



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 (P.L. 118-31) which was enacted on December 22, 2023, 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 (H.R. 2670)	Senate (S. 2226)	Enacted (P.L. 118-31)
Funding		
Section 641 proposed to increase the target level of appropriated funds available for CDPs.	No similar provision.	Section 582 adopted the House provision.
Fee Assistance Program		
Section 644 proposed to expand the in-home child care pilot program to four specific installations.	No similar provision.	Not adopted.
Staffing and Capacity Matters		

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House (H.R. 2670)	Senate (S. 2226)	Enacted (P.L. 118-31)
Section 642 proposed to require recurring review and revision of pay for military child care employees.	No similar provision.	Not adopted.
Section 643 proposed to provide discounted child care for DOD child care employees.	No similar provision.	Not adopted.
No similar provision.	Section 561 proposed to authorize a pilot program for recruitment and retention of CDP employees.	Not adopted.
Section 645 proposed to require DOD to publish and maintain a website for waitlists for child care services at military child development centers.	No similar provision.	Section 585 adopted the House provision with amendments requiring an outreach campaign regarding waitlists to families and annual briefings to Congress.
Section 656 proposed to 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.	Section 587 adopted the House provision with an amendment that requires briefings to continue until 2027.
Other Proposals		
Section 646 proposed to require a study on the effects of child care on readiness and retention.	No similar provision.	Not adopted.

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 582 of P.L. 118-31](#) adopted a House [provision](#) requiring an increase in appropriated funds to account for not less than 115% of fee receipts. DOD’s FY2024 total budget request for CDPs was approximately \$1.8 billion, an increase of about 10% over the FY2023 enacted amount.

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 further program expansion 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 bill](#) would have required DOD to expand the pilot program, but was

not enacted. The [FY2024 NDAA conferees](#) noted that the pilot program was “ongoing” and it would be “imprudent” to alter it at this time.

Staffing and Capacity Matters

Provisions 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 bill](#) would have allowed free care for the employee’s first child, and up to a 50% discount on the second child’s fees. This provision was not adopted and the [conferees note](#) that DOD already has the authority to set discount rates up to 100%.

[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 S. 2225 would have authorized 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) required, by December 23, 2023, that DOD report to Congress on market conditions for child care worker compensation in the vicinity of military installations with CDCs. The [conferees did not adopt the pilot program proposed by Section 561](#), noting that it would be “premature prior to the release of the Department’s review.”

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 585 of the enacted FY2024 NDAA](#) modified a [House provision](#) requiring DOD to conduct a twice-annual outreach campaign to inform those eligible for DOD-sponsored child care of waitlist processes, fee schedules at CDCs, and other available child care support options. This section also requires annual reports to Congress on the five installations with the longest CDC waiting lists, and information about the number of child care classroom closures due to staffing or maintenance issues.

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 [pre-kindergarten 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 587 of the enacted FY2024 NDAA](#) requires DOD to provide quarterly briefings to Congress on the implementation of universal pre-k programs at DOD schools starting in 2024 through 2027. Briefings are to 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, among other related topics.

Other Proposals

A [2023 GAO study](#) concluded that little research exists on the effects of the DOD child care program on servicemembers. [Section 646 of the House bill](#) would have required DOD to commission a study on the effects of military child care programs on readiness and retention. This provision was not enacted.

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

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