

February 2, 2026

The Honorable Robert F. Kennedy, Jr.  
Secretary, U.S. Department of Health and Human Services  
Office of Child Care  
Administration for Children and Families  
330 C Street, SW  
Washington, DC 20201

RE: Restoring Flexibility in the Child Care and Development Fund (CCDF) — Notice of Proposed Rulemaking, 45 CFR Part 98, RIN 0970–AD20

Dear Secretary Kennedy,

The undersigned organizations, many of whom are members of the Hispanic Education Council, submit this comment in response to the Department of Health and Human Services' Notice of Proposed Rulemaking (NPRM) titled *Restoring Flexibility in the Child Care and Development Fund (CCDF)*. Our organizations work directly with Latino children, families, and child care providers across states and communities, and we have a direct stake in whether CCDF functions as Congress intended: to ensure equal access to affordable, stable child care for working families.

We are deeply concerned that the proposed rule would reverse critical affordability, payment stability, and supply-building protections adopted in the March 2024 CCDF final rule. While framed as restoring flexibility, the NPRM would predictably increase costs for families, destabilize providers, widen geographic disparities, and undermine CCDF's statutory equal access mandate. These impacts would fall most heavily on Latino families and providers, who already face structural barriers to access and stability in the child care system.

### ***I. CCDF Is Economic Infrastructure and a Civil Rights Program***

CCDF is not merely a subsidy program. Its statutory purpose is to ensure equal access to child care that allows families to participate in the workforce, pursue education and training, close persistent skills gaps, and achieve long-term economic mobility. Federal guardrails governing affordability, payment practices, and supply are essential to preventing public benefits from functioning inequitably across income, geography, and race.

The national child care system is already failing to meet demand. Between 11 and 12.6 million children in the United States need regular child care, yet the system is not built to serve them<sup>1</sup>. Families paid an average of \$13,128 per child in 2024, representing roughly 10 percent of income for a married couple and approximately 35 percent for a single parent<sup>2</sup>. Child care challenges cost the U.S. economy an estimated \$122 billion annually in lost productivity, reduced labor force participation, and foregone earnings. Meanwhile, child care prices have doubled since 1995, even as provider wages remain low and supply constrained<sup>3</sup>.

Federal programs play a critical role in mitigating these failures. CCDF currently serves approximately 1.5 million children nationwide, while Head Start is often the only available option in rural and underserved communities<sup>4</sup>. Although recent increases in Head Start funding are welcome, they cannot substitute for a stable and accessible child care system supported by strong CCDF standards.

## ***II. Latino Families Face Persistent Structural Barriers to Access***

Latino families have a direct and substantial stake in CCDF policy design. Hispanic children represent approximately 35 percent of children eligible for child care subsidies but only about 20 percent of those served, demonstrating persistent access gaps even where need is high<sup>5</sup>. Analyses by the Center for Law and Social Policy further show that potentially eligible Hispanic children have among the lowest rates of subsidy receipt of any major racial or ethnic group<sup>6</sup>.

Latino parents are essential contributors to manufacturing, construction, service, agricultural, and rural industries that face persistent workforce and skills shortages and form the backbone of the nation's economy. According to the Bureau of Labor Statistics, approximately 40 percent of low-wage workers work nonstandard hours, and Latino workers are more likely to hold jobs with unpredictable or nontraditional schedules<sup>7</sup>. Standard 9-to-5 child care models are often misaligned with these work realities. At the same time, more than

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<sup>1</sup>Center for American Progress. *A 2024 Review of Child Care and Early Learning in the United States*. 2024.

<https://www.americanprogress.org/article/a-2024-review-of-child-care-and-early-learning-in-the-united-states>

<sup>2</sup>First Five Years Fund. *New Resource Reveals Notable Changes in the Price and Supply of Child Care*. 2025.

<https://www.ffyf.org/resources/2025/05/new-resource-reveals-notable-changes-in-price-and-supply-of-child-care/>

<sup>3</sup>U.S. Department of Labor, Blog. *New Data: Child Care Costs Remain an Almost Prohibitive Expense*. November 19, 2024.

