

# 2018 STATE FACT SHEETS

WHAT DOES CHILD  
CARE LOOK LIKE  
IN YOUR STATE?



To remain competitive in the 21st-century global economy, the US must recognize the value of child care in early childhood education and as a support system for working families. The research is undisputable: young children participating in high-quality programs demonstrate lasting improvements in IQ, boosted academic and economic achievement, and lower incidences of childhood obesity and chronic illness. Assistance, such as the federal Child Care and Development Block Grant (CCDBG) is, therefore, pivotal to supporting quality child care. Strategically, states are investing CCDBG funds to raise the quality of child care programs and improve the affordability of and access to child care that support workforce participation throughout the economy; investing in higher quality has resulted in a 13 percent return on that investment, per child, per year.<sup>1</sup>

Every year since 2006, Child Care Aware® of America has published a set of state fact sheets to illustrate the unique child care landscape in each state. State fact sheet statistics are calculated from federal databases and state-level information collected annually from Child Care Resource and Referral (CCR&R) agencies. Our most recent publication, [Checking In: A Snapshot of the Child Care Landscape—2018 State Fact Sheets](#), shares important data to better understand the child care market facing America's working families and demonstrates how often it fails to provide for their immediate needs and long-term goals for their children's success. These reports are critical tools for child care advocates, policymakers, and program administrators, influencing strategy decisions to support child care program quality while keeping family costs down and expanding access for the most at-risk children.

Data and information from the federal government, state CCR&Rs, and other state agencies are provided in a report for each state which includes:

- Child care facts, including data on infants, toddlers, and young children; the supply of child care; the cost of child care; and the child care workforce
- Services provided by and the role of CCR&Rs in each state
- Participation in state initiatives for quality, health and wellness, family engagement, and emergency preparation

## **Investing for the Return**

As CCDBG investment leaders make decisions based on this data, a focus on three long-standing needs continues—for quality, affordability and access. Each investment category has a compelling case.

Why is access to affordable, high-quality child care necessary for our society? The research is well-established: early childhood programs have a profound effect on child outcomes. Although the cost of child care is an important part of the equation, we must emphasize the impact of high-quality early education on a child's long-term outcome. Economists estimate a 6 to 10 percent rate of return per annum for high-quality early intervention for children in disadvantaged families and long-term returns on investment as high as 16 percent.<sup>2</sup>

Research indicates children who experienced high-quality child care programs were more likely to have better socio-economic and health outcomes, higher academic achievement, reduced externalizing behavior, fewer arrests, and higher employment rates and wages. And although early education benefits all children, the greatest benefits accrue to children from low-income families.

Investments to increase the quality of and access to child care programs for low-income families are vital for these children, who stand to gain the most from participating in quality child care.<sup>4</sup>

## Promote Quality Child Care

Child care is essential for working families. But quality early child care does more than support parents who must work or go to school: It provides important early learning opportunities that can contribute to school readiness, short- and long-term physical health, and positive social and emotional development—all of which are essential to creating an environment that engenders equitable outcomes for all children in all communities.

## Supporting the Provider Workforce

Research shows quality child care programs (i.e., those with standards similar to Early Head Start) contribute to the overall short- and long-term success of children and families. Improving the quality of child care begins with a focus on its workforce. A report published by the Institute of Medicine and the National Research Council stated that studies on child brain development are not being applied to teaching methods in the child care setting. Continuing education and coordinated professional development would keep our child care workforce informed and trained on the most effective ways to provide early education. The stability of children's daily experiences through workforce retention would also increase the quality of care. Yet the child care industry struggles to recruit and retain credentialed professionals, in part due to low compensation. An estimated 2.2 million Americans work in the early childhood workforce, caring for nearly 15 million children under the age of 6. In 2017, the average annual salary for child care classroom staff in the US was \$22,290, with providers in some states making as little as \$18,930. In a sad irony, many child care staff members cannot afford to enroll their own children in child care. As we noted in our [Parents and the High Cost of Child Care: 2017](#) report, child care workers in every state pay more than half their salaries to cover the costs of child care for two children.

### What is quality child care?

Quality care provides the emotional and academic support children need to be school-ready by the time they enter Kindergarten—put simply, quality child care is early childhood education. Quality child care should be culturally and linguistically responsive and should be provided by engaged and caring child care providers.

Quality child care incorporates physical activity time and developmental screening practices, and follows food safety guidelines.

