

## HIGHLIGHTS & ADVOCACY OPPORTUNITIES

# Child Care Development Fund (CCDF) Plan for North Carolina, 2022-2024

Every year North Carolina receives significant funding from the U.S. Department of Health and Human Services through the Child Care and Development Block Grant (CCDBG).

To continue receiving these vital federal funds for child care, each state must submit a **State Plan** that explains how it will meet federal requirements every three years. The NC Division of Child Development and Early Education (DCDEE) has released a draft of [North Carolina's State Plan for 2022-2024](#).

### **This document contains:**

- Background on the State Plan and CCDF funding
- Highlights of the draft State Plan for 2022-2024
- Advocacy opportunities and how to submit public comment

### **The timeline is short!**

**NC DCDEE is only accepting public comments on this plan through Tuesday, May 18, 2021**

## **BACKGROUND**

Every year North Carolina receives significant funding from the U.S. Department of Health and Human Services through the Child Care and Development Block Grant (CCDBG). Historically, these funds have been primarily used to help low-income, working families afford child care. The funding comes to the state in the form of the Child Care and Development Fund (CCDF).

In 2014, Congress reauthorized the federal grant, while refocusing and expanding the purpose of the CCDF. The expanded purposes of the CCDF since its reauthorization now include the following components:

- Promoting self-sufficiency for low-income families
- Promoting involvement by parents and families in the development of their children in child care settings
- Improving the overall quality of child care services and programs
- Increasing the number and percentage of low-income children in high quality-child care settings.

In 2018, U.S. Congress also voted to increase funding to help states achieve the expanded goals from to the 2014 reauthorization. As part of this expansion in funding, North Carolina received an additional \$74 million for its annual appropriation. In 2020 and 2021, North Carolina has also received additional CCDF supplemental funding for COVID-19 relief via the CARES Act, CRRSA Act, and American Rescue Plan (ARP) Act totaling \$1.7 billion.

To continue receiving these vital federal funds for child care, each state must submit a State Plan that explains how it will meet federal requirements every three years. As the Lead Agency responsible for administering these funds in North Carolina, the Division of Child Development and Early Education (DCDEE) has worked with other state agencies, local governments, providers, community members, and other stakeholders to develop a three-year CCDF State Plan. As part of its initial stakeholder engagement efforts, DCDEE hosted seven [CCDF focus groups](#) between February and April 2021, including one [Spanish-language focus group](#), and created an [online survey](#) to gain input from providers, advocates, and families.

This summary highlights the key areas of North Carolina’s State Plan for 2022-2024. The new CCDF Plan will also include information about how the state plans to implement the new stabilization grants awarded under the ARP Act.

## PLAN HIGHLIGHTS

*This is not an exhaustive overview. You can find the [full plan draft](#) on the NC Division of Child Development & Early Education’s website under “What’s New.”*

### Child care subsidy assistance and equal access for low-income children

- Child care subsidy family co-payments remain a sliding fee scale that is 10% of the family’s gross monthly income
  - Once determined eligible, families must receive 12 months of continued eligibility unless there is a change in circumstances. An updated policy allows service to be discontinued 90 days after a non-temporary change.
- Subsidy reimbursement rates are to be set at the 75<sup>th</sup> percentile of the 2018 market rate survey based on county, age, quality rating, and program type. Another market rate survey is slated to be conducted in 2021.

#### *Proposed Activities:*

- Develop multiple alternative rate methodology models, as opposed to the current market rate model, to establish child care subsidy reimbursement rates. Possible models include market rate surveys, cost-based methodologies, and hybrid models and each model will consider affordability, sustainability, workforce qualification and compensation.

- Establish a state advisory group to guide the alternative rate methodology work via the Preschool Development Grant Birth to 5 grant (PDG B-5)
- Increase access to family child care programs for children in underserved areas by strengthening family child care networks.

## **Improving the supply and quality of services for infants and toddlers**

### *Proposed Activities:*

- Develop and implement programs to recruit and sustain the infant and toddler workforce, including establishing center-based and/or family child care workplace environment standards that reduce stressful conditions and support teachers.
- Design and develop the Infant Early Childhood Mental Health Consultation program and launch an implementation pilot.
- Expand and continue the Infant-Toddler Trauma-Informed Care (ITTI Care) professional development framework for the infant and toddler workforce.
- Conduct a study on occurrences of suspension and expulsion of infants and toddlers in licensed child care programs.

## **Recruiting and retaining a qualified workforce and professional development**

### *Proposed Activities:*

- Continue the work of the NC Early Childhood Compensation Collaborative on the following goals related to compensation policy and advocacy:
  - Endorse and use a salary scale
  - Develop, educate, and organize advocates to champion increased compensation
  - Make available increased compensation in at least three communities through a statewide measure
  - Establish enhanced education standards that link increased compensation to degrees
- Develop a plan for workforce recruitment that will address barriers to hiring and sustaining diverse teachers, including targeting opportunities and supports for Black, Indigenous, People of Color (BIPOC)
- Support child care program leaders in improving business practices and addressing employee benefits and compensation.

## **What is missing from this plan?**

The CCDF Plan must also include information about how the state plans to implement the new stabilization grants awarded under the American Rescue Plan Act. This information is not included in the current draft. **We urge you to include your perspective on stabilization grants in your public comments!**

## ADVOCACY OPPORTUNITIES

### How to provide input on this Draft Plan:

North Carolina's CCDF State Plan is now available for interested stakeholders to review and to provide final public comment. Comments can be made in writing and submitted to DCDEE, submitted via [online survey](#), or can be made publicly at one of two public hearings.

#### Attend a public hearing

- Monday, May 17, 2021 from 12:00 PM – 1:00 PM at the following link:

<https://www.zoomgov.com/j/1617236343?pwd=d3lzN05XaURpU3B3S1pYREc4TVN1QT09>

Meeting ID: 161 723 6343  
Passcode: 596370  
One tap mobile  
(646) 828-7666, passcode1617236343#

- Tuesday, May 18, 2021 from 6:30 PM – 7:30 PM at the following link:

<https://www.zoomgov.com/j/1600526523?pwd=V25VNkM1YWFiOFIaV0cyUIMzQVJrZz09>

Meeting ID: 160 052 6523  
Passcode: 853880  
One tap mobile  
(646) 828-7666, passcode 1600526523#

#### Provide written comments

DCDEE welcomes attendance and comment on the draft CCDF Plan. For those who can't attend the meeting, written comments can be sent by the date of the hearing to [dcdee.ccdfplan@dhhs.nc.gov](mailto:dcdee.ccdfplan@dhhs.nc.gov) or by US Mail addressed to:

CCDF Coordinator  
2022-2024 CCDF Plan Comments  
NC Division of Child Development and Early Education  
2201 Mail Service Center  
Raleigh, NC 27699-2201

#### Complete the Survey

The [Survey to Gather Input into North Carolina's 2022-2024 CCDF Plan](#) provides an additional opportunity for feedback. The survey will close prior to the public hearings.

For sample verbal or written testimony, as well as more information about preparing for the public hearing, check out Child Care Aware resources [here](#).

Read the comprehensive draft of the proposed CCDF State Plan [here](#).

**The deadline to provide your feedback on the Child Care Development Fund (CCDF) Plan is Tuesday, May 18, 2021.**