

DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES

Child Care Entitlement to States

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ADMINISTRATION FOR CHILDREN AND FAMILIES

Child Care Entitlement to States

**Amounts Available for Obligation**

	<b><u>2002 Actual</u></b>	<b><u>2003 President's Budget</u></b>	<b><u>2004 Estimate</u></b>
Appropriation:			
Annual .....	\$2,717,000,000	\$2,717,000,000	\$2,717,000,000
Re-appropriation of prior year funds.....	\$41,000,000		
Subtotal, Adjusted Appropriation.....	<u>2,758,000,000</u>	<u>2,717,000,000</u>	<u>2,717,000,000</u>
Total Obligations.....	\$2,758,000,000	\$2,717,000,000	\$2,717,000,000

Child Care Entitlement to States

**SUMMARY OF CHANGES**

FY 2003 President's Budget Request .....	\$2,717,000,000
Total estimated budget authority.....	\$2,717,000,000
(Obligations) .....	\$2,717,000,000
FY 2004 Estimate.....	\$2,717,000,000
(Obligations) .....	\$2,717,000,000
Net change.....	\$0
(Obligations) .....	\$0

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Child Care Entitlement to States

**Budget Authority by Activity**

	<b><u>2002 Actual</u></b>	<b><u>2003 President's Budget</u></b>	<b><u>2004 Estimate</u></b>
State Mandatory Funds..	\$1,177,524,781	\$1,177,524,781	\$1,177,524,781
Matching Child Care.....	1,519,342,719	1,478,342,719	1,478,342,719
Tribal Mandatory Funds.....	54,340,000	54,340,000	54,340,000
Training and Technical Assistance .....	6,792,500	6,792,500	6,792,500
Total, Budget Authority.	\$2,758,000,000	\$2,717,000,000	\$2,717,000,000

**Budget Authority by Object**

	<b><u>2003 President's Budget</u></b>	<b><u>2004 Estimate</u></b>	<b><u>Increase or Decrease</u></b>
Advisory and assistance services.....	\$6,792,500	\$6,792,500	\$6,792,500
Grants, subsidies, and contributions.....	2,751,207,500	2,710,207,500	2,710,207,500
Total, Budget Authority.	\$2,758,000,000	\$2,717,000,000	\$2,717,000,000

Child Care Entitlement to States

**Authorizing Legislation**

	<b><u>2003 Amount Authorized</u></b>	<b><u>2003 President's Budget*</u></b>	<b><u>2004 Amount Authorized</u></b>	<b><u>2004 Budget Request</u></b>
Section 418 of the Social Security Act	\$2,717,000,000	\$2,717,000,000	\$2,717,000,000	\$2,717,000,000

\* Legislation pending Congressional action to reauthorize this program at this level.

Child Care Entitlement to States

APPROPRIATIONS HISTORY TABLE

<b><u>Year</u></b>	<b><u>Budget Estimate To Congress</u></b>	<b><u>House Allowance</u></b>	<b><u>Senate Allowance</u></b>	<b><u>Appropriation</u></b>
1997				\$1,967,000,000
1998				\$2,070,387,000
1999				\$2,166,938,000
2000				\$2,367,000,000
2001				\$2,567,000,000
2002				\$2,717,000,000
2003	\$2,717,000,000			
2004	\$2,717,000,000			

Child Care Entitlement to States

**Justification**

	<b>2002 Enacted</b>	<b>2003 President's Budget</b>	<b>2004 Estimate</b>	<b>Increase or Decrease</b>
State Mandatory Funds	\$1,177,524,781	\$1,177,524,781	\$1,177,524,781	\$0
Matching Child Care	1,519,342,719	1,478,342,719	1,478,342,719	0
Tribal Mandatory Funds	54,340,000	54,340,000	54,340,000	0
Training and Technical Assistance	6,792,500	6,792,500	6,792,500	0
<b>Total, BA</b>	<b>\$2,758,000,000</b>	<b>\$2,717,000,000</b>	<b>\$2,717,000,000</b>	<b>\$0</b>