<https://blog.dol.gov/2024/11/19/new-data-childcare-costs-remain-an-almost-prohibitive-expense>

<sup>4</sup>Center for Law and Social Policy (CLASP). *Expanding Access to Child Care Assistance*. June 2023.

[https://www.clasp.org/wp-content/uploads/2023/06/6.8.2023\\_Expanding-Access-to-Child-Care-Assistance.pdf](https://www.clasp.org/wp-content/uploads/2023/06/6.8.2023_Expanding-Access-to-Child-Care-Assistance.pdf)

<sup>5</sup>National Research Center on Hispanic Children & Families. *How State Policies Might Affect Hispanic Families' Access to and Use of Child Care and Development Fund Subsidies*.

<https://www.hispanicresearchcenter.org/research-resources/how-state-policies-might-affect-hispanic-families-access-to-and-use-of-child-care-and-development-fund-subsidies/>

<sup>6</sup>Center for Law and Social Policy (CLASP). *Inequitable Access to Child Care Subsidies: National and State Data*. 2024.

[https://www.clasp.org/wp-content/uploads/2024/06/2024\\_Ineq.-Access-FS\\_Natl-State-Data.pdf](https://www.clasp.org/wp-content/uploads/2024/06/2024_Ineq.-Access-FS_Natl-State-Data.pdf)

<sup>7</sup>U.S. Bureau of Labor Statistics. *Characteristics of Minimum Wage Workers: 2024*.

<https://www.bls.gov/opub/reports/minimum-wage/2024/>

half of families nationwide live in child care deserts, with the most severe shortages concentrated in rural and agricultural communities.

Affordability protections are particularly consequential for Latino households due to lower levels of household wealth and greater exposure to income volatility. Federal Reserve data show that many Hispanic families have limited financial buffers, making even modest increases in recurring child care costs destabilizing and potentially workforce-excluding<sup>8</sup>.

### ***III. Latino Providers Are Essential but Economically Vulnerable***

Latino workers constitute a significant share of the child care workforce, particularly in home-based care, family child care settings, and early learning programs such as Head Start. Immigrants account for approximately 32 percent of child care workers in private household settings and 18.3 percent of workers in child care centers, underscoring the central role immigrant and Latino workers play in sustaining access to care<sup>9</sup>.

Despite this essential role, many Latino providers earn wages below a living wage and, in practice, often below minimum wage once unpaid hours, required training, and compliance costs are considered. Latina child care workers are among the lowest-paid workers in early childhood education, with median hourly wages estimated as low as \$10.85<sup>10</sup>. Payment instability and administrative burden directly influence whether these providers can remain in the CCDF system.

### ***IV. The Proposed Rule Would Exacerbate Existing Inequities***

#### ***A. Removal of the 7 Percent Family Copayment Cap***

Eliminating the federal requirement to cap family copayments at 7 percent of income would foreseeably increase costs for low-income families and exclude those with the least financial flexibility first. Survey evidence shows that affordability is already a binding constraint for Latino families, with many spending more than 10 percent of household income on care and experiencing financial stress as costs rise<sup>11</sup>.

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<sup>8</sup>Tootris. *The Child Care Squeeze: How Soaring Costs Are Pushing Families, Employers, and Local Economies to a Breaking Point*.

<https://tootris.com/edu/blog/news/the-child-care-squeeze-how-soaring-costs-are-pushing-families-employers-local-economies-to-a-breaking-point/>

<sup>9</sup>American Immigration Council. *Immigrant Workers and the Child Care Crisis*. 2025.

<https://www.americanimmigrationcouncil.org/report/immigrant-workers-childcare-crisis/>

<sup>10</sup>National Women's Law Center. *Connection and Community: Elevating the Impact of Latina Early Educators*. October 2024.

<https://nwlc.org/wp-content/uploads/2024/10/Connection-Community-Elevating-The-Impact-of-Latina-Early-Educators-2.pdf>

<sup>11</sup>National Research Center on Hispanic Children & Families. *Many Hispanic Households With Low Income Access No-Cost or Low-Cost Care, Yet Nearly One in Four Face High Out-of-Pocket Costs*.

