Why Focus on Child Care? Families need access to affordable, high-quality child care so parents can work and children can grow, learn, and thrive. Experts agree that 9 out of 10 families cannot afford the full cost of high-quality child care staffed by skilled educators. Because middle-income families cannot afford the full cost of quality care and government subsidies are inadequate, the median wage for a child care educator in Rhode Island is $12.11/hour.

The Rhode Island Child Care is Essential Act:

1. Creates a New State Law recognizing that high-quality child care is essential for parents to work, for the state to have a strong economy, and to promote children’s healthy development and learning.

2. Increases Tiered Quality Rates for the Child Care Assistance Program so that the rates for all ages of children in all settings meet or exceed the federal equal access standard (75th percentile of the 2021 Rhode Island Child Care Market Rate Survey). The rates are tiered to help promote access to high-quality care, with incremental rate increases for each quality level, and 5-star programs paid at or above the 90th percentile of the 2021 Market Rate Survey.

3. Allows More Families to Qualify for the Child Care Assistance Program by raising the family income limits to qualify for the Child Care Assistance Program to 266% of the federal poverty level ($61,260 for a family of 3) and raises the “exit” income limit to 400% of the federal poverty level ($92,120 for a family of 3).

4. Delinks Child Support Enforcement from the Child Care Assistance Program. Rhode Island would join 37 other states by not requiring families to establish paternity/parentage or seek child support to qualify for a child care subsidy. The state child support enforcement office would remain available as an option for families who want and need this help.

5. Requires the state to adopt improved child care payment practices that are generally accepted by programs in the private market. This is also required under the 2014 federal Child Care and Development Block Grant Act.

6. Requires a plan to strengthen child care programs so they will be prepared to successfully compete for any new preschool expansion funding. The plan would include strategies to maintain and expand access to high-quality care for infants and toddlers and to implement staffed family child care networks.
Frequently Asked Questions

What is the Child Care Assistance Program? The Rhode Island Child Care Assistance Program (CCAP) is managed by the Rhode Island Department of Human Services (DHS) and helps some families pay for child care. Eligible low-income families are approved for a certificate they can use to enroll their children (birth – age 12) at a child care program that accepts the certificate. DHS pays child care programs based on rates that are set in statute. Some families are assessed a copayment that they pay directly to the child care program.

Who is eligible? Currently, families who are working at least 20 hours per week or are enrolled in a state Institute of Higher Education and have income below 180% of the federal poverty level ($41,454 for a family of 3) are eligible. Rhode Island is one of only 13 states that require all families to cooperate with the Office of Child Support Enforcement to receive a child care subsidy. This can require genetic testing to determine paternity/parentage and multiple court dates to establish a child support order. No other Rhode Island program that promotes child development, learning, and education requires families to establish paternity or seek child support. Families can keep a subsidy until their income reaches 225% of the federal poverty level ($51,818 for a family of 3).

Who can afford child care on their own? Based on national benchmarks, child care is determined to be “affordable” when costs do not exceed 7% of family income. So, a family that earns $52,000/year would be able to spend up to $3,640/year for child care, but that is not enough to cover the cost of full-time child care in Rhode Island for even one child. To afford the average cost of center-based care for one infant in Rhode Island ($13,780), a family would need to earn at least $196,857/year.

Why are CCAP rates important? The federal government sets an “equal access” standard for child care rates to ensure that low-income families have access to the same child care options that middle-income families use. In the early 2000s, Rhode Island paid rates that met the federal equal access standard. In 2008, the Rhode Island statute requiring rates to meet the federal equal access standard was repealed. Since the mid-2000s, CCAP rates have been adjusted several times but continue to be lower than the federal equal access standard. In June 2020, due to the COVID-19 pandemic, the Governor implemented rate increases through an emergency Executive Order to help programs reopen and operate during the pandemic. In January 2022, the pandemic rate increases expired and rates were cut for 80% of the infants and toddlers and school-age children in the subsidy program. Rates were increased for many preschool age children.

How many children receive assistance and how is the program funded? In December 2021, there were 6,110 children receiving child care assistance the lowest number in at least 20 years. The number of subsidies is down 42% from 10,580 in December 2019 and down 57% from 14,333 in December 2002. In FY 22, CCAP is funded with $8.7 million in state funds ($300,000 less than in FY21) and $65.5 million in federal funds. State funding for child care is down $47.5 million since 2005.