**General Statement**

The Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 (P.L. 104-193) combined child care entitlement programs with different target populations (AFDC Child Care, Transitional Child Care and At-Risk Child Care) with the Child Care and Development Block Grant (CCDBG) Act of 1990, as amended. Effective October 1, 1996, the discretionary and mandatory child care funding under this Act, designated the Child Care and Development Fund, allows States maximum flexibility in developing child care programs and enables States to use resources more effectively to meet local needs. The Child Care and Development Fund includes Mandatory, Matching, and Discretionary components. (See also discussion in the Child Care and Development Block Grant section.)

## **CHILD CARE ENTITLEMENT**

Authorizing Legislation – Legislation to reauthorize Title IV-A, section 418 of the Social Security Act, as amended is pending congressional action.

<b>2002 Enacted</b>	<b>2003 President's Budget</b>	<b>2004 Estimate</b>	<b>Increase or Decrease</b>
\$2,758,000,000	\$2,717,000,000	\$2,717,000,000	\$0

2004 Authorization.....\$2,717,000,000 (reflects reauthorization level for this program as proposed in the President's FY 2003 Budget Request)

### **Purpose and Method of Operation**

The Child Care Entitlement Fund provides grants to States and federally recognized Tribes for the purposes of providing low-income families with financial assistance for child care, improving the quality and availability of child care, and establishing or expanding and conducting early childhood programs and before-and-after school programs.

In conjunction with the Child Care and Development Block Grant, these funds will:

- Allow each State maximum flexibility in developing child care programs and policies that best suit the needs of children and parents within each State;
- Promote parental choice to empower working parents to make their own decisions on the child care that best suits their family's needs;
- Encourage States to provide consumer education information to help parents make informed choices about child care;
- Assist States in providing child care to parents trying to achieve and maintain independence from public assistance and assist other low-income working parents to maintain quality child care services for their children; and
- Assist States in implementing the health, safety, licensing, and registration standards established in State regulations.

Mandatory Child Care -- Mandatory funds are allocated to Grantees based on historic levels of Title IV-A child care expenditures.

Matching Child Care -- Matching funds are those remaining after Mandatory funds and the two percent of the appropriation set aside for Tribes and tribal organizations are allocated. Matching



funds are available to States if three conditions are met by the end of the fiscal year in which Matching funds are awarded: (1) all Mandatory funds are obligated; (2) the State's maintenance-of-effort funds are expended; and (3) the State provides its share of Matching funds at the FMAP rate. Unobligated funds not spent by States will be available for reappropriation in the next fiscal year.

Training and Technical Assistance -- In accordance with 45 CFR paragraph 98.60(b)(1), the Secretary may withhold no more than  $\frac{1}{4}$  of one percent of Child Care Development funds made available for a fiscal year for the provision of training and technical assistance to States.

### **Rationale for the Budget Request**

The FY 2004 request of \$2,717,000,000 -- the same level as the President's FY 2003 budget request -- will provide funding to assist States in meeting the critical child care needs of families. The Child Care Entitlement Fund helps States and communities to build the supply of high quality, affordable child care. The funds will continue ACF's commitment to providing resources that allow families to become and remain self-sufficient and productive members of society. These funds also allow families to access quality child care, which promotes child development, literacy, and school readiness. All segments of society -- parents, schools, employers, health providers, faith-based institutions and other charitable agencies, States and the Federal government -- must be involved to ensure access to quality child care.

