



# The District's Dime

Going Beyond the Budget Book

The DC Fiscal Policy Institute blog  
[www.dcfpi.org](http://www.dcfpi.org)

March 15, 2013

## A Budget That Gives Parents the Tools to Succeed in the Job Market

By Soumya Bhat and Kate Coventry

The District's Dime is focusing this week on the themes that we hope will be reflected in the fiscal year (FY) 2014 budget. Our focus today is on giving parents the tools to succeed in the job market.

Unemployment remains extraordinarily high for [certain groups](#) of DC residents, including single parents. In 2012, nearly one in four single parents were unemployed in DC—almost double the unemployment rate for this group in 2006. The District can help these parents get back to work. By making improvements to the Temporary Aid to Needy Families (TANF) program and increasing access to affordable child care.

As regular District's Dime readers know, DC is in the process of implementing improved [employment services](#) for TANF parents. The results of this approach have been very promising, but a lack of funding threatens this success. More than 1,200 parents are waiting for a slot to open up at an employment service provider, meaning they are unable to receive the services they need to prepare for work. The current wait time is four months, but is likely to increase as the District plans on assessing more than 9,000 parents in the next four months, many of whom will be referred for employment services. The District can help more parents by increasing funding for TANF employment services.

Access to affordable child care is another factor in getting parents back to work. Yet low reimbursement rates for providers in the DC's child care program create major barrier to access to high-quality child care. DC's child care reimbursement rates are pegged to 2004 child care costs. Without adequate reimbursement, providers are unable to keep up with their rising costs and offer quality child care.

Many centers that offer care primarily to infants and toddlers face financial challenges, and several have closed their doors. According to the 2010 DC [market rate survey](#), about 30 percent of all family home providers and 17 percent of all child care center providers operating in 2008 were no longer in business in 2010. This leads to a shortage of child care providers for families with infants and toddlers and children with special needs.

DCFPI thinks it's time to update DC's child care reimbursement rates to match current costs of providing care. Child care centers and other providers help make sure children start school ready to learn while allowing their parents to go to work or school.

The DC economy offers tremendous opportunities, but without providing the tools to succeed, economic recovery will leave many residents behind. By increasing our investments in TANF employment services and affordable child care, we can help parents succeed.