



Use of ARRA Funds for Subsidized Child Care in Georgia

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Subsidized Child Care in Georgia

- Child Care and Parent Services (CAPS) is administered by DHR and county DFCS offices
- Eligibility
 - **Income limits** (less than 160% FPL)
 - **Activity requirements** for work or education/training
- Serves children birth to 13 (up to 18 with special needs)
- CAPS child care copayments for a family of 3 at 100% FPL is **9 percent of their income** (\$130 per month)



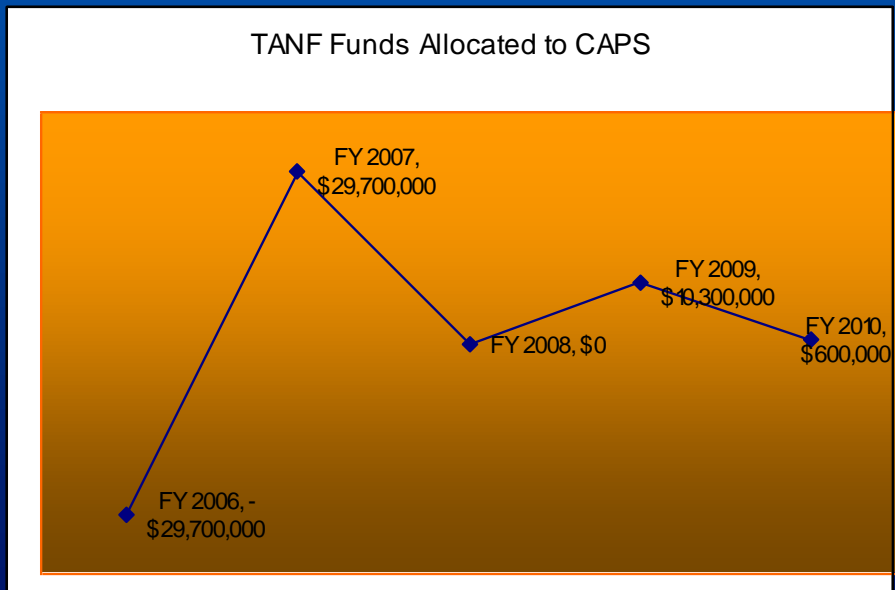
Funding for Georgia CAPS

- Primarily funded by the federal Child Care Development Fund (CCDF) and required matching state funds
- Annual CAPS budget is about \$227 million (flat for past 4 years)
- FY 2010 CAPS budget \$251 million (includes \$36 million in CCDF ARRA funds)



Lack of TANF investment in CAPS

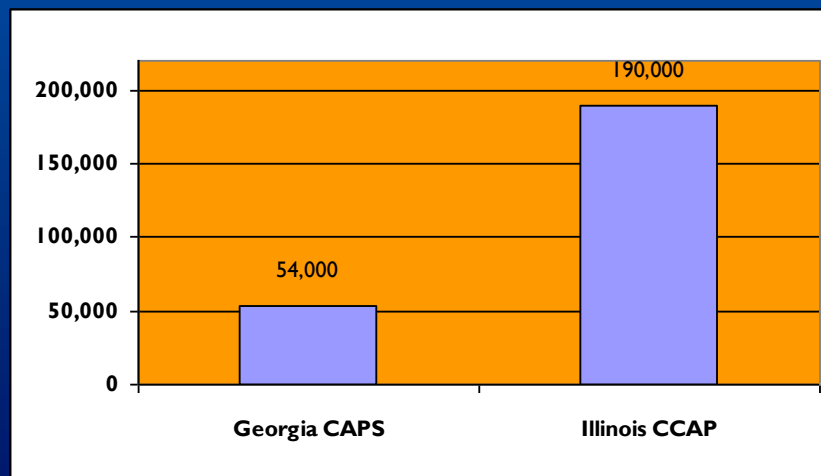
TANF funds are a **decreasing** and **minor source**





Most States Invest More than Georgia

Illinois and Georgia each have approximately **600,000 children** between the ages birth to 13 living in households earning **below 150 percent of federal poverty**. IL serves almost **four** times more children per month than GA.





