for CCDF services is limited to families with income at or below 85 percent of the State Median Income (SMI) for a family of the same size. Whether or not the Lead Agency offers services to families with income up to 85 percent of SMI, this upper eligibility limit must be provided by the States and Territories in the CCDF Plans. In addition, States and Territories are required to provide their actual income eligibility limit in dollar terms and as a percentage of SMI. While States and Territories must provide the income eligibility limits in relation to the SMI, they are not required to establish the income eligibility based on any specific SMI source.²

Twenty-one States and Territories (AZ, CNMI, DC, DE, FL, GA, GU, IA, ID, KS, KY, MN, NJ, OH, PA, RI, SC, VA, WA, WI, WV) establish the income eligibility based on the Federal Poverty Income Guidelines (FPIG). One State (AR) sets the income eligibility based on U.S. Census Bureau income data. One State (NM) and one Territory (PR) set the income eligibility based on the U.S. Department of Housing and Urban Development estimated median family income. The remaining States use SMI as a data source.

² Territories use other data sources to establish income eligibility in Section 3.3.2 as SMI data sources do not include Territory data. All Territory figures reported in Table 3.3-B reflect these other sources.

Income eligibility limits range from 34 percent to 85 percent of SMI. Overall, States report an average income eligibility limit equivalent to 60 percent of SMI. Table 3.3-B shows the income eligibility limit for a family of three in relation to the SMI.

TABLE 3.3-B
Income Eligibility Limits, Family of Three*

State/Territory	100% of SMI	85% of SMI	Lower Than 85% of SMI if Used to Limit Eligibility	Limit as a Percentage of SMI	SMI Year Used
Alabama	\$3,758.00	\$3,195.00	\$1,860.00	49%	2008
Alaska	\$5,016.00	\$4,263.00	\$3,853.00	77%	2002
American Samoa	Not applicable	Not applicable	Not applicable	\$1,184.00	Not applicable
Arizona	\$4,278.00	\$3,637.00	\$2,362.00	55%	2008
Arkansas	\$3,384.75	\$2,877.04	Not applicable	85%	2006
California	\$4,837.00	\$4,112.00	\$3,628.00	75%	2005
Colorado	\$4,921.00	\$4,183.00	\$3,250.00	66%	2008
Commonwealth of the Northern Mariana Islands	Not applicable	Not applicable	Not applicable	\$1,383.00	Not applicable
Connecticut	\$6,454.00	\$5,486.00	\$3,227.00	50%	2008
Delaware	\$5,340.00	\$4,539.00	\$2,862.00	54%	2008
District of Columbia	\$3,925.00	\$3,336.00	\$3,352.00	85%	2006
Florida	\$4,359.00	\$3,705.00	\$2,146.00	34%	2008
Georgia	\$4,231.00	\$3,597.00	\$2,213.00	52%	2007
Guam	Not applicable	Not applicable	Not applicable	\$2,146.00	Not applicable
Hawaii	\$4,620.00	\$3,927.00	Not applicable	85%	2004
Idaho	\$3,672.90	\$3,122.00	\$1,706.00	46%	1998
Illinois	\$5,066.00	\$4,306.00	\$2,647.00	52%	2008
Indiana	\$4,519.00	\$3,842.00	\$1,817.00	40%	2008
Iowa	\$4,591.00	\$3,902.00	\$2,075.00	45%	2008
Kansas	\$4,545.00	\$3,863.00	\$2,647.00	58%	2008
Kentucky	\$4,028.00	\$3,424.00	\$2,145.00	53%	2007
Louisiana	\$3,537.00	\$3,006.00	\$2,653.00	75%	2006
Maine	\$4,536.42	\$3,855.96	\$3,402.32	75%	2008
Maryland	\$4,998.00	\$4,249.00	\$2,499.00	50%	2001
Massachusetts	\$5,979.00	\$5,083.00	\$2,990.00	50%	2008
Michigan	\$5,008.00	\$4,257.00	\$1,990.00	40%	2008
Minnesota	\$5,418.00	Not Available	\$3,577.00	46%	2008
Mississippi	\$3,432.00	\$2,917.00	Not applicable	85%	2004

**TABLE 3.3-B, con.
Income Eligibility Limits, Family of Three***

State/Territory	100% of SMI	85% of SMI	Lower Than 85% of SMI if Used to Limit Eligibility	Limit as a Percentage of SMI	SMI Year Used
Missouri	\$4,469.00	\$3,799.00	\$1,836.00	41%	2008
Montana	\$3,895.00	\$3,311.00	\$2,146.00	55%	2008
Nebraska	\$4,509.00	\$3,833.00	\$1,717.00	38%	2007
Nevada	\$4,324.00	\$3,675.00	\$3,243.00	75%	2008
New Hampshire	\$5,882.00	\$5,000.00	\$2,719.00	46%	2006
New Jersey	\$6,318.00	\$5,370.00	\$2,862.00	45%	2008
New Mexico	\$3,495.00	\$2,970.75	\$2,360.88	68%	2007
New York	\$4,750.00	\$4,037.00	\$2,862.00	60%	2007
North Carolina	\$4,076.00	\$3,465.00	\$3,057.00	75%	2005
North Dakota	\$4,196.00	\$3,567.00	\$2,463.00	59%	2008
Ohio	\$4,671.00	\$3,971.00	\$2,647.00	57%	2008
Oklahoma	\$3,720.00	\$3,162.00	\$2,925.00	79%	2008
Oregon	\$4,288.00	\$3,644.00	\$2,648.00	62%	2007
Pennsylvania	\$4,823.91	\$4,100.32	\$2,862.00	59%	2007
Puerto Rico	Not applicable	Not applicable	Not applicable	\$1,279.00	Not applicable
Rhode Island	\$5,481.00	\$4,659.00	\$2,576.00	47%	2008
South Carolina	\$4,055.00	\$3,447.00	\$2,146.00	53%	2008
South Dakota	\$4,337.00	\$3,687.00	\$2,862.00	66%	2007
Tennessee	\$3,878.00	\$3,297.00	\$2,327.00	60%	2005
Texas**	\$4,026.00	\$3,422.00	\$2,146.00	53%	2008
Utah	\$4,060.00	\$3,451.00	\$2,479.00	61%	2008
Vermont	\$3,134.00	\$2,664.00	\$2,586.00	83%	1999
Virginia**	\$5,420.00	\$4,607.00	\$3,578.00	66%	2008
Virgin Islands	Not applicable	Not applicable	Not applicable	\$1,800.09	Not applicable
Washington	\$5,047.00	\$4,290.00	\$2,862.00	57%	2008
West Virginia	\$3,660.00	\$3,111.00	\$2,012.00	55%	2008
Wisconsin	\$4,974.00	\$4,228.00	\$2,647.00	53%	2008
Wyoming	\$4,405.00	\$3,745.00	\$2,862.00	65%	2008