<https://www.hispanicresearchcenter.org/research-resources/many-hispanic-households-with-low-income-access-no-cost-or-low-cost-care-yet-nearly-one-in-four-face-high-out-of-pocket-costs/>

In states with large Latino populations, including Texas, Florida, and Arizona, longstanding variation in CCDF implementation has already produced uneven affordability and access. Child care challenges result in an estimated \$1.80 billion in lost tax revenue annually in Texas and \$348 million annually in Arizona<sup>12</sup>. Removing a federal affordability backstop risks widening these disparities and undermining CCDF's equal access mandate.

### *B. Elimination of Grants and Contracts for Direct Services*

The proposed repeal of grants and contracts for direct services would remove one of the most effective tools states have to build and stabilize child care supply in underserved communities. Nationally, approximately 10.8 million licensed child care slots exist for more than 14.8 million children with potential need, leaving an estimated 4.2 million children without access to formal care<sup>13</sup>. These gaps are most acute in rural areas and for infant and toddler care, where voucher-based systems alone have historically failed.

Without contractual mechanisms that provide predictable revenue and support start-up or expansion costs, providers in rural, agricultural, border, and underserved urban communities—many with substantial Latino populations—are far less likely to enter or remain in the CCDF system.

### *V. Conclusion and Requested Actions*

For the reasons described above, the proposed rule would weaken critical protections that help ensure child care is affordable, accessible, and stable for families and providers. Rolling back the CCDF requirements adopted in the March 2024 final rule would increase costs for families, destabilize providers, widen geographic disparities, and exacerbate inequities that already limit access to care—particularly for Latino families and Latino providers.

We respectfully urge the Department to reconsider the proposed rescissions. At a minimum, if the Department proceeds, it should:

- Provide a comprehensive analysis of how the proposed changes would affect affordability, access, supply stability, and provider participation, particularly in communities with high need;

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<sup>12</sup>U.S. Chamber of Commerce Foundation. *New Research Shows States Lose Billions in Annual Economic Opportunity Due to Child Care Gaps*. <https://www.uschamberfoundation.org/education/new-research-shows-states-lose-billions-annual-economic-opportunity-due-childcare-gaps>

<sup>13</sup>Bipartisan Policy Center. *America's Child Care Gap: 4.2 Million Children Potentially Need Care but Lack a Formal Child Care Spot*. <https://bipartisanpolicy.org/article/americas-child-care-gap-4-2-million-children-potentially-need-care-stuck-without-formal-child-care-spot/>

- Identify concrete safeguards to prevent increased cost burdens for families and instability for providers during any transition;
- If eliminating the 7 percent family copayment cap, propose clear affordability benchmarks and monitoring tools to ensure child care costs do not become prohibitive for low-income families;
- Analyze whether rescinding grants, contracts, and payment stability provisions would worsen cross-state inequities and reduce access in rural, agricultural, border, and underserved urban communities;
- Require disaggregated data collection and ongoing monitoring by income, race and ethnicity, geography, and provider type, with mechanisms to address emerging access gaps; and
- Evaluate alternatives to full rescission, including phased implementation, targeted waivers, or enhanced technical assistance to states.

Child care is a public good and a civil rights imperative. If federal policy retreats from its responsibility to ensure affordability, stability, and access, the predictable result will be workforce losses, provider exits, and economic harm that reverberates far beyond the families directly affected.

Respectfully submitted,

- *The League of United Latin American Citizens (LULAC)*
- *UnidosUS*
- *American Association of University Women (AAUW)*
- *Association for Special Children and Families*
- *Clearinghouse on Women's Issues*
- *Columbus Education Justice Coalition*
- *Equal Justice Society*
- *Equality California*
- *Feminist Majority Foundation*
- *Just Solutions*
- *LULAC Ohio*
- *MANA, A National Latina Organization*
- *Mi Familia Vota*
- *National Association for Bilingual Education*
- *National Black Justice Collective*
- *National Center for Youth Law*
- *National Hispanic Media Coalition*
- *National Partnership for Women and Families*
- *Reproaction*
- *The Community Equity Initiative*
- *The Leadership Conference on Civil and Human Rights*