In addition, quality child care should be easily accessible for all families, regardless of location or socioeconomic status

### Gauging Quality Through QRIS Participation

Many states are either developing, piloting, or implementing a Quality Rating Improvement System (QRIS), a classification structure which provides families with a simple resource to understand the quality of area child care programs. According to the National Center on Early Childhood Quality Assurance, the QRIS rating, which is similar to rating systems for restaurants and hotels, can be applied to early- and school-age care and education programs that meet a set of defined program standards.

However, as states began implementing these systems, they found few providers could achieve accreditation. Due to large differences between (lower) licensing and (higher) accreditation standards, states saw the need to help providers bridge the gap. Although more than

half of states and the District of Columbia have implemented statewide QRIS, participation rates in many states remain low.

CCR&Rs provide much-needed professional education, training, and support to child care providers, helping to boost QRIS participation and improve quality offerings to families throughout their state.

Despite the reauthorization of CCDBG Act in 2014, which increased requirements related to children’s health and safety in child care settings, states are still not doing enough to ensure that all children have access to safe, healthy care settings. Children in unlicensed or unregulated care may not be protected by regulations concerning physical activity time, developmental screening practices, nutrition, or food safety. This lack of oversight exposes children to risks that could potentially lead to long-term health problems or other lifelong negative consequences.

## Decrease Cost Burden for All Families

Families across low- and middle-income levels struggle to find quality child care they can afford – child care is usually unaffordable for everyone! The cold reality is that child care is unaffordable in every state and the District of Columbia. In addition, US businesses lose approximately \$4.4 billion annually due to employee absenteeism because of child care breakdowns. Many households spend more than 10 percent of their household income on child care. Nearly one in three families report spending 20 percent or more of their income on child care, and one in five families spend more than a quarter of their income. The cost of child care is not economically or socially sustainable and is having a profound effect not only on the type and quality of care that is available to families but also on the daily choices that parents face.

The expansion of preschool across states and new state and federal investments in early childhood programs are increasing access to child care for three- and four-year-olds. However, quality infant and toddler care is sorely lacking across the US. Infants, in particular, are at risk due to their vulnerability and need for more personalized care—which makes their care even more expensive and puts access to quality infant care out of reach for many families. Funding programs that support working families is essential to ensure all children have equal access to quality programs and the opportunity for later success.

In our [Parents and the High Cost of Child Care: 2017](#) report, we found the cost of care for one infant child care exceeded 7 percent of the state median income for a two-parent family in every state and the District of Columbia, —a threshold established by the US Department of Health and Human Services for affordable child care. Some families, based on state-determined income guidelines, are eligible for child care subsidies, and many more are eligible for state or federal tax credits to help cover the high cost of care. However, tax credits cannot be the only solution to decreasing the cost burden. Despite the high cost of child care for all families, not all are eligible for credits; in addition, once-a-year rebates provide no more than limited assistance for families shouldering child care costs year-round.

### Why Does Child Care Cost So Much?

CCAOA collaborated with the Center for the Study of Child Care Employment to develop an explainer video getting at just this question! This video, [Why Do Parents Spend So Much on Early Child Care, Yet Early Educators Earn So Little?](#) unpacks this issue, briefly describing how even large portions of household income are not enough to sufficiently compensate and support the child care workforce.

The CCDBG reauthorization of 2014 makes significant advancements over earlier versions by defining health and safety requirements for child care providers, outlining family-friendly eligibility policies, and ensuring parents have transparent information about child care choices. CCDBG has also been a primary source of assistance to low-income families. However, investments in CCDBG have not been enough; for years, CCDBG funding has not kept pace with inflation or the current demand for care across the country, leaving many families in a lurch, unable to access licensed child care while they are at work.

In the Spring of 2018, congressional leaders and the White House authorized an increase in discretionary CCDBG funding totaling \$5.3 billion. Child Care Resources & Referral agencies (CCR&Rs) in many states collaborated with and supported the development of state plans this summer, working to identify the best use of the historic increase in funding promised by Congress and the White House in discretionary CCDBG funding. This will be used to improve access to child care, improve quality offerings for families of infants and toddlers, among other things. CCR&Rs, state administrators and other state-level key stakeholders need data to understand their unique child care landscape and help guide decisions in their push for accessible, affordable, quality child care.

## Ensure Accessibility for All Families

Low-income families, especially those supported by a single wage earner, millennials and families of children with special needs have characteristics that make access to quality child care inherently difficult. State systems must be formulated to offer quality child care to all, meeting the needs of these diverse families across the nation.