*For illustrative purposes, the maximum income eligibility limit for a family of three is presented. Territories use other data sources to establish income eligibility in Section 3.3.2 as SMI data sources do not include Territory data. All Territory figures reported in Table 3.3-B reflect these other sources.

**In Texas and Virginia, income eligibility limits vary by locality. Texas income limits represent limits for Gulf Coast Workforce Board, and Virginia's income limits represent those for Fairfax County.

Tiered Eligibility Limit

In most States, a single income eligibility limit is used to determine whether a family may receive child care assistance. However, 11 States (DC, FL, KY, MA, ME, MN, NJ, OH, PA, WI, WV) report using a two-tier eligibility system that establishes income levels for determining initial entry into the program and income levels for remaining eligible. Once determined eligible for assistance at the entry-level income tier, a family will remain eligible until its income reaches the exit level. In nine of these States (DC, FL, KY, MN, NJ, OH, PA, WI, WV), the two-tier system is established based on a percentage of the FPIG (e.g., 200 percent of FPIG for the entry-level income tier, and 250 percent of FPIG as the exit level).

Income Exclusions or Deductions

How does the Lead Agency define “income” for the purposes of eligibility? Is any income deducted or excluded from total family income (for instance, work or medical expenses; child support paid to, or received from, other households; Supplemental Security Income (SSI) payments)? If yes, describe what type of income is deducted or excluded from total family income.

States and Territories report that gross income typically is defined as both earned and unearned income of the family, household, or child care assistance unit. States and Territories take different approaches to income exclusions, based on the type or source of income and/or the person earning it. As shown in Table 3.3-C, 48 States and Territories deduct or exclude some type of income from the total income. Two-thirds of States and Territories deduct Federal and/or State tax credits, and another two-thirds exclude income such as scholarships, education loans, grants, and income from work study.

While not all Lead Agencies exclude all of these, the following are the types of government benefits most typically excluded: TANF benefits; Social Security benefits; worker compensation; foster child payments; adoption subsidies; military housing, allotments, or bonuses; housing or energy assistance; food program benefits (Food Stamps; the Special Supplemental Nutrition Program for Women, Infants, and Children; school lunches); Workforce Investment Act (WIA) earnings; Volunteers in Service to America or AmeriCorps stipends; and/or Federal Emergency Management Agency (FEMA) assistance/disaster relief. Some States and Territories also indicate that child support paid and/or received is excluded from total income.

Some States and Territories deduct expenses, such as health care or health insurance related expenses, self-employment business expenses, and/or other special expenses under certain circumstances. Other types of income that are excluded by multiple States and Territories include Indian Claims Settlement, Alaska Native Claims Settlement, Uniform Relocation Assistance, Refugee Resettlement Program assistance, Crime Victim’s Compensation Payments, Radiation Exposure Compensation, Agent Orange Settlement, and Nazi Persecution claims payments.

**TABLE 3.3-C
Income Exclusions or Deductions**

Type of Income	Number of States/Territories	State/Territory
Deducts or excludes certain income from total family income	48	AK, AS, AZ, CA, CO, CT, DC, DE, FL, GA, HI, IA, ID, IL, IN, KS, KY, LA, MA, MD, ME, MN, MO, MT, NC, ND, NE, NH, NM, NV, NY, OH, OK, PA, PR, RI, SC, SD, TN, TX, UT, VA, VI, VT, WA, WI, WV, WY
Federal and/or State tax credits	37	AK, AS, AZ, CNMI, CO, CT, DC, GA, HI, IA, ID, IL, KS, LA, MA, MD, ME, MN, MO, MT, NC, ND, NE, NM, NV, NY, OH, PR, RI, SC, SD, TX, UT, VA, VT, WA, WV
Scholarships, education loans, grants, income from work study	37	AZ, CA, CNMI, CO, CT, DC, DE, GA, IA, ID, IL, IN, KS, KY, MA, MD, ME, MN, MO, MT, NC, ND, NE, NH, NM, NV, NY, OH, RI, SC, TN, TX, VA, VT, WA, WV, WY
Federal nutrition programs	34	AK, AZ, CA, CNMI, CO, CT, DE, FL, GA, IA, IL, IN, KY, MA, MD, ME, MN, MO, MS, MT, NC, ND, NE, NM, NY, OH, RI, SC, TN, TX, UT, VA, VT, WV
Adoption subsidies and/or foster payments	32	AK, AZ, CO, DC, FL, GA, IA, ID, IL, IN, KS, KY, LA, MA, MD, MN, MO, MT, NC, ND, NE, NH, NM, NY, OH, RI, SC, TX, VT, WA, WV, WY
Housing allotments and/or energy assistance	28	AZ, CA, CNMI, CO, CT, DC, FL, GA, IA, IL, IN, KS, MA, MD, ME, MN, MO, MS, MT, NC, ND, NE, NM, NV, OH, RI, UT, WY
Social Security benefits	24	CA, CO, FL, GA, IA, KS, KY, MD, MN, MO, MS, MT, NC, NM, NV, OH, PR, RI, SC, SD, UT, VA, VT, WY
Child support payments made	21	AZ, CA, CO, CT, DC, FL, ID, IL, MD, ME, ND, OH, OK, PA, SD, TN, UT, VA, VT, WA, WI
WIA and other job training	18	AZ, CNMI, CO, DE, IA, KS, MA, MD, MO, MT, ND, NE, NM, NV, RI, SC, VT, WI
TANF	15	CT, DC, GA, IA, ID, KS, KY, LA, MA, MD, MS, NC, ND, VA, WA
Medical expenses or insurance	12	GA, IA, ME, MN, MO, MS, MT, PA, PR, TX, UT, VI
FEMA assistance/disaster relief	9	AZ, CNMI, CO, FL, LA, MS, MT, NC, NE
Military housing or other allotment/bonus	5	AZ, NM, TX, VA, WA
Child support received	4	CT, ND, PR, UT
Worker compensation	3	AZ, MA, PR

