NCCIC Is a Service of the Child Care Bureau

10530 Rosehaven Street, Suite 400 ● Fairfax, VA 22030 ● Phone: 800-616-2242
Fax: 800-716-2242 ● Email: info@nccic.org ● Web: http://nccic.acf.hhs.gov

STATE FUNDING STREAMS

State investments may include but are not limited to the following:

State Child Care Tax Credits – These are tax credits that offset tax liability or deductions that reduce the amount of income subject to tax. State child care tax provisions are often tied to the Federal child and dependent care tax provisions.

State Department of Education – States use funds to support other State early childhood education investments.

State Early Childhood Education Investments – States have begun to support early care and education by supporting professional development systems, supporting improved quality child care, and supporting infrastructure.

State-funded Prekindergarten – This is a program that is targeted for early education and is usually focused on children younger than kindergarten entry age. It does not exclusively emphasize special education and early intervention services for children with disabilities. It is funded by State general revenue funds. Funding often goes to local school districts for programming that emphasizes school readiness.

State Juvenile Justice Office - The Office of Juvenile Justice and Delinquency Prevention (OJJDP) in the U.S. Department of Justice provides national leadership, coordination, and resources to prevent and respond to juvenile delinquency and victimization. OJJDP supports States and communities in their efforts to develop and implement effective and coordinated prevention and intervention programs and to improve the juvenile justice system so that it protects public safety, holds offenders accountable, and provides treatment and rehabilitative services tailored to the needs of juveniles and their families.

State Match to the Child Care and Development Fund (CCDF) – CCDF is comprised of three funding streams: Mandatory, Matching, and Discretionary. Mandatory and Discretionary funding is 100 percent Federal. States must meet matching spending and maintenance-of-effort (MOE) requirements – applicable to Matching funds—in order to receive maximum amount of CCDF possible.

State Workforce Development Boards -The Workforce Investment Act (WIA) integrates employment, adult education and vocational services into a Federal workforce development system for adults, dislocated workers, and youth. Under WIA, three key funding streams are authorized - adult, dislocated worker and youth funds. These funds are allocated by formula to States that reserve 15 % and pass the remaining 85% on to the local level.

Temporary Assistance to Needy Families (TANF) Transfers – States are able to transfer up to 30 percent of its TANF money to CCDF for child care assistance. When transferred to CCDF, these funds become subject to CCDF regulations.

Temporary Assistance to Needy Families (TANF) Direct – State can spend an unlimited amount of TANF funds directly on child care without transferring to CCDF. The state may elect to contract with the CCDF agency to administer these funds that are subject to TANF regulations.