Why the Child Care Development Fund Matters for Babies

ZERO TO THREE



The Child Care and Development Fund (CCDF) is the largest source of federal funding for child care assistance. It helps families with low income pay for child care and provides funding to improve the quality and safety of child care programs. By making child care more affordable and accessible, CCDF helps parents work, attend school or participate in job training while supporting children's early learning and development.

What is CCDF?

CCDF provides funding to states, territories and Tribes to help eligible families pay for child care and to support improvements across the child care system. Families receive assistance through a subsidy that covers part or all the cost of child care with an eligible provider.

CCDF is funded through two sources: mandatory funding through the Child Care Entitlement to States (CCES) and discretionary funding through the Child Care and Development Block Grant (CCDBG). These funds are administered together as one program by the Office of Child Care within the Administration for Children and Families at the U.S. Department of Health and Human Services (HHS).

Babies cannot wait.

Their earliest experiences shape their futures.

Babies' brains develop faster in their first three years than at any other time, laying the foundation for lifelong learning, health and well-being. High-quality child care supports healthy development through safe, nurturing environments and strong relationships with trusted caregivers.

Federal investments in child care help ensure babies and toddlers have access to the stable, high-quality care they need to thrive, while helping families afford care and supporting child care providers.

CCDF serves several important purposes. It helps parents afford child care so they can work, attend school or receive job training. It supports efforts to improve child care quality, including health and safety standards and training for early childhood educators. For babies and toddlers, access to consistent, responsive relationships with caregivers supports healthy development during the earliest years of life. CCDF also provides an essential source of revenue for participating child care providers and helps keep quality child care available for all children, whether their families directly receive CCDF subsidies or not.

Child Care and Development Fund | The Numbers

- Nearly **7 million** of the United States' roughly 11 million infants and toddlers have all available parents in the workforce, education or job training.[1]
- CCDF serves over **1.7 million** children and over a million families in an average month.[2]
- Only 16% of eligible low- and moderate-income infants and toddlers with all parents working receive CCDF subsidies.[3] As of October 2026, at least 9 states have formal notices about long or frozen waitlists for child care assistance due to insufficient funding.[4]
- **29%** of children receiving CCDF subsidies (over 485,000) are infants and toddlers.[5]
  - Infants and toddlers make up over 40% of recipients in Tennessee and Washington, DC.
- Families are eligible if they are working or participating in approved education or job-related training and have a household income of less than 85% of state median income (with variation by state).[6]

How the Child Care and Development Fund Supports Babies:

- **Supports access to infant and toddler care.** Child care for children under age three is generally more expensive to provide and harder to find than care for older children. CCDF requires states to take steps to increase the supply of infant and toddler care and spend at least 3% of their funding on activities to improve its quality. These activities can include specialized training for educators, coaching, technical assistance and resources that support developmentally appropriate care.[7]
- **Helps families afford child care and supports their economic security.** CCDF helps eligible families with low incomes pay for child care so parents can work, attend school or participate in job training. Research shows that access to child care subsidies can increase parents' employment and earnings, helping families meet basic needs.[8]
- **Protects child health, safety and well-being in child care settings.** CCDF requires states to establish minimum health and safety standards for providers receiving funding. Requirements address issues especially important for young children, such as safe sleep practices, preventing infectious diseases and responding to emergencies. CCDF also supports efforts to identify children's developmental and behavioral needs early, when they are most effectively addressed.[9]
- **Expands access to care and supports family choice.** CCDF helps families pay for care in a range of settings, including child care centers and home-based programs.[10] It also requires states to share information about providers, including licensing and inspection results, to help parents make informed choices. State policies can help address gaps in access for families who face additional challenges finding care, including those working non-traditional hours, living in rural areas, raising children with disabilities, experiencing homelessness or involved the child welfare system. Payment policies that better reflect the cost of providing care can also encourage more providers to serve families receiving subsidies.[11]
- **Supports consistent care for children and more stable funding for providers.** CCDF generally allows eligible families to keep their child care assistance for at least 12 months, even if their income or circumstances fluctuate during that period. This helps reduce disruptions in care and supports consistent relationships with caregivers, which are especially important for babies and toddlers. States can also use payment policies to help stabilize child care programs by providing predictable revenue and reducing financial uncertainty when children are absent or family circumstances change.[12]