Whose Income Is Included

Is the income of all family members included? If no, describe whose income is excluded for purposes of eligibility determination.

Table 3.3-D shows the most common types of family members who are excluded when determining the gross income for families. Fifty States and Territories exclude the earned income of some family members, depending on family member age and relationship to eligible children. In some States, student income of family members (who are not the parents) is excluded up to the age of 18 or 19. If the student is the parent of an eligible child, then his or her income is usually included. If the parent is a single teen, living with his or her parents and the teen's income is counted, then some States and Territories do not count the income of any grandparents living in the home. Others exclude the income of great grandparents, aunts and uncles, and/or family members older than a certain age. States typically count the incomes of anyone acting *in loco parentis*, court ordered guardians, step-parents, and adults living with the eligible child.

Type of Family Member	Number of States/Territories	State/Territory
Excludes the income of certain family members	50	AK, AZ, CA, CO, CNMI, DC, DE, FL, GA, GU, HI, IA, ID, IL, IN, KS, KY, LA, MA,* MD, ME, MN, MS, MO, MT, NC, ND, NE, NH, NJ, NM, NV, NY,* OH, OK, OR, PA, PR, RI, SC, SD, TN, UT, VA, VI, VT, WA, WI, WV, WY
Excludes income of children younger than 18	28	AZ, CA, CNMI, CO, DC, DE, FL, GA, IA, ID, IL, IN, KY, LA, MD, ME, MN, ND, OK, OR, PA, SC, SD, UT, VA, WA, WI, WV
Excludes the income of children older than 18 who are still attending school	8	MO, MT, NE, NH, NM, NV, OH, TN
Excludes the income of all members of household, except for caretakers/parents	7	MS, NC, NE, NJ, VI, VT, WY
Excludes the income of teen parents living with parents	6	DE, GU, KS, LA, ME, UT
Excludes the income of unrelated members of household	3	DC, HI, WV

*Massachusetts excludes the income of children younger than 21, and New York excludes the income of children younger than 14 years.

Section 3.3.3 – Eligibility Based Upon Receiving or Needing to Receive Protective Services

Does the State choose to provide child care to children in protective services? (§§98.16(f)(7), 98.20(a)(3)(ii)(A) & (B))

Has the Lead Agency elected to waive, on a case-by-case basis, the fee and income eligibility requirements for cases in which children receive, or need to receive, protective services? (658E(c)(3)(B), 658P(3)(C)(ii), §98.20(a)(3)(ii)(A))

Does the State choose to provide CCDF-funded child care to children in foster care whose foster care parents are not working, or who are not in education/training activities? (§§98.20(a)(3)(ii), 98.16(f)(7)) (This means that for CCDF purposes the State considers these children to be in protective services.)

Two-thirds of States and Territories provide child care services for children in protective services. Some also indicate that on a case-by-case basis, the parental fee and/or income eligibility requirements may be waived for children who receive or need to receive protective services. Others report that child care services are available for children in foster care whose foster care parents are not working or who are not in education/training activities. Table 3.3-E shows how many States and Territories have these types of services and policies in place.

Criterion	Number of States/Territories	State/Territory
Provides CCDF-funded child care to children in protective services	38	AK, AL, AS, AZ, CA, DC, DE, FL, GA, GU, HI, IA, ID, IN, KY, LA, MA, ME, MI, MO, MS, MT, NE, NH, NJ, NV, NY, OK, PR, SC, SD, TN, TX, VA, VI, VT, WA, WV
Elects to waive, on a case-by-case basis, the fee and income eligibility requirements for cases in which children receive, or need to receive, protective services	35	AK, AL, AS, AZ, CA, DC, DE, FL, GA, GU, HI, IA, ID, IN, KY, LA, MA, ME, MI, MO, MS, MT, NE, NH, NJ, NV, NY, OK, PR, SD, TX, VI, VT, WA, WV
Provides CCDF-funded child care to children in foster care whose foster care parents are not working or who are not in education/training activities	15	AS, AZ, FL, GU, MA, ME, MO, NE, NH, PR, SD, TX, VI, VT, WA

Section 3.3.4 – Additional Eligibility Conditions

Has the Lead Agency established additional eligibility conditions? (658E(c)(3)(B), §98.16(g)(5), §98.20(b)) If yes, the additional eligibility conditions are as follows.

