



Child Care Subsidies

Child care subsidies (also known as vouchers) are a benefit to families that helps offset child care costs for parents, enabling them to work or attend school while their children engage in positive early learning experiences.

Key facts

The Birth-to-Three Act aims to:

1) improve the quality of early learning by increasing reimbursements to providers who educate infants and toddlers to cover the true cost of high quality early care and education.

2) expand child care assistance for infants and toddlers so that no family — regardless of income — pays more than 10 percent of their income for child care by 2028.

3) prioritize subsidies for families with low income to ensure universal access to affordable and quality child care.

\$2,123

The average monthly cost of center-based infant care is \$2,123 - just below the average cost of housing (monthly rent for a one-bedroom apartment) in the District.

How it works

Families with very low incomes receive help covering the full cost of early education tuition. Other families make a co-payment (which is a significant discount on tuition) based on a sliding income scale. Through federal Child Care Development Fund dollars and state funding, the subsidy program makes payments to providers to cover the difference between the family's contribution and a daily reimbursement rate designated by the District.

Why child care subsidies matter

High-quality, affordable early education is essential to children's healthy development and a family and community's economic stability and well-being. Yet, the cost of child care is out of reach for many DC families, including early educators:

- The average cost of center-based infant care for one child in DC is \$2,123 per month¹, or just below the average cost of housing (monthly rent for a one-bedroom apartment) in the District.² Child care costs for one child make up more than 20 percent of the median income (\$108,492) of families with children in DC.³
- Demand for child care slots outpaces supply. While not all families with infants and toddlers need or desire formal child care, there are more than 23,815 infants and toddlers under age 3 in DC⁴, and only about 12,000 licensed child care slots available.⁵

Child care assistance helps children and parents thrive and stimulates the economy. High-quality early education supports children's cognitive, physical, social, and emotional development, allowing them to develop skills they need to succeed. Parents receiving child care assistance have higher employment rates and fewer work disruptions.⁶ Child care assistance also helps providers stay in business, and it boosts the supply of care needed to serve all working parents — something important to any parent on a waiting list for child care. When District families aren't spending over 20 percent of their income on child care, they have more money to spend elsewhere in the economy.

Who subsidies help

Working parents, their children, their employers, and the District economy benefit from child care subsidies. In DC, 3,136 infants and toddlers currently participate in the program,¹ and there are around 4,000 child care workers in the District.⁷ They all stand to benefit from one or more of the core four program improvements in the Birth-to-Three Act. By 2028 (under full funding), the subsidy expansion would be available for up to an additional 20,679 infants and toddlers, a projected majority.⁸



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Learn more

Let's make the District of Columbia a city where equitable opportunities begin at birth. Find out how to take action for our youngest residents and their families.

Under3DC.org

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DC families with children under age 13, whose income is below 300 percent of the federal poverty line (approximately \$74,000 per year for a family of three⁹) are eligible for child care assistance if a parent is working or in school, if a child needs or receives protective services, or is deemed “vulnerable.” If a participating family’s income increases, they can still participate in the program as long as their income is below 85 percent of family median income in the District¹⁰ (approximately \$140,000 per year for a family of three¹¹).

With full funding, the Birth-to-Three Act would ensure that all families in the District can afford child care, meaning that they spend no more than 10 percent of their household income on child care expenses.

What's next

The District subsidy program currently serves children in families with incomes up to 300 percent of the federal poverty level. As DC prepares to expand the program to more families, it is important that the child care workforce is robust, safe child development facilities are abundant, providers are incentivized to participate, families with young children know about the program, and the application process is user friendly and not overly burdensome.

¹DC Kids Count Data Center. (2022). [Subsidized Child Care Enrollment in the District of Columbia](#).

²CoStar Group’s Market Trends via apartments.com. (2023). [Rental Market Trends in Washington, DC](#).

³Kids Count Data Center. (2021) [Median Income of Families with Children by Ward in District of Columbia](#).

⁴United States Census Bureau (2022). [American Community Survey Population Under 18 Years by Age](#).

⁵DC Council Committee of the Whole, OSSE. (FY2022). [Performance Oversight Pre-Hearing Questions](#).

⁶National Women’s Law Center (NWLC). (2018). [Child Care is Fundamental to America’s Children, Families, and Economy](#).

⁷District of Columbia, OSSE. (2023) Division of Early Learning Newsletter.

⁸Authors’ analysis based on the total number of children under age 3 in DC minus current child care subsidy enrollment.

⁹Government of the District of Columbia. (2023). [Mayor Bowser Expands Access to Affordable High-Quality Child Care for DC Families](#). [Press release].

¹⁰Chien, Nina. Department of Health & Human Services. (2022). [Factsheet: Estimates of Child Care Eligibility & Receipt for Fiscal Year 2019](#).

¹¹United States Census Bureau. (2022). [American Community Survey. Median Family Income by Family Size](#).

About Under 3 DC

Under 3 DC, a broad based coalition in the District of Columbia, harnesses the voices and power of parents with young children, early educators, advocates, and health professionals to create transformative social change. The Coalition’s efforts center on the people experiencing racial and economic injustice every day. It shines a spotlight on the need for more public investments to support families with infants and toddlers. Together, we can set the city on a path to creating and sustaining a high quality, equitable early childhood system.