



# News Release

## Indiana invests additional \$23 million in child care program for low-income Hoosiers

Indianapolis (November 4, 2013) – Indiana is making an additional \$23 million available to low-income Hoosiers to cover child care expenses in state fiscal year 2014 – an increase of 58 percent over state fiscal year 2013 – to help provide additional support for low-income, working families.

Federal law allows each state to transfer up to 30 percent of its allotted funds from the Temporary Assistance for Needy Families (TANF) program to supplement the Child Care Development Fund (CCDF) program to assist families needing child care. Indiana’s Family and Social Services Administration recently made the decision to make the maximum 30 percent transfer for state fiscal year 2014, based on a review of the use of funds, in an effort to increase the access to child care for working Hoosier families.

“Research shows that parents are much more able to work reliably and work a sufficient number of hours to reach economic self-sufficiency when they have access to quality child care,” said Debra Minott, secretary of the Indiana Family and Social Services Administration. “By easing the child care burden on families, we are enabling them to obtain and maintain better employment opportunities.”

Studies have shown that the number one barrier to work for low-income families is access to child care. Currently, more than 40,000 children from 21,000 Hoosier families receive child care subsidies from the federal government’s Child Care Development Fund (CCDF). The additional funding will help to move many of the 4,800 children (from nearly 3,000 families) off the current waiting list.

Indiana families are already seeing benefits from the FSSA decision as additional children have been removed from the waiting list and enrolled in CCDF with TANF transfer increases since the maximum transfer began with the start of the current fiscal year.

In fiscal years 2012 and 2013, FSSA transferred \$39,158,599 from TANF to CCDF each year. In fiscal year 2014, FSSA is transferring the maximum \$62,039,733 from TANF to CCDF which we anticipate will help serve approximately 4,500 additional children on average per month.

Indiana’s current CCDF fact sheet can be found here: <http://www.in.gov/fssa/files/FactSheet.pdf>

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