Lead Agencies must report any additional eligibility criteria and definitions that have been established. Thirty States and Territories (AL, CA, CNMI, CT, DE, FL, GA, GU, IA, KY, LA, MA, ME, MI, MS, ND, NE, NH, NJ, NY, OK, RI, SC, SD, TX, VA, WA, WI, WV, WY) indicate that they have established additional eligibility conditions. Some require cooperation with child support enforcement regulations, and others establish time limits for job searches.

Section 3.4 – Priorities for Serving Children and Families

In addition to the Federal requirement that States and Territories must give priority to families with very low incomes and families of children with special needs, Lead Agencies define other service priorities that encompass certain groups of children and families. Additional priorities often include families with children receiving protective services or teen parents as well as families transitioning off TANF.

Section 3.4.1 – Eligibility Conditions and Priority Rules

Table 3.4-A lists the priority rules for families with children with special needs, families with very low incomes, families receiving TANF assistance, families transitioning off TANF, and families at risk of becoming dependent of TANF assistance. More than half of the States and Territories give priority to families of children with special needs over all other CCDF-eligible families. In the remaining States and Territories where all eligible families are served, these families have the same priority as other CCDF-eligible families. In some instances, these families are guaranteed eligibility.

Nearly half prioritize children in families with very low incomes over all other CCDF-eligible families. In the remaining States and Territories where all eligible families are served, these families have the same priority as other CCDF-eligible families. In some instances, these families are guaranteed eligibility. Two-thirds of States and Territories guarantee subsidy eligibility for families receiving TANF assistance, and one-third give these families priority over all other CCDF-eligible families. Approximately half guarantee eligibility for families transitioning off TANF, and one-third give these families priority over all other CCDF-eligible families. Nearly two-thirds give families at risk of becoming dependent on TANF the same priority as all other CCDF-eligible families.

TABLE 3.4-A
Priorities for Serving Children and Families*

Type of Family	Policy	Number of States/Territories	State/Territory
Children with special needs	Guaranteed subsidy eligibility	12	DE, GA, IL, MD, MT, ND, NE, OR, PR, VI, WA, WV
	Priority over other CCDF-eligible families	33	AK, AL, AR, AS, CA, CNMI, CO, DE, GA, GU, HI, IA, IN, KY, MA, ME, MN, MO, MS, NC, NJ, NM, NV, NY, PA, PR, SC, SD, TX, UT, VA, VT, WY
	Same priority as other CCDF-eligible families	16	AR, CA, CT, FL, ID, IL, KS, LA, MI, NH, OH, OK, OR, RI, TN, WI
	Time limit on guarantee or priority	1	PR
Children in families with very low incomes	Guaranteed subsidy eligibility	10	DE, IL, ND, NE, NM, OR, PA, PR, WA, WV
	Priority over other CCDF-eligible families	27	AK, AL, AS, AZ, CA, CNMI, CO, DC, DE, GU, HI, IA, MD, ME, MN, MO, MS, MT, NJ, NY, OH, PR, SC, SD, VA, VT, WY
	Same priority as other CCDF-eligible families	23	AR, CT, FL, GA, ID, IL, IN, KS, KY, LA, MA, MI, NC, NH, NV, OK, OR, RI, TN, TX, UT, VI, WI
	Time limit on guarantee or priority	0	
Families receiving TANF	Guaranteed subsidy eligibility	37	AK, AZ, CA, CO, DE, FL, GA, IA, ID, IL, IN, KS, LA, MA, MD, ME, MI, MN, MS, MT, ND, NE, NJ, NM, NV, NY, OH, OR, PA, SC, TN, TX, VA, VI, VT, WA, WV
	Priority over other CCDF-eligible families	20	AL, AR, AZ, CT, DC, DE, GA, HI, KY, LA, MI, MN, NH, NJ, NV, OH, PR, SD, UT, WY
	Same priority as other CCDF-eligible families	9	AR, GU, IL, NC, OK, OR, RI, VA, WI
	Time limit on guarantee or priority	2	DE, NJ
Families transitioning off TANF	Guaranteed subsidy eligibility	26	AZ, CA, DC, GA, IL, KS, LA, MA, ME, MI, MN, MS, ND, NE, NJ, NM, NY, OH, OR, SC, TN, TX, VI, VT, WA, WV
	Priority over other CCDF-eligible families	20	AK, AL, AZ, CO, CT, GA, HI, IN, KY, LA, MD, MI, NH, NJ, OH, PA, PR, SD, VA, WY
	Same priority as other CCDF-eligible families	16	AR, DE, FL, GU, IA, ID, IL, MN, MT, NC, NV, OK, OR, RI, UT, WI
	Time limit on guarantee or priority	17	AK, AL, AZ, GA, KS, LA, MD, MN, MS, NJ, NY, OH, SC, TN, TX, VA, WY

**TABLE 3.4-A, con.
Priorities for Serving Children and Families***

Type of Family	Policy	Number of States/Territories	State/Territory
Families at risk of becoming dependent on TANF	Guaranteed subsidy eligibility	10	CA, IL, ND, NE, NM, OH, OR, TN, WA, WV
	Priority over other CCDF-eligible families	8	HI, NH, NJ, NV, OH, PR, SD, VT
	Same priority as other CCDF-eligible families	35	AK, AL, AR, CO, CT, DE, FL, GA, GU, IA, ID, IL, IN, KY, LA, MA, MD, ME, MI, MN, MS, MT, NC, NY, OK, OR, PA, RI, SC, TX, UT, VA, VI, WI, WY
	Time limit on guarantee or priority	1	TN

*Some States may be in more than one category, depending on how their priority categories are defined. Also, in some States and Territories, all eligible families are served so families with children who have special needs and families with very low incomes receive the same priority as other CCDF-eligible families.