Resource and Program Data  
Mandatory Child Care

	<b>2002 Actual</b>	<b>2003 President's Budget</b>	<b>2004 Estimate</b>
<b><u>Resource Data:</u></b>			
Service Grants:			
Formula	\$1,177,524,781	\$1,177,524,781	\$1,177,524,781
Discretionary			
Research/Evaluation			
Demonstration/Development			
Training/Technical Assistance			
Program Support			
Total, Resources	\$1,177,524,781	\$1,177,524,781	\$1,177,524,781
<b><u>Program Data:</u></b>			
Number of Grants	293	290	290
New Starts:			
#			
\$			
Continuations:			
#	293	290	290
\$	\$1,177,524,781	\$1,177,524,781	\$1,177,524,781
Contracts:			
#			
\$			
Interagency Agreements:			
#			
\$			

Resource and Program Data  
Matching Child Care

	<b>2002 Actual</b>	<b>2003 President's Budget</b>	<b>2004 Estimate</b>
<b><u>Resource Data:</u></b>			
Service Grants:			
Formula	\$1,519,342,719	\$1,519,342,719	\$1,519,342,719
Discretionary			
Research/Evaluation			
Demonstration/Development			
Training/Technical Assistance			
Program Support			
Total, Resources	\$1,519,342,719	\$1,519,342,719	\$1,519,342,719
<b><u>Program Data:</u></b>			
Number of Grants	51	51	51
New Starts:			
#			
\$			
Continuations:			
#	51	51	51
\$	\$1,519,342,719	\$1,519,342,719	\$1,519,342,719
Contracts:			
#			
\$			
Interagency Agreements:			
#			
\$			

Resource and Program Data  
Training and Technical Assistance

	2002 Actual	2003 President's Budget	2004 Estimate
<b><u>Resource Data:</u></b>			
Service Grants:			
Formula			
Discretionary			
Research/Evaluation			
Demonstration/Development			
Training/Technical Assistance	\$6,792,500	\$6,792,500	\$6,792,500
Program Support			
Total, Resources	\$6,792,500	\$6,792,500	\$6,792,500
<b><u>Program Data:</u></b>			
Number of Grants			
New Starts:			
#			
\$			
Continuations:			
#	5	5	5
\$	\$6,792,500	\$6,792,500	\$6,792,500
Contracts:			
#			
\$			
Interagency Agreements:			
#			
\$			

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES**

**FY 2004 MANDATORY STATE/FORMULA GRANTS**

**PROGRAM: CCDF Mandatory (CFDA # 93.596)**

<b>STATE/TERRITORY</b>	<b>2002 Actual</b>	<b>2003 Pres. Budget</b>	<b>2004 <u>1</u>/ Estimate</b>	<b>Difference +/- 2003</b>
Alabama	\$16,441,707	\$16,441,707	\$16,441,707	\$0
Alaska	3,544,811	3,544,811	3,544,811	0
Arizona	19,827,025	19,827,025	19,827,025	0
Arkansas	5,300,283	5,300,283	5,300,283	0
California	85,593,217	85,593,217	85,593,217	0
Colorado	10,173,800	10,173,800	10,173,800	0
Connecticut	18,738,357	18,738,357	18,738,357	0
Delaware	5,179,330	5,179,330	5,179,330	0
District of Columbia	4,566,974	4,566,974	4,566,974	0
Florida	43,026,524	43,026,524	43,026,524	0
Georgia	36,548,223	36,548,223	36,548,223	0
Hawaii	4,971,633	4,971,633	4,971,633	0
Idaho	2,867,578	2,867,578	2,867,578	0
Illinois	56,873,824	56,873,824	56,873,824	0
Indiana	26,181,999	26,181,999	26,181,999	0
Iowa	8,507,792	8,507,792	8,507,792	0
Kansas	9,811,721	9,811,721	9,811,721	0
Kentucky	16,701,653	16,701,653	16,701,653	0
Louisiana	13,864,552	13,864,552	13,864,552	0
Maine	3,018,598	3,018,598	3,018,598	0
Maryland	23,301,407	23,301,407	23,301,407	0
Massachusetts	44,973,373	44,973,373	44,973,373	0
Michigan	32,081,922	32,081,922	32,081,922	0
Minnesota	23,367,543	23,367,543	23,367,543	0
Mississippi	6,293,116	6,293,116	6,293,116	0
Missouri	24,668,568	24,668,568	24,668,568	0
Montana	3,190,691	3,190,691	3,190,691	0
Nebraska	10,594,637	10,594,637	10,594,637	0
Nevada	2,580,422	2,580,422	2,580,422	0
New Hampshire	4,581,870	4,581,870	4,581,870	0
New Jersey	26,374,178	26,374,178	26,374,178	0
New Mexico	8,307,587	8,307,587	8,307,587	0
New York	101,983,998	101,983,998	101,983,998	0
North Carolina	69,639,228	69,639,228	69,639,228	0
North Dakota	2,506,022	2,506,022	2,506,022	0