CCDF Programs by State

State	State-Specific Program
Alabama	Child Care Subsidy Program
Alaska	PASS (Parents Achieving Self Sufficiency)
Arizona	CCAP (Child Care Assistance Program)
Arkansas	SRA (School Readiness Assistance)
California	CalWORKs Child Care/ California Alternative Payment Program (CAPP)
Colorado	CCCAP (Colorado Child Care Assistance Program)
Connecticut	Care 4 Kids
Delaware	Delaware's Purchase of Care Program
District of Columbia	DC Child Care Subsidy Program
Florida	Florida's School Readiness Program
Georgia	CAPS (Child care and Parent Services) Program
Hawaii	Child Care Subsidy Program
Idaho	ICCP (Idaho Child Care Program)
Illinois	CCAP (Child Care Assistance Program)
Indiana	CCDF Program
Iowa	CCA (Child Care Assistance) Program
Kansas	CCAP (Child Care Assistance) Program
Kentucky	CCAP (Child Care Assistance) Program
Louisiana	CCAP (Child Care Assistance) Program
Maine	CCAP (Child Care Assistance) Program
Maryland	CCS (Child Care Scholarship)
Massachusetts	CCFA (Child Care Financial Assistance) Program
Michigan	CDC (Child Development and Care) Program
Mississippi	CCPP (Child Care Payment Program)
Missouri	Child Care Subsidy Program

State	State-Specific Program
Montana	BBS (Best Beginnings Child Care Scholarship)
Nebraska	Child Care Subsidy Program
Nevada	CCDP (Child Care and Development Program)
New Hampshire	(NH CCSP) NH Child Care Scholarship Program
New Jersey	CCAP (Child Care and Development Program)
New Mexico	Universal Child Care
New York	CCAP (Child Care Assistance Program)
North Carolina	Child Care Subsidy Program
North Dakota	CCAP (Child Care Assistance Program)
Ohio	(PFCC) Publicly Funded Child Care
Oklahoma	Child Care Subsidy Program
Oregon	Employment Related Day Care
Pennsylvania	CCW (Child Care Works) Program
Rhode Island	CCAP (Child Care Assistance Program)
South Carolina	Working Families Child Care Scholarship
South Dakota	CCAP (Child Care Assistance Program)
Tennessee	Child Care Payment Assistance (Smart Steps/Child Care Certificate Program)
Texas	CSS (Child Care Services) Program
Utah	(CCAP) Child Care Assistance Program
Vermont	(CCFAP) Child Care Financial Assistance
Virginia	Child Care Subsidy Program
Washington	WCCC (Working Connections Child Care) Program
West Virginia	Child Care Program
Wisconsin	Wisconsin Shares Child Care Subsidy Program
Wyoming	ECARES Child Care Subsidy Program

References

[1]Schilder, D. & others. (2025). Early Care and Education for Infants and Toddlers in the US. Urban Institute. https://www.urban.org/research/publication/early-care-and-education-infants-and-toddlers-us

[2]Office of Child Care. (2026). FY 2024 CCDF Data Tables (Preliminary). https://acf.gov/occ/data/fy-2024-ccdf-data-tables-preliminary

[3]Estimated children under age 3 served by CCDF in an average month, as a share of children under age 3 in families with income below 300% of the federal poverty level (FPL) in which all parents are working or in school, 50 states and DC. Served counts are from the Office of Child Care's CCDF average monthly data for FY 2023, with the share under age 3 as reported by each state (Table 1 and Table 9). See https://acf.gov/occ/data/fy-2023-preliminary-data-table-1 and https://acf.gov/occ/data/fy-2023-preliminary-data-table-9. The eligible population of infants and toddlers is estimated from Schilder, D. & others. (2025). Early Care and Education for Infants and Toddlers in the US. Urban Institute. https://www.urban.org/research/publication/early-care-and-education-infants-and-toddlers-us

[4]ZERO TO THREE scan of state subsidy program websites. (October 27, 2026).

[5]Office of Child Care. (2026). FY 2024 CCDF Data Tables (Preliminary). https://acf.gov/occ/data/fy-2024-ccdf-data-tables-preliminary

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[8]Ibid.

[9]Ibid.

[10]Adams, Giannarelli and Sandstrom. (2026).

[11]Slicker, G., Areizaga Barbieri, C. and Hustedt, J. (2023). The Role of State Subsidy Policies in Early Education Programs' Decisions to Accept Subsidies: Evidence from Nationally Representative Data. Early Education and Development, 35(4). https://doi.org/10.1080/10409289.2023.2244859; U.S. Department of Health and Human Services, Office of Inspector General. (2019). States' Payment Rates Under the Child Care and Development Fund Program Could Limit Access to Child Care Providers. https://oig.hhs.gov/oei/reports/oei-03-15-00170.pdf

[12]Adams, Giannarelli and Sandstrom. (2026).