Expanding the Usage of Campaign Funds to Cover Dependent Care

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Overview

For many Americans in the working-class, childcare continues to be an inaccessible service. According to the U.S. Department of Health and Human Services (HHS) childcare is considered affordable when the cost is no more than 7% of a household income. In the state of Delaware, childcare costs in all three counties are 6 percentage points higher than HHS's recommended threshold of childcare price as a share of median family income. At the national level, the average cost of childcare for one child is more than a third of the median income for a single parent.

In addition to childcare, many Americans also provide direct care to their senior parents. This group of Americans is part of the "sandwiched generation" which makes up 54% of the U.S. population according to Pew Research Center. According to the American Association of Retired Persons (AARP), 38 million Americans provide unpaid caregiving to seniors and other dependents, costing an average of more than \$7,000 a year in out-of-pocket costs. The inability for working families to afford childcare services or provide care for their senior parents is one of many barriers preventing many Americans from achieving upward mobility in their careers or providing quality care to their dependents.

To address this issue, many parents or adults with senior parents have considered running for office but have found it difficult to campaign or perform their official duties as legislators. In 2018, the Federal Election Commission passed a ruling that allowed the use of campaign funds for childcare (CFCC). Following the FEC's ruling, Delaware and 32 states, including D.C., implemented legislation or issued rulings that allowed state or local candidates to use CFCC. Some states expanded the use of campaign funds to include dependent care, which includes aging parents or adults with disabilities. Other states further expanded the use of campaign funds to cover childcare or dependent care incurred by a candidates' staff.

By expanding the usage of campaign funds to include dependent care, advocates of this policy argue that it would allow candidates to conduct their campaign efforts and perform their official duties more efficiently, and make it easier for minority groups to run for political office.

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Advantages of Expanding Usage of Campaign Funds to Dependent Care

- Increases representation of candidates with minor children. Latest <u>data</u> showcases that only 6.8% of Congress members are moms with minor children, and 24.2% are dads with minor children. Additionally, moms of minors are underrepresented at one third of the rate of the national population. Of all the legislators in Delaware, only 6.47% are moms, according to <u>Vote Mama Foundation</u> 7 moms are needed to reach proportional representation.
- children and aging parents while efficiently performing official duties.
 Currently, legislators do not receive salaries that would allow them the flexibility to efficiently conduct their official duties or run for office while simultaneously caring for their children or their aging parents.
 According to NCSL, Delaware is amongst 26 states with legislators that do not receive sufficient salaries to allow them to make a living without having another source of

Allows for candidates to care for their

Challenges of Expanding Usage of Campaign Funds to Dependent Care

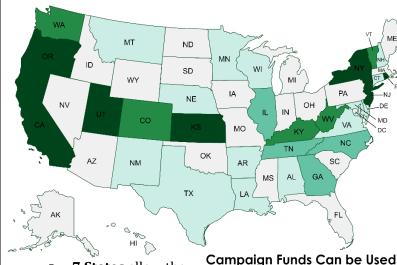
income.

- Interpretation of dependent care as a personal expense. Critics of this policy argue that the use of campaign funds for childcare or dependent care is the same as using campaign funds for personal expenses which is illegal.
- Lack of Transparency. There is the potential that candidates might not accurately document all expenses directly related to the use of campaign funds for the care of a dependent.

Considerations for Delaware Legislators

 Establishing clear guidelines regarding what expenses qualify as dependent care. Some states clarify that expenditures on dependent care are not allowed when the cost is incurred by non-campaign or non-public office activities. Other states explicitly state that only candidates with <u>direct</u> caregiving responsibilities may utilize their campaign funds to care for their dependents.

State Overview and Scope of Allowance



- 7 States allow the use of campaign funds to cover expenses for official duties.
- To Cover...
 - Official Duties
 - Dependent Care
 - Official Duties & Dependent Care
- Only Childcare Expenses Directly Related to Campaign Activity
- 5 States allow the use of campaign funds for dependent care.
- 4 States allow for campaign funds to be used for <u>both offical duties and dependent care</u>.
- 14 States allow campaign funds to be used only to cover childcare expenses directly related to campaign activity.

Additional Resources

- Vote Mama Foundation
 - Campaign Funds for Childcare:
 January 2024
 - o "<u>Politics of Parenthood:</u>
 Representation in the 118th Congress

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^{*}All 30 states above allow for the use of campaign funds for childcare. The difference is in how states expand the use of campaign funds to include dependent care and on the use of campaign funds to cover caregiving expenses directly related to campaign activity and offiical duties.