<b>STATE/TERRITORY</b>	<b>2002 Actual</b>	<b>2003 Pres. Budget</b>	<b>2004 Estimate</b>	<b>Difference +/- 2003</b>
Ohio	70,124,656	70,124,656	70,124,656	0
Oklahoma	24,909,979	24,909,979	24,909,979	0
Oregon	19,408,790	19,408,790	19,408,790	0
Pennsylvania	55,336,804	55,336,804	55,336,804	0
Rhode Island	6,633,774	6,633,774	6,633,774	0
South Carolina	9,867,439	9,867,439	9,867,439	0
South Dakota	1,710,801	1,710,801	1,710,801	0
Tennessee	37,702,188	37,702,188	37,702,188	0
Texas	59,844,129	59,844,129	59,844,129	0
Utah	12,591,564	12,591,564	12,591,564	0
Vermont	3,944,887	3,944,887	3,944,887	0
Virginia	21,328,766	21,328,766	21,328,766	0
Washington	41,883,444	41,883,444	41,883,444	0
West Virginia	8,727,005	8,727,005	8,727,005	0
Wisconsin	24,511,351	24,511,351	24,511,351	0
Wyoming	2,815,041	2,815,041	2,815,041	0
<b>Subtotal</b>	<b>1,177,524,781</b>	<b>1,177,524,781</b>	<b>1,177,524,781</b>	<b>0</b>
Tribes	54,340,000	54,340,000	54,340,000	0
<b>Subtotal</b>	<b>54,340,000</b>	<b>54,340,000</b>	<b>54,340,000</b>	<b>0</b>
<b>Total States/Territories</b>	<b>1,231,864,781</b>	<b>1,231,864,781</b>	<b>1,231,864,781</b>	<b>0</b>
Technical Assistance	3,529,600	3,532,100	3,532,100	0
<b>Subtotal</b>	<b>3,529,600</b>	<b>3,532,100</b>	<b>3,532,100</b>	<b>0</b>
<b>Adjustments</b>				
<b>TOTAL RESOURCES</b>	<b>\$1,235,394,381</b>	<b>\$1,235,396,881</b>	<b>\$1,235,396,881</b>	<b>\$0</b>

1/ The FY 2003 allotment calculation used Census 2000 data because 2001 estimates have not been published by the Census Bureau.

