



FY2024 NDAA: Military Child Care Programs

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Background

The Department of Defense (DOD) operates the largest employer-sponsored child care program in the United States, serving approximately 200,000 children of servicemembers and DOD civilians. DOD's *child development programs* (CDPs) are part of a broader package of *quality of life* benefits for servicemembers and their families. DOD's policy states that these programs "support the mission readiness, family readiness, retention, and morale of the total force."

Legislation

The past few Congresses have enacted several provisions within the National Defense Authorization Act (NDAA) to enhance military child care services and address staffing and infrastructure issues. During consideration of the fiscal year (FY) 2024 NDAA, the House and Senate Armed Services Committees (HASC and SASC) proposed several amendments to the child care program (see **Table 1**).

Table 1. Selected NDAA Child Care Provisions in the FY2024 NDAA

House-passed (H.R. 2670)	SASC-reported (S. 2226)
Funding	
Section 641 would increase the target level of appropriated funds available for CDPs.	No similar provision.
Fee Assistance Program	
Section 644 would expand the in-home child care pilot program to four specific installations.	No similar provision.
Staffing and Capacity Matters	
Section 642 would require recurring review and revision of pay for military child care employees.	No similar provision.
Section 643 would provide discounted child care for DOD child care employees.	No similar provision.

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House-passed (H.R. 2670)	SASC-reported (S. 2226)
No similar provision.	Section 561 would authorize a pilot program for recruitment and retention of CDP employees.
Section 645 would require DOD to publish and maintain a website for waitlists for child care services at military child development centers.	No similar provision.
Section 656 would require DOD to provide quarterly briefings on the development of universal prekindergarten (pre-k) and its impact on co-located child development centers.	No similar provision.
Other Proposals	
Section 646 would require a study on the effects of child care on readiness and retention.	No similar provision.

Source: CRS analysis of legislation on Congress.gov.

Funding

Appropriated and non-appropriated funds for military child care programs are authorized under [10 U.S.C. §§1791](#) et seq. Funding supports the operation and maintenance of installation-based child development centers (CDCs) and subsidizes care at CDCs, family child care homes (FCCs), community-based care, and for in-home care providers (e.g., nannies). Non-appropriated funds are generated through parent fees and Morale Welfare and Recreation (MWR) activities (e.g., [military exchange](#) revenues).

[10 U.S.C. § 1791](#) requires that, “the amount of appropriated funds available during a fiscal year for operating expenses for military child development centers and programs shall be not less than the amount of child care fee receipts that are estimated to be received [...] during that fiscal year.” [Section 641 of the House-passed bill](#) would require an increase in appropriated funds to account for not less than 115% of fee receipts. DOD’s FY2024 total budget request for CDPs is approximately \$1.8 billion, an increase of about 10% over the FY2023 enacted amount (see [Table 2](#)).

Table 2. Estimated Child Development Program Funding Request
dollars in millions

	FY2023 (enacted)	FY2024 (request)	% change FY2023-FY2024
DOD	\$154.278	\$166.853	+8.2%
Army	\$509.896	\$539.394	+5.8%
Army National Guard (ARNG)	\$40.192	\$40.526	+0.8%
Navy	\$381.866	\$412.250	+8.0%
Navy Reserve	\$6.872	\$7.021	+2.2%
Air Force	\$390.110	\$465.765	+19.4%
Marine Corps	\$139.800	\$158.200	+13.2%
Total	\$1,623.014	\$1,790.009	+10.3%

Source: CRS analysis of [DOD budget documents](#).

Notes: Totals include CDCs, FCCs, Supplemental Program/Resource & Referral/Other, School Age Care, and Youth Programs. DOD and Army funding does not include Youth Programs. Reserve component funding appears in separate documentation for the Navy Reserve and ARNG.

Fee Assistance Program

DOD subsidizes private community-based child care through an existing [fee assistance program](#). The FY2021 NDAA (P.L. 116-283 §589(b)) required DOD to carry out a five-year pilot program expanding fee assistance to in-home child care providers at five high-demand locations. The FY2022 NDAA (P.L. 117-81 §624) authorized the program's expansion to other locations and the [Joint Explanatory Statement \(JES\)](#) to accompany the FY2023 NDAA encouraged DOD to explore expansion of the pilot to additional "remote" locations. [Section 644 of the House-passed bill](#) would require DOD to expand the pilot program to four specific installations named in the FY2023 JES.

Staffing and Capacity Matters

Provisions enacted in [recent NDAs](#) have sought to address staffing and capacity challenges at CDCs. The FY2023 NDAA (P.L. 117-263 §642) authorized discounted fees for civilian CDC employees whose children are enrolled in care "to support recruitment and retention initiatives." [Section 643 of the House-passed bill](#) would further reduce fees by allowing free care for the employee's first child, and up to a 50% discount on the second child's fees.

[10 U.S.C. §1792](#) requires CDC employees to receive competitive pay rates relative to other military installation employees with similar training and experience, but does not require consideration of local market conditions for similar employment. [Section 561 of the SASC-reported bill](#) would authorize a three-year pilot program at five or more installations to provide child care employees with "a fair and competitive wage in keeping with market conditions." The FY2023 NDAA (P.L. 117-263 §665) requires DOD to report on market conditions for child care worker compensation in the vicinity of military installations with CDCs. Interim reporting is due to Congress by December 23, 2023.

CDC capacity may be limited by a variety of factors, including staffing, space, and local demand. DOD operates an enterprise-wide child care request system ([MilitaryChildCare.com](#)) and uses this system to manage waitlists. [Some observers](#) have called for a more transparent mechanism for waitlist management to support military family child care planning. [Section 645 of the House-passed bill](#) would require DOD to publish additional information about waitlists by installation and would require DOD to report on the feasibility of implementing the Air Force's business management system across all military departments.

Another initiative that could affect CDC capacity is the Biden Administration's proposal to provide [universal pre-kindergarten at DOD schools](#). As of June 22, 2023, the [DOD Education Activity \(DODEA\) reports](#) 2,191 students enrolled in [preschool programs](#) at 159 DOD schools, primarily in the continental United States and Guam. Expansion of pre-k programs to all DOD schools could alleviate some child care demand. [Section 656 of the House-passed bill](#) would require DOD to provide quarterly briefings to Congress on the implementation of universal pre-k programs starting in 2024 through 2029. Briefings would include estimates of the number of children served in pre-k who would otherwise be enrolled in CDC care, and the differential costs between CDC care and pre-k participation.

Other Proposals

A [recent GAO study](#) concluded that little research exists on the effects of the DOD child care program on servicemembers. [Section 646 of the House-passed bill](#) would require DOD to commission a study on the effects of military child care programs on readiness and retention. Such an effort could support future decision-making on military child care investments and policies.

For additional background, see [CRS Report R45288](#), *Military Child Development Program: Background and Issues*.

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