

CHILD CARE ASSISTANCE PROGRAM (CCAP) AND PRE-K

The Child Care Assistance Program (CCAP) provides subsidies – for parents who are working, taking part in a training program, or enrolled in a higher-education program – to enroll their children under age 13 in center or family-based childcare.

CCAP Income Limit: The budget includes \$2.7M in ARPA Child Care Development Block Grant (CCDBG) funds to increase the income limit for CCAP from 180% FPL to 200% FPL (from \$41,454 annually to \$46,060 for a family of 3). The CCAP income limit was 225% FPL in 2007 when it was rolled back to 180% FPL as a budget-savings measure. The exit income for CCAP remains at 225% FPL (\$51,818 for a family of 3).

Post-Secondary Education and CCAP Eligibility: The budget makes permanent the pilot program enacted last session allowing parents who are attending post-secondary education to qualify for CCAP if they otherwise meet eligibility rules. The budget uses \$375K of the TANF block grant to implement this change.

Child Care Rates for Provider Payments: The budget includes \$4.7M in ARPA CCDBG funds to increase the rates paid to CCAP providers. During the pandemic – until the end of 2021 – special enhanced rates were in place, and those have been repealed as of January 2022. Whereas the previous, pre-pandemic base rate was 25% of the 2018 weekly market rate, the new base rate would be 40% of the 2021 weekly market rate for infant/toddler, preschool, and school-aged child care. Tiered rates based upon quality would continue. For family child care providers, the base rate would continue to be negotiated through collective bargaining and also include tiered rates.

Child Care Payments Based upon Enrollment: Whereas payment for CCAP services was traditionally done according to actual attendance by children, pandemic-era policy required payment for enrollment counts, a policy providing greater stability for providers and the industry. The budget calls for continuing this policy.

Early Intervention: The budget provides \$5.5M from ARPA funds for incentive bonuses to Early Intervention providers for achieving referral targets and decreasing staff turnover, but fails to provide a permanent rate increase for providers who serve infants and toddlers with developmental delays; the state has made no rate adjustment in 20 years.

Pre-Kindergarten: The budget recommends level funding of \$14.9M in general revenue for that part of the education funding formula that supports voluntary, free, and high-quality pre-kindergarten programs.

K-12 EDUCATION

Education Funding Formula: With \$1,080.3 million, the budget fully funds the formula adopted in 2010. The budget proposes allocating \$49.7M in Pandemic Hold Harmless Funds so that no school districts lose education aid due to a COVID-related drop in enrollment. Combined with a decrease in Group Home bed counts and associated funding of \$663K as well as an increase of \$843K to correct a property tax data error, total education funding would be increased by \$24.0M.

Multilingual Language Learners (MLL): Level funds the MLL program at \$5.0M general revenue.

School Breakfast program: Level funds administrative cost reimbursement at \$270,000 general revenue.