Section 3.4.2 – Prioritizing Services for Specific CCDF-Eligible Children

Describe how the State prioritizes service for the following CCDF-eligible children: (a) children with special needs and (b) children in families with very low incomes. (658E(c)(3)(B))

CCDF regulations require the Lead Agency to give priority for child care services to children with special needs and families with very low incomes. States and Territories have flexibility in defining these terms and how they implement services for these priority groups. For example, some Lead Agencies set aside specific funds or slots for children in families with very low incomes or children with special needs. Others rank their service delivery, allowing families in these groups to be served before others. Eligibility and priority terms submitted by the States and Territories appear in Appendix 2 of this report.

Section 3.4.3 – Meeting the Needs of TANF Families

Describe how CCDF funds will be used to meet the needs of: (a) families receiving Temporary Assistance for Needy Families (TANF), (b) those attempting to transition off TANF through work activities, and (c) those at risk of becoming dependent on TANF. (658E(c)(2)(H), Section 418(b)(2) of the Social Security Act, §§98.50(e), 98.16(g)(4))

As discussed in Section 3.4.1, nearly 90 percent of States and Territories report using priority rules to meet the needs of TANF families and families at risk of becoming dependent on TANF. Table 3.4-B shows the number of States that use these strategies to help serve the needs of TANF families. One-third of States and Territories waive parental fees for some or all families currently receiving TANF. Some coordinate with other programs to ensure the child care needs of TANF families are met. For example, several States report that CCR&R agencies coordinate with the Lead Agency and the TANF office to help TANF families find quality child care. Six States indicate that TANF families can receive child care assistance for a limited period of time in order to conduct job searches.

Policy	Number of States/Territories	State/Territory
Waives fees for some or all TANF families	21	AK, AZ, CO, DC, GA, IA, KS, LA, MD, MI, MS, ND, NJ, NV, OK, OR, SC, SD, TN, TX, WV
Coordinates with other entities (e.g., the TANF office, other State/Territory agencies, and contractors)	12	AL, CA, FL, NY, PA, PR, SD, TX, UT, VI, VT, WY
Establishes grace periods for job searches	6	OK, OR, PA, SC, SD, TN

Section 3.4.4 – Additional Priority Rules

Has the Lead Agency established additional priority rules that are not reflected in the table completed for Section 3.4.1? (658E(c)(3)(B), §98.16(g)(5), §98.20(b)) If yes, the additional priority rules are as follows.

In addition to priority rules identified in Table 3.4-A, 14 States and Territories (AS, AZ, CNMI, FL, GA, IA, IN, MA, MS, NY, OK, PR, TX, VA) establish additional priority rules to ensure access to child care services for targeted populations, such as children receiving protective services, teenagers with physical or mental disabilities, children under court supervision, children in Head Start programs, children in foster care, teen parents, grandparents raising children, and migrant families.

Section 3.4.5 – Serving All Applicants

Does the Lead Agency serve all eligible families that apply?

Thirty-seven States and Territories (AK, AR, AS, AZ, CNMI, CT, DC, DE, GU, HI, IA, ID, IL, KS, KY, LA, MD, MI, MO, MT, ND, NE, NH, NM, NV, OH, OK, OR, RI, SD, UT, VI, VT, WA, WI, WV, WY) serve all eligible families that apply for child care services.

Section 3.4.6 – Waiting Lists

Does the Lead Agency maintain a waiting list? If yes, for what populations? Is the waiting list maintained at the State level? Are certain populations given priority for services, and if so, which populations? What methods are employed to keep the list current?

Twenty-five States and Territories (AL, AR, AS, CA, DC, DE, FL, GA, IA, IN, LA, MA, MD, ME, MN, MO, MS, MT, NJ, PA, PR, TX, VA, VI, WA) maintain a waiting list or have a process in place to maintain a waiting list even though they currently serve all eligible families.

In States and Territories with a waiting list, the list may be maintained at the State, county, regional, or local level, depending on how the program is structured. The Lead Agency may use the child care management system or a statewide Web-based data system to maintain and monitor waiting lists. In some States and Territories, waiting lists are maintained and managed at the local level, either electronically or in hard copy. In some States and Territories with statewide tracking systems or databases, local offices are notified on a periodic basis to contact parents about continued need for assistance. Some local child care assistance agencies that maintain their own waiting lists also contact families periodically to monitor continued need and eligibility for child care assistance.

Section 3.5 – Sliding Fee Scale for Child Care Services

CCDF regulations require States and Territories to establish a sliding fee scale, which is used to determine each family's contribution to the cost of child care purchased through the child care assistance program. The sliding fee scale must vary based on family income and size. States and Territories may waive contributions from families whose incomes are at or below the poverty level for a family of the same size (98.42 (c)). In addition, Lead Agencies may choose to waive, on a case-by-case basis, contributions from eligible families whose children are in protective services or in foster care. States and Territories describe how the sliding fee scale works and how family co-payments are affordable for families participating in the child care assistance program.

Section 3.5.1 – How the Sliding Fee Scale Works

A sliding fee scale, which is used to determine each family's contribution to the cost of child care, must vary based on income and the size of the family.

*Will the Lead Agency use additional factors to determine each family's contribution to the cost of child care? (658E)(c)(3)(B), §98.42(b) If yes, the following *describes* any additional factors that will be used.*

States and Territories are asked to provide in their CCDF Plans a copy of the sliding fee scale for child care services and an explanation of how it works. While the sliding fee scale for all States and Territories is based on income and the size of the family, other factors may be used to determine a family's contribution, including number of children in care, whether care is full- or part-time, or cost of care. Twenty-six States and Territories (AL, AZ, CO, CT, DE, FL, GU, IA, IL, KY, LA, MA, MD, ME, MO, NC, ND, NE, NJ, NY, OK, SD, TX, WA, WI, WV) report using additional factors besides family size and income to determine co-payments.

