Child Care Subsidy Program

Child care subsidies provide low- and moderate-income working families with free or low-cost access to child care, helping parents work or attend school while their children (ages 0-13) engage in early learning or before and after school experiences.

Why it Matters

The Child Care Subsidy Program currently supports more than 5,000 infants and toddlers in the District. High-quality early education is essential to a child's healthy development. Yet, the cost of child care is out of reach for many DC families. The subsidy program mitigates this challenge by reducing or making free the cost of child care for eligible families.

High-quality early education supports children's cognitive, physical, social, and emotional development, allowing them to develop the skills they need to succeed. Parents receiving child care assistance have higher employment rates and fewer work disruptions. When child care costs do not overwhelm family budgets, they have more money to spend elsewhere in the economy.

The subsidy program also helps child care providers stay in business by providing a stable revenue stream that enables them to serve families who otherwise could not afford care, which in turn increases the supply of affordable options for working parents. As of February 2026, 298 child care providers (64%) participate in the subsidy program - and most of these programs serve both subsidized and private pay families, demonstrating how interconnected the subsidy program is with the District's overall child care supply.

How it Works

The Child Care Subsidy Program helps families access affordable child care: those with the lowest incomes pay nothing, while others pay a reduced co-payment based on how much they earn. Child care providers are reimbursed based on a tiered quality ratings system through a combination of federal and local funds, plus the family's co-payment. Two District agencies - the Office of the State Superintendent of Education (OSSE) and the Department of Human Services (DHS) - run the program

Eligibility

Families qualify if they live in DC, are participating in work, education, or training, and have incomes below 300% of the federal poverty level or are receiving TANF, SNAP, or unemployment insurance. Children may also qualify if they have a disability, need protective services, are experiencing homelessness or domestic violence, have a teen or disabled parent, live with an elder caregiver, or have a parent in an addiction recovery program.

Families are income-eligible if their income is this amount or less (as of 2024)

Family size	Income (300% Federal Poverty Level)
2	$61,320 or less
3	$77,460 or less
4	$93,600 or less
5	$109,740 or less

Key Facts

- As of February 2026, 7,380 children were enrolled in the Child Care Subsidy Program.
- More than half of families with infants or toddlers enrolled in the child care subsidy program in 2024 had incomes below half the federal poverty level—that's equivalent to earning less than $12,910/year for a family of three.
- Families earning less than 300% of the federal poverty level (FPL) ($81,960 for a family of 3 in 2026) are eligible for a subsidy.
- Without a subsidy, the average annual child care cost for an infant is $26,193
- Families pay between $0 and $52 per week with subsidy (less than $2,712 per year) [1]

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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

Application & Enrollment

Families can apply for a child care subsidy online, at DHS, or through select child care providers. Approved families are responsible for finding a child care provider with availability, and subsidy payments are made directly from OSSE to the provider on the family's behalf.

Who it Helps

Demand for child care subsidies is especially high in Wards 7 and 8, where families face higher economic barriers and fewer licensed child care options. Beyond families, the subsidy program also benefits employers, who rely on stable child care for a dependable workforce, and the District economy, which gains when parents are able to remain employed and children receive a strong early foundation. The program also supports child care providers, ensuring they can predictably fill classrooms and serve children and families regardless of their ability to pay.

Challenges & Barriers

The Child Care Subsidy Program's most urgent challenge is underfunding as the program's budget has seen cuts in recent years even though enrollment has increased following the pandemic. Without additional funds right now (in Fiscal Year 2026), new families could face a waitlist for the first time in decades and providers could face lower reimbursement rates, which would destabilize the financial stability of the District's entire early care and education system.

Current reimbursement rates do not cover the true cost of delivering high-quality care, straining the sustainability of participation in the subsidy program - and their overall financial viability. Beyond funding, other barriers also limit access. Many eligible families are unaware that they qualify for child care assistance. And, families and providers alike face administrative barriers to program participation.Together, these challenges perpetuate inequities, with families in the highest-need communities facing the greatest obstacles to accessing stable, affordable child care.

What's Next

Sustained and increased funding is needed to continue serving all currently enrolled children and meet growing demand. With full funding, the Birth-to-Three law would ensure that all families in the District spend no more than 10% of their income on child care, bringing costs in line with what families can realistically afford.

The District must also align reimbursement rates for providers with the true cost of providing high-quality care, continue streamlining the application and enrollment process, and strengthen outreach so families know they qualify and how to access support.

[1]The estimate is based on the daily copayment rate for families with one child in care at the highest income-eligibility tier, 291-300% FPL

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.