Stimulus Child Care Funds via ARRA

- **\$2 billion nationwide** through CCDF to serve more children and create jobs
- No state match required
- To supplement not supplant state general revenue funds



ARRA Child Care Funds for Georgia

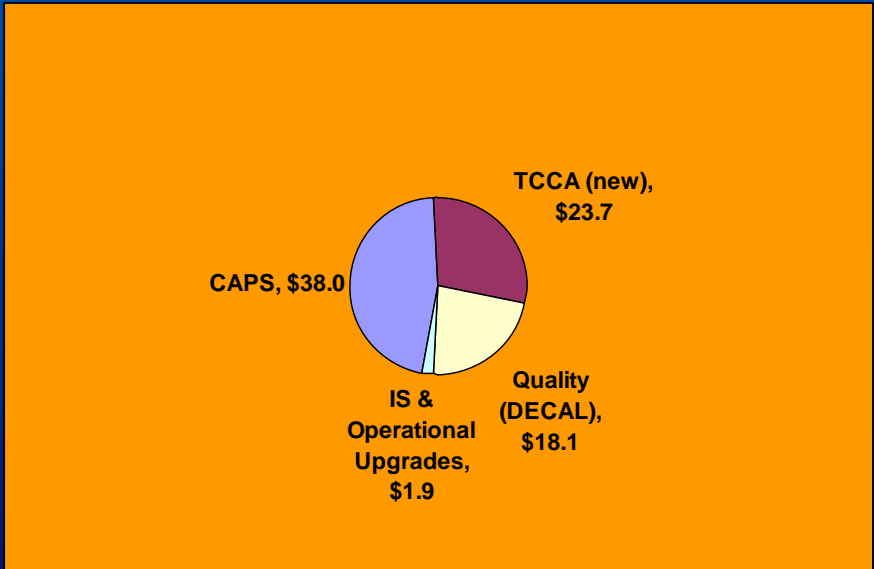
- **\$82.8 million** through September 30, 2010
- FY 2010 Georgia budget (HB 119) allocates \$36 million CCDF ARRA
- “Recognize funds from ARRA for CAPS program waiting list and their child care needs”



Georgia ARRA Child Care Plan

CCDF ARRA funds (in millions)

DHS Stimulus Initiatives, August, 2009





Temporary Child Care Assistance (TCCA)

- **New temporary** subsidized child care program
- Available **October 19, 2009 - September 30, 2009**
- DHS intent to provide child care for those who **do not qualify for CAPS**



TCCA Eligibility

- **Category A** = Receiving Unemployment Insurance (UI) and Food Stamps or UI and Medicaid.
- **Category B** = Fewer than 21 hours of employment or unemployed but not receiving Food Stamps, Medicaid or UI.
- **Total household income less than 200% FPL** (\$36,620 for a family of 3)
- **Activity requirement** of job search, vocational training, or post-secondary education



TCCA Benefit Duration

- Job search clients can receive child care for a **maximum of 12 weeks**
- Vocational training and post-secondary clients can receive child care for **each semester/quarter** until the program ends on September 30, 2010



ARRA Child Care Funds for CAPS

- **\$38 million** to be spent by September 30, 2010
- **\$11.5 million** in FY 2010 to maintain FY 2009 service levels (54, 000 children per month) due to transfer of TANF funds out of CAPS
- **\$11.5 million** (potentially) in FY 2011 to maintain FY 2009 service levels



ARRA Child Care Funds for CAPS

- **\$15 million** remains to serve additional children
- Spent over 15 months, CAPS should serve at least **3,000 additional children per month**
- **57,000 children per month**, in total
- Already expended some ARRA CCDF funds expended for July, August, September



Transparency and Accountability

DHS should share monthly (or at least quarterly) reports for TCCA and CAPS:

- ARRA funds expended
- Total program expenditures
- Number of children served
- Number of children on the waiting list



How Other States Are Using ARRA Funds

- Most states are using ARRA funds to maintain or increase children served in existing programs. **Mississippi decreased its waiting list from 6,667 children in February 2009 to 117 in July 2009.**
- Others are seizing the opportunity to make policy changes. **California temporarily suspended the time limit on job search for parents with children ages birth to 5**



How other States using ARRA CCDF Quality Funds

- Establishment or expansion **quality rating and improvement systems** to assess and enhance quality
- Provider training and **professional development**
- Provider grants for **equipment and materials**
- Child care **resource and referral services**



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