**DEPARTMENT OF HEALTH AND HUMAN SERVICES  
ADMINISTRATION FOR CHILDREN AND FAMILIES**

**FY 2004 MANDATORY STATE/FORMULA GRANTS**

**PROGRAM: CCDF Matching (CFDA # 93.596)**

<b>STATE/TERRITORY</b>	<b>2002 Actual</b>	<b>2003 Pres. Budget</b>	<b>2004 Estimate</b>	<b>Difference +/- 2003</b>
Alabama	\$22,803,334	\$22,803,334	\$22,803,334	\$0
Alaska	4,041,917	3,837,458	3,837,458	0
Arizona	29,867,432	28,414,982	28,414,982	0
Arkansas	13,918,143	13,742,062	13,742,062	0
California	202,345,010	192,511,470	192,511,470	0
Colorado	23,346,084	22,505,791	22,505,791	0
Connecticut	18,325,536	17,434,124	17,434,124	0
Delaware	4,194,685	3,996,796	3,996,796	0
District of Columbia	2,532,376	2,419,898	2,419,898	0
Florida	74,315,596	74,315,596	74,315,596	0
Georgia	46,969,407	44,737,387	44,737,387	0
Hawaii	6,391,035	6,077,437	6,077,437	0
Idaho	7,687,126	7,416,544	7,416,544	0
Illinois	70,164,324	66,742,424	66,742,424	0
Indiana	33,404,663	32,195,509	32,195,509	0
Iowa	14,671,371	14,671,371	14,671,371	0
Kansas	14,387,106	14,387,106	14,387,106	0
Kentucky	21,286,383	20,268,911	20,268,911	0
Louisiana	24,347,811	24,347,811	24,347,811	0
Maine	6,220,317	5,924,903	5,924,903	0
Maryland	29,279,003	27,869,137	27,869,137	0
Massachusetts	32,528,105	30,946,749	30,946,749	0
Michigan	53,067,749	53,067,749	53,067,749	0
Minnesota	27,153,654	25,839,064	25,839,064	0
Mississippi	15,814,248	15,614,179	15,614,179	0
Missouri	30,244,097	28,781,184	28,781,184	0
Montana	4,707,222	4,482,336	4,482,336	0
Nebraska	9,431,220	8,973,691	8,973,691	0
Nevada	11,345,185	10,804,203	10,804,203	0
New Hampshire	6,577,515	6,259,901	6,259,901	0
New Jersey	45,576,393	43,390,811	43,390,811	0
New Mexico	10,636,452	10,117,111	10,117,111	0
New York	101,291,573	96,439,140	96,439,140	0
North Carolina	42,875,908	40,785,626	40,785,626	0
North Dakota	3,295,271	3,134,709	3,134,709	0

<b>STATE/TERRITORY</b>	<b>2002 Actual</b>	<b>2003 Pres. Budget</b>	<b>2004 Estimate</b>	<b>Difference +/- 2003</b>
Ohio	61,571,001	58,587,556	58,587,556	0
Oklahoma	11,502,467	17,896,095	17,896,095	0
Oregon	17,957,396	17,090,771	17,090,771	0
Pennsylvania	61,888,243	58,901,198	58,901,198	0
Rhode Island	5,348,500	5,090,091	5,090,091	0
South Carolina	21,613,855	20,591,295	20,591,295	0
South Dakota	4,187,868	3,985,399	3,985,399	0
Tennessee	29,774,488	28,705,941	28,705,941	0
Texas	122,569,631	120,569,631	120,569,631	0
Utah	7,800,000	14,732,285	14,732,285	0
Vermont	3,047,752	2,904,885	2,904,885	0
Virginia	36,888,539	35,556,003	35,556,003	0
Washington	30,720,798	30,720,798	30,720,798	0
West Virginia	8,412,231	8,000,675	8,000,675	0
Wisconsin	28,648,757	27,266,251	27,266,251	0
Wyoming	2,487,341	2,487,341	2,487,341	0
<b>Subtotal</b>	<b>1,519,462,118</b>	<b>1,478,342,719</b>	<b>1,478,342,719</b>	<b>0</b>
Technical Assistance	3,257,900	3,260,400	3,260,400	0
<b>Subtotal</b>	<b>3,257,900</b>	<b>3,260,400</b>	<b>3,260,400</b>	<b>0</b>
<b>Adjustments</b>				
<b>TOTAL RESOURCES</b>	<b>\$1,522,720,018</b>	<b>\$1,481,603,119</b>	<b>\$1,481,603,119</b>	<b>\$0</b>

1/ The FY 2003 allotment calculation used Census 2000 data because 2001 estimates have not been published by the Census Bureau.