Some Lead Agencies adjust their fee scale based on the number of children in the family receiving child care services. As seen in Table 3.5-A, more than half of the States and Territories establish the fee per family. Fourteen States and Territories establish the fee per child. The remaining 12 States and Territories establish the fee per child but offer discounts for additional children.

Policy	Number of States/ Territories	State/Territory
Fee is per family	29	AK, CA, CT, GA, IA, IL, IN, KS, KY, ME, MN, MT, NC, ND, NE, NH, NY, OH, OK, OR, PA, RI, SD, TX, UT, VA, VI, WA, WI
Fee is per child and is the same for each child	14	AR, CNMI, DE, GU, HI, ID, LA, MI, MO, NV, SC, VT, WV, WY
Fee is per child and is discounted for two or more children	12	AL, AZ, CO, DC, FL, MA, MD, MS, NJ, NM, PR, TN

Table 3.5-B provides a summary of sliding fee scales submitted in CCDF Plans for Fiscal Years (FY) 2008–2009.

TABLE 3.5-B Sliding Fee Scale for Family of Three for Full-Time Care*				
State/Territory	Minimum Family Fee	Maximum Family Fee First Child	Maximum Family Fee for Multiple Children	Notes
Alabama	\$5.00/week	\$20.00/week	One-half the fee for each additional child	Parental fee is per child.
Alaska	\$13.00/month	\$766.00/month	\$766.00/month	Parental fee is per family.
American Samoa	Not applicable	Not applicable	Not applicable	The Territory does not have a sliding fee scale in place because all families served are below poverty level.
Arizona	\$1.00/day	\$10.00/day	\$15.00/day for two children	Parental fee is per child. Fee for second and third child is 50% of the rate for the first child, each. Families with additional children pay 25% of the rate for the first child. For families receiving transitional child care, there is no sliding fee scale beyond the third child.
Arkansas	No fee	80% of provider fee	80% of provider fee	Parental fee is per child.
California	\$2.00/day	\$17.25/day	\$17.25/day	Parental fee is per family.
Colorado	\$7.00/month	\$455.00/month	An additional \$40.00/month per each additional child	Parental fee is per family.
Commonwealth of the Northern Mariana Islands	10% of the cost of care	10% of the cost of care	10% of the cost of care	Parental fee is per child.
Connecticut	2% of gross income	8% of gross income	8% of gross income	Parental fee is per family.
Delaware	1% of the cost of care	85% of the cost of care	85% of the cost of care	Parental fee is per child.
District of Columbia	\$0.00	\$13.08/day	Fee for second child is 75% of the fee for the first child; there is no fee for additional children	Parental fee is per child for the first two children.
Florida**	\$0.80/day	\$11.20/day	Second and all additional children pay a reduced fee	Parental fees vary by early learning coalition. Sliding fee scale for early learning coalition of Miami-Dade and Monroe counties is presented. Parental fee is per child.

**TABLE 3.5-B, con.
Sliding Fee Scale for Family of Three for Full-Time Care***

State/Territory	Minimum Family Fee	Maximum Family Fee First Child	Maximum Family Fee for Multiple Children	Notes
Georgia	\$0.00	\$50.00/week	\$50.00/week	Parental fee is based on percent of income and is per family. For families with multiple children in care, the fee is assigned to the youngest child in care.
Guam	0% of the cost of care	50% of the cost of care	50% of the cost of care	Parental fee is per child.
Hawaii	0% of payment rate	20% of payment rate	20% of payment rate	Parental fee is based on reimbursement rate per child.
Idaho	7% of the cost of care	66% of the cost of care	66% of the cost of care	Parental fee is per child.
Illinois	\$4.33/month	\$238.32/month	\$407.30/month	Parental fee is per family. Maximum fee increase for each additional child.
Indiana	\$0.00	7% of income	7% of income	Parental fee is per family.
Iowa	\$0.00	\$3.45/half-day	\$3.70/half-day	Parental fee is per family.
Kansas	\$0.00	\$243.00/month	\$243.00/month	Parental fee is per family.
Kentucky	\$0.00	\$13.50/day for first child	\$14.50/day for two or more children	Parental fee is per family and increases for families with two or more children.
Louisiana	20% of the cost of care	60% of the cost of care	60% of cost of care	Parental fee is per child.
Maine	2% of weekly gross income	10% of weekly gross income	Fee is reduced by 50% for second child and by 75% for third child; no fee for additional children	Parental fee is per family. The total amount assessed to a family for all its children shall not exceed 10% of the family's income.
Maryland	\$6.23/week for child younger than age 2; \$4.85/week for child age 2 or older	\$63.23/week for child younger than age 2; \$49.62/week for child age 2 or older	Second and third child: \$50.54/week for those younger than age 2; \$39.69/week for children 2 or older	Parental fee is per child. The parental fee presented is for traditional 3 units (30 hours or more of care per week). Fees vary by region. Fees for region BC (Baltimore City) are presented. There are no additional fees for more children beyond the third child.
Massachusetts	\$0.00/day	\$16.50/day	A discounted fee is assessed for each additional child	Parental fee is per child.
Michigan	5% of payment rate	30% of payment rate	30% of payment rate	Parental fee is per child.
Minnesota	\$0.00/month	\$622.00/month	\$622.00/month	Parental fee is per family.
Mississippi	\$10.00/month	\$212.00/month	Family fee increases by \$10 per month for the second child	Parental fee is per family.