### Low-Income Families

In many areas of this country, low-income and rural communities struggling to fill the gap between the demand and the availability of child care spaces. Families in these areas have difficulty finding even licensed child care, let alone high-quality care. Low-income, at-risk areas require custom-built supports. Low wages and unstable sources of income, along with the non-traditional and changeable work hours of swing-shift employment, create special their own unique challenges to finding quality child care.

**Coming in 2019:** An update to our 2016 child care “deserts,” state-level examinations, and a review of our 2018 [Mapping the Gap™](#) releases.

### Families with Infants & Toddlers

Birth to three is an incredibly important period of growth and development for children—never again will brain development occur as rapidly as it does during this time. Therefore, infant/toddler child care means more than just workforce support for families—it is pivotal to their development. Yet as the state fact sheets demonstrate, infant and toddler care is the most expensive type of care. Our recent Mapping the Gap™ efforts in several states reveal that only a small percentage of licensed child care slots are available to infants and toddlers. This further hinders families with infants and toddlers from finding care.

## Millennials

Millennials also present unique challenges related to access – millennials, in general, cannot participate in the consumer economy to the same extent as past generations due to high unemployment rates and wage garnishing. Millennials are often cited as the most formally educated generation; however, this distinction brings with it all-too-often crippling student debt. They face an unemployment rate 40 percent higher than the national average. The average cost of center-based infant child care in the US, adjusted for inflation, exceeds **27 percent of millennial median income**. That figure is 20 percent higher than the federally recommended 7 percent. Millennials, both those with young children and those looking to start a family, have to account for the expenses of maintaining a home, a child's needs, and education related costs. Our on the affordability of child care for millennials shows unaffordable child care is for this group – the average cost of center-based infant child care exceeds 25 percent of the average median income for millennials, with Massachusetts costing 68 percent. In fact, one year of tuition at a public university costs less than a year of center-based infant care in 28 states. Millennial parents who are still in school, similar to lower-income and single-income households, also require non-traditional hours of care.

## Families of Children with Special Needs

Many families with special needs children struggle to find facilities of sufficient quality to help them succeed and reach their highest potential. In focus groups convened by Child Care Aware® of America in 2016, parents of children with special needs expressed particular difficulty accessing any affordable child care. One parent found care prior to their child's birth, only to be told the provider could not admit children with special needs. Others noted they had had to move their child to different providers several times due to behavioral issues or the child's expulsion from the program.

## State Fact Sheets: Methodology

For this report, Child Care Aware® of America surveyed state CCR&Rs Networks and other key stakeholders in February 2018. CCR&Rs are uniquely positioned to provide data through their work with parents, child care providers, and local and state governments in every state. The overall purpose of the 101-item survey was to gather annual data about child care in each state, including:

- Average costs
- Capacity
- Quality
- Activities performed by the CCR&R

We defined child care centers as all center-based child care providers, including Head Start programs, license-exempt programs, school-based programs, and state-funded pre-kindergarten. The annual cost of child care was reported for centers, accredited centers, family child care, and accredited family child care. For school-age care, CCR&Rs reported on the price of care for nine-month programs, full-year programs, and summer programs. For some states, the cost of care was derived from the latest market rate survey available.

We gathered additional national and state data in the spring of 2018 from the American Community Survey, US Census Bureau and the Bureau of Labor Statistics, US Department of Labor. National totals are rounded estimates. All missing or unavailable information was reported as “NR” (Not Reported); all information not applicable to a state (i.e., because it may not be collected by them) is reported as “NA” (Not Applicable). Alabama, Louisiana, Kentucky, South Carolina, Maine, Mississippi, District of Columbia, Wyoming, Rhode Island, West Virginia, and Texas did not respond to our survey. In these states, cost of care rates were based on information collected in prior survey submissions and adjusted by the Consumer Price Index (i.e., reported in 2017 dollars using the Bureau of Labor Statistics’ Consumer Price Index Inflation Calculator).

## Conclusion & Recommendations

Families are unable to find or afford high-quality child care; those who can find care spend too much of their income on it. These are stories we hear from our family advocates and friends, stories shared on the nightly news, stories shared in testimony to Congress. The 2018 State Fact Sheets back up those stories, highlighting the tremendous need for child care in every state. Each state has its own unique child care landscape, and subsequently, its own child care issues to advocate for. It’s critical that this data not just be shared as part of a story; it must call us to action.

