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Child Care Affordability

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All children deserve high-quality early learning experiences that kickstart their lifetime learning journey and that families can afford. Currently, on average, child care costs significantly more than what the federal Health and Human Services defines as affordable child care (no more than 7% of a family's income): The average Washington, DC family spends 26% of its income on center-based child care for one infant. Child care tuition is an even heavier burden on families with lower income, who are more likely to be Black or brown due to the role systemic racism has played in creating racialized barriers to economic opportunity.

To solve this problem, the District should expand publicly funded opportunities for families to afford child care, while ensuring that child care providers receive the funding they need to provide high-quality care and education and pay their early educators fairly. One way to do this would be to fully fund the Birth-to-Three for All DC Act of 2018, which calls for the District to help families pay no more than 10% of their income for child care, starting with the lowest-income families.

Who is currently eligible for assistance with paying for child care?

A family with a child under age 13 is eligible for a subsidy if the household earns less than 300% of the federal poverty guidelines ($90,000 for a family of four in 2023) and is working, seeking work, in school, or attending training.

Who should have access to affordable child care?

All families with young children need access to child care, regardless of the employment status of a child's caregivers. All young children need nurturing, high-quality early learning experiences, which happen when they are in safe, enriching environments that foster stimulating interactions with consistent caregivers. However, the **cost** to provide high-quality child care is much more than most families can afford. When child care providers can only charge what families can afford, they may have to compromise on the quality of care they provide. This means infants and toddlers have access to fewer stimulating learning opportunities in their critical youngest years.

If the District funds child care affordability as outlined in the Birth-to-Three for All DC law, an additional 12,572 infants and toddlers and their families could benefit.

Why does child care affordability matter?

A child's earliest years are a period of rapid cognitive, emotional, and physical growth. The quality of their relationship with their caretakers (such as a parent, grandparent, or early childhood educator) helps infants and toddlers build the neural pathways they will rely on for the rest of their lives.

Affordable child care is the linchpin for a parent's - and especially mothers' - ability to work and for families to have choices about the kind of child care they prefer.

When child care is affordable and accessible, it reduces the stress on parents, resulting in less stress experienced by young children. It also results in fewer work interruptions due to unreliable care, which results in greater economic security for families with young children. In the District, where wealth is concentrated in white households, affordable child care can particularly alleviate the financial strain on Black and Latine families with young children.

Employers also benefit from increased productivity and decreased hiring costs when their employees have stable, affordable child care arrangements, and the local economy benefits when more people work. The DC Fiscal Policy Institute finds that DC could achieve $1.7 billion in economic growth if all families could access subsidized child care.

Under 3 DC's Recommendations to Lawmakers:

Increase Supply of Infant and Toddler Care

As the District expands eligibility for the child care subsidy program to include more families, increasing the number of child care slots will ensure that all families seeking child care can find it. The demand, or need, for child care slots has long outstripped supply, especially for infants and toddlers. There are roughly 25,000 children under age 3 who reside in the District, and only about 12,200 licensed child care slots are available for families of all incomes. In 2023, there were 4,720 infants and toddlers (of roughly 10,330 with family incomes at or below 300 percent of the federal poverty line, which in 2025 is $90,000 for a family of 4) receiving the District's child care subsidy, likely due in part to a shortage of child care slots. Expanding child care for very young children, which the District has begun to do with Access to Quality Child Care for Children with Disabilities grants, means making child care affordable for more families and increasing choice. In particular, expanding options for families in need of non-traditional hour care, who live in child care deserts, or who have children with disabilities will address critical gaps in the District's child care supply.

Reduce barriers for families

Families continue to face challenging barriers to accessing child care subsidy vouchers, even when they are eligible. These barriers include unawareness about the existence of the program, challenges completing the application, long processing times once they have submitted their application, and difficulty finding a participating provider that meets their needs once they have received a voucher. OSSE and the Dept of Human Services must work together to reduce systemic obstacles to ensure that families struggling to afford child care can benefit.

Prioritize families with the lowest income

As more families become eligible for the subsidy program, competition for limited subsidized child care slots may increase for currently eligible families whose incomes are the lowest. OSSE should monitor participation by income and consider safeguards to prioritize the families with the lowest income for subsidized care.

Incentivize provider participation in the child care subsidy program

Only 271 out of 459 OSSE-licensed child development facilities currently participate in the subsidy program. Because not all child care providers participate, families who rely on the program have fewer options than families with higher incomes. Increasing the number of child care providers participating in the subsidy program would give low-income families more options. There may be opportunities to encourage more providers to participate by reducing their administrative burden, increasing the daily per-child subsidy program reimbursement amount to align with the actual cost of providing child care, and working directly with them to identify other ways to incentivize their participation.