**TABLE 3.5-B, con.
Sliding Fee Scale for Family of Three for Full-Time Care***

State/Territory	Minimum Family Fee	Maximum Family Fee First Child	Maximum Family Fee for Multiple Children	Notes
Missouri	\$1.00/year	\$5.00/day	\$10.00/day for two children	Parental fee is per child.
Montana	\$10 or 1% of gross monthly income	\$300 or 14% of gross monthly income	\$300 or 14% of gross monthly income	Parental fee is per family.
Nebraska	\$0.00/month	\$78.00/month	\$156.00/month	Parental fee is per family and increases with each additional child in care up to a maximum of seven children.
Nevada	5% of payment rate	80% of payment rate	80% of payment rate	Parental fee is per child.
New Hampshire	\$0.00/week	\$49.50/week	\$49.50/week	Parental fee is per family.
New Jersey	\$3.70/week	\$48.30/week	A 25% discount on the assessed fee is applied for additional children	Parental fee is per child.
New Mexico	\$0.00/month	\$161.00/month	The fee for each additional child is reduced by 50%	Parental fee is per child.
New York**	25.5% of family income	25.5% of family income	25.5% of family income	The sliding fee scale varies by locality and local social services district. New York City's sliding fee scale is presented. New York City places a cap on family share at 10% of the family's gross income.
North Carolina	10% of income	10% of income	10% of income	Parental fee is per family. Fee is assessed for the child with the most number of hours in care.
North Dakota	20% of payment rate up to \$42/month	80% of payment rate up to \$365/month	80% of payment rate up to \$365/month	The parental fee is determined as a percentage of the payment rate. There is also a family cap payment. The family pays the lower of the two amounts. Parental fee is per family.
Ohio	\$1.00/month	\$232.00/month	\$232.00/month	Parental fee is per family.
Oklahoma	\$0.00/month	\$189.00/month	\$263.00/month for two children	Parental fee is per family and increases depending on number of children in care.
Oregon	\$25.00/month	\$469.00/month	\$469.00/month	Parental fee is per family.
Pennsylvania	\$5.00/week	\$60.00/week	\$60.00/week	Parental fee is per family.
Puerto Rico	\$36.00/month	\$48.00/month	A 50% discount is applied for the second child	Parental fee is per child and is discounted for additional children.

**TABLE 3.5-B, con.
Sliding Fee Scale for Family of Three for Full-Time Care***

State/Territory	Minimum Family Fee	Maximum Family Fee First Child	Maximum Family Fee for Multiple Children	Notes
Rhode Island	0% of income	8% of family income	8% of family income	Parental fee is per family.
South Carolina	\$6.00/week	\$20.00/week	\$40.00/week for two children in care	Parental fee is per child.
South Dakota	\$0.00	15% of family income or \$429/month	15% of family income or \$429/month	Parental fee is per family.
Tennessee	\$1.00/week	\$48.00/week	Fee for each additional child is reduced by 25%	Parental fee is per child.
Texas**	11% of income	11% of income	13% of income for two or more children	Parental fee is per family. Gulf Coast Workforce Board sliding fee scale is presented. Parental fees may be reduced for families who have seven or more members, who have school-age children, or who have children who are cared for on a part-time basis.
Utah	\$10.00/month	\$255.00/month	\$281.00/month	Parental fee is per family.
Vermont	0% of payment rate	90% of payment rate	90% of payment rate	Parental fee is per child.
Virginia**	2.5% of income	9.5% of income	10% of income	Parental fee is per family. Sliding fee scale varies by locality. Fairfax County fee scale is presented. There is a minimum fee of \$30.10 monthly/\$7 weekly.
Virgin Islands	\$0.00/week	\$10.00/week	\$10.00/week	Parental fee is per child.
Washington	\$15.00/month	\$50.00/month plus 44% of the difference between family income and 137.50% of FPIG	\$50.00/month plus 44% of the difference between family income and 137.50% of FPIG	Parental fee is per family.
West Virginia	\$0.00	\$3.75/day	\$7.50/day	Parental fee is per child.
Wisconsin	\$5.00/week	\$60.00/week	\$75.00/week for two children in care	Parental fee is per family. It increases based on number of children in care up to a maximum fee for five children.
Wyoming	\$0.05/hour	\$0.50/hour	\$1.00/hour for two children	Parental fee is per child.

*For illustrative purposes, the minimum and maximum fees for full-time care for a family of three upon entry into the program are presented.

Section 3.5.2 – Use of Statewide Sliding Scale Fees

Is the sliding fee scale provided used in all parts of the State? (658E(c)(3)(B))

The majority of States and Territories use the sliding fee scale in all parts of the State or Territory. Only four States (FL, NY, TX, VA) report that sliding fee scales vary across the State.

Section 3.5.3 – Waiving Co-payments

The Lead Agency may waive contributions from families whose incomes are at or below the poverty level for a family of the same size. (§98.42(c)), and the poverty level used by the Lead Agency for a family of 3 is: _____.

Poverty Level

Of the 52 States and Territories that waive parental fees for some or all families whose incomes are at or below the poverty level, 24 States and Territories (AZ, CO, FL, GU, IN, IA, KS, ME, MN, MT, NE, NV, ND, OK, PA, RI, SC, SD, TX, UT, VA, WA, WI, WY) use FPIG for FY 2007, which is \$17,170 annually for a family of three. Other States and Territories either report using FPIG for previous years or did not specify the year.