Our economy is built on working families. Therefore, the federal government, in particular, has a role to play in creating viable solutions to cover the costs of high-quality child care. We call on federal and state policymakers and the administration to make child care a top priority when developing appropriations and budgets. To better meet the needs of working families, Child Care Aware® of America recommends that Congress:

- **Invest in child care.** Any infrastructure investment should include a concomitant investment in child care. As a part of the federal spending agreement between congressional leaders and the White House, \$5.8 billion in new discretionary funding was approved for CCDBG. The FY 2018 Omnibus Appropriations Bill includes an increase of \$2.4 billion, to be disseminated to states, to boost the supply of quality child care spaces and improve access for low-income families. To date, many statewide CCR&Rs are collaborating closely with state leaders to determine how best to invest this funding, which may include providing financial assistance to low-income families to access child care and/or investing in improving child care quality through supporting the teacher workforce or programs to achieve higher standards. Even so, investments like this must be made on an ongoing and consistent basis to improve the lives of working families. The most recent funding increase to CCDBG cannot be seen as a one-time increase, but needs to be sustained in an ongoing manner.
- **Pass legislation to support working families.** One example of such legislation is the Child Care for Working Families Act of 2017, which establishes a new federal-state partnership based on Medicaid. The overall goal of this bill is to provide high-quality, affordable child care from birth through age 13 and to more than double the number of children eligible for child care assistance. The Child Care for Working Families Act seeks to address the current early learning and child care crisis by ensuring no family under 150 percent of the state median income spends more than 7 percent of their income on child care. Families would pay on a sliding scale, regardless of the number of children they have. The bill would also support universal access to high-quality preschool programs for all three- and four-year-olds and significantly improves training and compensation for the child care workforce, ensuring our nation’s early educators have the support they, as well as the children they are caring for, need to thrive.

- **Prioritize professional development for the child care workforce.** We need to provide professional development, workforce support, and appropriate compensation for all child care professionals. An increase in federal spending on Tribal training and professional development and support for formula grants for high-quality preschool is desperately needed. We should incentivize and reward child care programs and workers for the critical work they do every day, supporting the growth and development of our children.
- **Sufficiently fund CCR&Rs.** This would: (1) provide families with information and consumer education that promote positive and healthy early childhood development, as well as referrals to child care programs that best meet families' needs; (2) support child care provider recruitment, retention, and professional development through targeted training, technical assistance, coaching, and mentoring; and (3) allow each CCR&R to continue to serve as a community resource hub that supports working families and brings together community stakeholders, including business leaders, to increase community-based investments.

The 2018 State Fact Sheets support our recommendation to increase investment in child care through expanded CCDBG funding. Our nation's leaders must recognize the value of child care as a prerequisite for early childhood education. Recognizing that value, in addition to the value child care has long had as a support system for working families, will enable our country to remain competitive in the 21st-century global economy. Many states are already investing CCDBG funds to raise the quality of child care programs and support workforce participation throughout the economy. This country needs expanded investments in all three: quality, affordability, and access.

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<sup>1</sup>"Invest in Early Childhood Development: Reduce Deficits, Strengthen the Economy," The Heckman Equation, 2017, <https://heckmanequation.org/resource/invest-in-early-childhood-development-reduce-deficits-strengthen-the-economy/>.

<sup>2</sup>A. Rolnick, "Investing in Early Childhood Development Is Smart Economic Development," Wisconsin Family Impact Seminars, [https://www.purdue.edu/hhs/hdfs/fii/wp-content/uploads/2015/07/s\\_wifis32c01.pdf](https://www.purdue.edu/hhs/hdfs/fii/wp-content/uploads/2015/07/s_wifis32c01.pdf); *ibid*.

<sup>3</sup>J. Heckman, "Quality Early Childhood Education: Enduring Benefits," The Heckman Equation, 2009, <https://heckmanequation.org/resource/early-childhood-education/>.

<sup>4</sup>S. Elango, J.L. Garcia, J.J. Heckman, and A. Hojman, "Early Childhood Education: Quality and Access Pay Off," The Heckman Equation, 2016, <https://heckmanequation.org/resource/early-childhood-education-quality-and-access-pay-off/>.

<sup>5</sup>"Transforming the Workforce for Children Birth Through Age 8: A Unifying Foundation," Institute of Medicine and National Research Council, Washington, DC: The National Academies Press, doi:10.17226/, 2015.

<sup>6</sup>Whitebook, Phillips, and Howes, "Worthy Work, STILL Unlivable Wages," and "National Occupational and Employment Wage Statistics, May 2015," Bureau of Labor Statistics, <http://www.bls.gov/oes/current/oes252012.htm>.

<sup>7</sup>Care.com, "How Much Does Child Care Cost?" 2017, <https://www.care.com/c/stories/2423/how-much-does-child-care-cost/>.