January 15, 2021

Office of Management and Budget

725 17th Street NW

Washington, DC 20006

RE: Submission for OMB Review; Child Care and Development Fund Plan for States/Territories for FFY 2022–2024 (ACF–118; OMB #0970–0114)

Child Care Aware® of America (CCAoA) appreciates the opportunity to comment on the Submission for OMB Review; Child Care and Development Fund Plan for States/Territories for FFY 2022–2024 (CCDF State Plan form). The Child Care and Development Fund (CCDF) provides financial assistance to low-income families to access child care so they can work or attend a job training or educational programs and supports. In addition, CCDF invests in improving quality, supporting the child care workforce, helping child care programs achieve higher standards, and providing consumer education to help parents select child care that meets their families’ needs. The CCDF State Plan form is the guide for states to provide a description of, and assurance about, their Child Care and Development Block Grant (CCDBG) funded child care system and the services available to eligible families.

CCAoA is a national, membership-based nonprofit organization working with over 400 community-based agencies serving over 860,000 families a year. The child care resource and referral network is the most trusted place to find child care. Given this extensive network, we are uniquely positioned to present the perspective of child care providers and resource and referral agencies that offer and provide services to millions of children and families throughout the United States.

CCAoA encourages OMB to approve the CCDF State Plan form submitted by the Administration for Children and Families (ACF). This new iteration of the CCDF State Plan form will continue to support states in describing the support they provide to families and providers. We have noticed that ACF has made needed changes to achieve this goal.

We express our strong support for the robust edits in Section 5.5, which reflect that the comprehensive background checks required by 2014’s CCDBG Act are now expected to be implemented, with all states and territories required to have in effect requirements, policies, and procedures to conduct comprehensive background checks for all child care staff. This is an important standard that ensures the safety of children while in child care.

In addition, we support that the updated form acknowledges the COVID-19 pandemic and its impact on the child care system. Asking Lead Agencies to explain how COVID-19 has changed the way they operate, such as including any updates or adjustments to the Lead Agency’s Statewide Disaster Plan as well as the effect the pandemic could have on the most recent data collection on the child care market, is important information to gather as child care starts the long road to recovery.

In previous comments to ACF we elevated our concerns with the use of market rate surveys to determine subsidy payment rates and those concerns remain.[[1]](#footnote-1) Child Care Aware® of America’s new report, *Picking Up the Pieces: Building a Better Child Care System Post COVID-19*,discusses that there are discrepancies between market prices and the cost of care. If we are too dependent on these surveys when determining the price of care, then we will continue to cripple the industry. The central purpose of CCDF is to provide financial assistance to low-income families, however the use of market rate surveys can undercut that purpose. Our report found that basing child care rates on market prices hurt low-income areas the most. For example, our research found that when using market-based rates, low-income areas, such as Oregon’s rural areas, see significant drops in state reimbursement even at the 75th percentile.[[2]](#footnote-2)

Given that overdependence on market rate surveys can be detrimental to the child care industry, we appreciate that the updated CCDF State Plan form now provides helpful clarifying language in Section 4.2 that encourages states to explore alternative methods for determining subsidy payment rates. We hope that the use of market rate surveys continues to be an issue that is studied and addressed for the betterment of the child care system.

CCAoA appreciates this opportunity to submit a comment on the CCDF State Plan form and we look forward in assisting our partners as they work with Lead Agencies to help complete state plans and continue serving children, families, and providers across the country.

Sincerely,

 

Lynette M. Fraga, Ph.D.

Chief Executive Officer

**About Child Care Aware** ® **of America**
*Child Care Aware of America is our nation’s leading voice for child care. CCAoA works with state and local Child Care Resource and Referral agencies (CCR&Rs) and other community partners to ensure that all families have access to quality, affordable child care. CCAoA leads projects that increase the quality and availability of child care, offer comprehensive training to child care professionals, undertake research, and advocate for child care policies that improve the lives of children and families. To learn more, visit* [*usa.childcareaware.org*](http://usa.childcareaware.org)*. Follow them on Twitter* [*@USAChildCare*](http://twitter.com/USAChildCare) *and on Facebook at* [*facebook.com/usachildcare*](http://facebook.com/usachildcare)*.*

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1. Child Care Aware of America. Comment on FR Doc # 2015-31883. (February 22, 2016). <https://beta.regulations.gov/comment/ACF-2015-0011-0107> [↑](#footnote-ref-1)
2. Child Care Aware of America. *Picking Up the Pieces: Building a Better Child Care System Post COVID-19.* (2020). [https://info.childcareaware.org/hubfs/Picking Up The Pieces — Building A Better Child Care System Post COVID 19.pdf](https://info.childcareaware.org/hubfs/Picking%20Up%20The%20Pieces%20%E2%80%94%20Building%20A%20Better%20Child%20Care%20System%20Post%20COVID%2019.pdf) [↑](#footnote-ref-2)