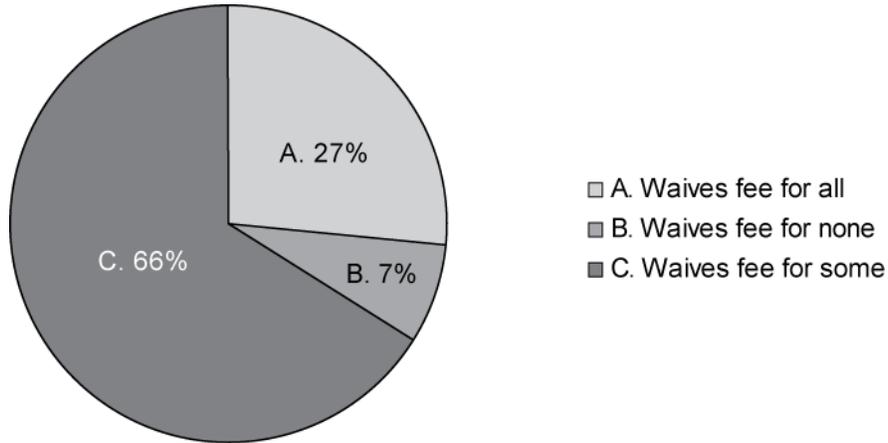
Waiving Co-payment Options

The Lead Agency must select ONE of these options:

- *ALL families with income at or below the poverty level for a family of the same size ARE NOT required to pay a fee.*
- *ALL families, including those with incomes at or below the poverty level for families of the same size, ARE required to pay a fee.*
- *SOME families with income at or below the poverty level for a family of the same size ARE NOT required to pay a fee. The following describes these families.*

Figure 3.5 illustrates which States and Territories waive fees for some or all families with incomes at or below the poverty level. Nearly all States and Territories waive fees for some or all families with incomes at or below the poverty level. Only four States and Territories do not waive the parental fee for any family.

FIGURE 3.5
Sliding Fee Scale Waiver Policies*



Category	State/Territory	Total
A	AR, AS, CA, GU, HI, IA, IN, KY, MA, NE, NH, RI, SD, VI, VT	15
B	CNMI, IL, PR, WY	4
C	AK, AL, AZ, CO, CT, DC, DE, FL, GA, ID, KS, LA, MD, ME, MI, MN, MO, MS, MT, NC, ND, NJ, NM, NV, NY, OH, OK, OR, PA, SC, TN, TX, UT, VA, WA, WI, WV	37

*This figure represents data from all 56 States and Territories; categories are mutually exclusive.

Table 3.5-C presents some additional sliding fee waiver policies States and Territories use on a case-by-case basis if family income is below poverty level. Some Lead Agencies indicate that fees may be waived for children receiving protective services. Nearly half of the States and Territories waive parental fees for families receiving TANF. Thirty-five States report that parental fees may be waived on a case-by-case basis.

Policy	Number of States/Territories	State/Territory
Waives fees on a case-by-case basis	35	AK, AL, AS, AZ, CA, DC, DE, FL, GA, GU, HI, IA, ID, IN, KY, LA, MA, ME, MI, MO, MS, MT, NE, NH, NJ, NV, NY, OK, PR, SD, TX, VI, VT, WA, WV
Waives fees on a case-by-case basis for families receiving TANF	26	AK, AZ, CO, CT, DC, DE, GA, ID, KS, LA, MD, MI, MS, NC, ND, NJ, NV, NY, OR, PA, SC, SD, TN, TX, UT, VA
Waives fees on a case-by-case basis for children in protective services	20	AL, DE, FL, GA, GU, IA, LA, ME, MI, MO, MT, NM, NV, OK, OR, SC, SD, TX, WA, WI
Waives fees on a case-by-case basis for families transitioning off TANF	6	CT, KS, ND, NV, PA, UT

Section 3.5.4 – Prohibitions on Charging Additional Fees

Does the State allow providers to charge parents the difference between the maximum reimbursement rate and their private pay rate?

States and Territories have the flexibility to decide whether providers receiving subsidy payments are prohibited from charging fees, in addition to the parental fees set by the State, for any unsubsidized portion of the providers' normal fees. Forty States and Territories (AK, AL, AS, AZ, CA, CT, DE, FL, GA, GU, HI, ID, IL, IN, KS, KY, LA, MD, MI, MN, MO, MS, MT, NC, ND, NH, NJ, NV, NY, OR, PA, SC, SD, TN, TX, UT, VA, VI, VT, WY) allow providers to charge families for the unsubsidized portion of their normal fees in addition to the parental fee established in the sliding fee scale. Unsubsidized fees that providers are allowed to charge in these States and Territories include activity fees, late fees, and registration fees.

Section 3.5.5 – Affordable Co-payments

The following is an explanation of how the copayments required by the Lead Agency's sliding fee scale(s) were determined to be affordable. (§98.43(b)(3))

As the third essential element of equal access to child care services, CCDF regulations require Lead Agencies to establish a sliding fee scale with affordable co-payments for families. The regulations consider 10 percent of family income as a benchmark of affordability, but Lead Agencies have the flexibility to define affordability for their programs.

Table 3.5-D presents strategies States and Territories use to ensure that co-payments established in the sliding fee scale are affordable. Nearly half of the States and Territories also refer to the CCDF benchmark of 10 percent of family income as an explanation of affordability. Seventeen States and Territories indicate that most or all family fees are established below 10 percent of income. In addition, 11 States extend their sliding fee scale in relation to their tiered eligibility system (see Section 3.3.2 for additional information on tiered eligibility).

Strategy	Number of States/ Territories	State/Territory
Reference to 10% of income benchmark as an explanation of affordability	25	AK, CA, CO, CT, DC, FL, GA, IA, ID, KS, KY, MA, ME, MI, MO, NC, NH, NY, OH, RI, TX, VA, VI, WA, WV
Co-payments are less than 10% of income for most or all families	17	AL, IL, KY, MD, MS, MT, NJ, NM, NV, OR, PA, PR, RI, SC, TN, UT, WY
Extended sliding fee scale based on tiered eligibility that establishes a maximum co-payment for program entry and another for program exit	11	DC, FL, KY, MA, ME, MN, NJ, OH, PA, WI, WV