

## CHILD CARE

## **Gaps in Support for Early Care and Education**

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High-quality child care and early education is essential to enable parents to get and keep a job and to give children a strong start toward success in school and life. Yet many families—particularly low-income families—lack access to the high-quality child care and early education that parents need to work and children need to grow and thrive.

- Only 17 percent of the 14.3 million children eligible for federal child care assistance received it in 2011 (the most recent year for which data are available).<sup>1</sup> In the past few years, we have not made progress in addressing this unmet need and continue to leave many low-income families without help paying for child care. The average number of children receiving federal child care assistance each month in 2013 (the most recent year for which data are available)—1.46 million—was at the lowest level since 1997.<sup>2</sup>
- Many families with incomes too low to afford child care on their own are not able to receive child care assistance under their states' restrictive eligibility limits. In 2014, a family with an income above 150 percent of poverty (\$29,685 a year for a family of three in 2014) could not qualify for assistance in 15 states. A family with an income above 200 percent of poverty (\$39,580 a year for a family of three in 2014) could not qualify for assistance in 38 states.<sup>3</sup>
- Even if families are eligible for child care assistance, they may not necessarily receive it. Eighteen states had waiting lists or frozen intake (turned away eligible families without adding their names to a waiting list) for assistance in 2014.<sup>4</sup> In a number of states, these waiting lists are quite long—over 40,000 children in Massachusetts, nearly 38,000 children in Florida, and over 20,000 children in North Carolina as of early 2014.<sup>5</sup> Studies show that many families on waiting lists struggle to pay for reliable, good-quality child care as well as other necessities, or must use low-cost—and frequently low-quality—care. Some families cannot afford any child care, which can prevent parents from working.<sup>6</sup>
- Only one state set its reimbursement rates for child care providers serving families receiving child care assistance at the federally recommended level in 2014, a sharp decline from 2001, when 22 states set their reimbursement rates at the recommended level.<sup>7</sup> Thirty-seven states had higher reimbursement rates for child care providers that met higher-quality standards in 2014, but in over three-quarters of these states, even the highest rates were below the recommended level.<sup>8</sup> Low rates deprive child care providers of the resources necessary to hire and retain well-qualified staff, purchase toys and books, maintain facilities, and cover other costs involved in offering children a good learning experience. Low rates may discourage high-quality providers from even enrolling children receiving child care assistance.
- All states allow parents to receive child care assistance to attend education and training, but most put some restrictions on this assistance—such as requirements to work for a certain number of hours while also attending school, limits on the length of time parents can receive assistance to attend school, limits on the level of degree they can earn while receiving assistance, or other criteria.<sup>9</sup> Parents may find it difficult to comply with such requirements while struggling to balance competing demands of family, school, and—in some cases—work. As a result, parents may be unable to receive the education and training they need to gain more stable employment with better pay and benefits.

- Only about 52 percent of three- and four-year-olds (not yet in kindergarten) are enrolled in public or private preschool programs. Children in low- and moderate-income families are less likely to be enrolled than children in higher-income families.<sup>10</sup>
- A national study found that only about one-third (35 percent) of four-year-olds in center-based programs were receiving high-quality child care.<sup>11</sup>
- Head Start, which provides comprehensive early care and education services to young children in poverty, reaches less than half of eligible preschool-age children.<sup>12</sup> Early Head Start reaches less than 5 percent of eligible infants and toddlers.<sup>13</sup>
- Forty states and the District of Columbia funded prekindergarten programs in the 2013-2014 school year. Yet
  these state prekindergarten programs reached only 29 percent of four-year-olds and 4 percent of three-yearolds. In addition, only five states funded prekindergarten programs that met all ten of the key quality
  benchmarks identified by the National Institute for Early Education Research.<sup>14</sup>

- 2 stephane schmit and Khannon Reeves, chind Cale Assistance in 2015 (Washington, DC, CLAS), 2015), dvalable
- http://www.clasp.org/resources-and-publications/publication-1/Spending-and-Participation-Final.pdf.

4 Turning the Corner, 10.

5 Turning the Corner, 26.

6 See, e.g., Karen Schulman and Helen Blank, In Their Own Voices: Parents and Providers Struggling with Child Care Cuts (Washington, DC: National Women's Law Center, 2005), 10; Children's Action Alliance, The Real Reality of Arizona's Working Families—Child Care Survey Highlights (Phoenix, AZ: Children's Action Alliance, 2004); Deborah Schlick, Mary Daly, and Lee Bradford, Faces on the Waiting List: Waiting for Child Care Assistance in Ramsey County (Ramsey County, MN: Ramsey County Human Services, 1999) (Survey conducted by the Minnesota Center for Survey Research at the University of Minnesota); Philip Coltoff, Myrna Torres, and Natasha Lifton, The Human Cost of Waiting for Child Care: A Study (New York, NY: Children's Aid Society, 1999); Jennifer Gulley and Ann Hilbig, Waiting List Survey: Gulf Coast Workforce Development Area (Houston, TX: Neighborhood Centers, Inc., 1999); Jeffrey D. Lyons, Susan D. Russell, Christina Gilgor, and Amy H. Staples, Child Care Subsidy: The Costs of Waiting (Chapel Hill, NC: Day Care Services Association, 1998); Casey Coonerty and Tamsin Levy, Waiting for Child Care How Do Parents Adjust to Scarce Options in Santa Clara County? (Berkeley, CA: Policy Analysis for California Education, 1998); Philadelphia Citizens for Children and Youth, et al., Use of Subsidized Child Care by Philadelphia Families (Philadelphia, PA: Philadelphia Citizens for Children and Youth, 1997); Greater Minneapolis Day Care Association, Valuing Families: The High Cost of Waiting for Child Care Sliding Fee Assistance (Minneapolis, MN: Greater Minneapolis Day Care Association, Valuing Families: The High Cost of Waiting for Child Care Sliding Fee Assistance (Minneapolis, MN: Greater Minneapolis Day Care Association, Yaluing Families: The High Cost of Waiting for Child Care Sliding Fee Assistance (Minneapolis, MN: Greater Minneapolis Day Care Association, 1995). 7 Turning the Corner, 12.

8 Turning the Corner, 13.

9 National Women's Law Center, Building Pathways, Creating Roadblocks: State Child Care Assistance Policies for Parents in School (2015), available at <a href="http://www.nwlc.org/sites/default/files/pdfs/state\_child\_care\_assistance\_policies\_for\_parents\_in\_school.pdf">http://www.nwlc.org/sites/default/files/pdfs/state\_child\_care\_assistance\_policies\_for\_parents\_in\_school.pdf</a>.

10 National Women's Law Center calculations based on data from U.S. Census Bureau, School Enrollment in the United States: 2013, Detailed Table 3. Nursery and Primary School Enrollment of People 3 to 6 Years Old, by Control of School, Attendance Status, Age, Race, Hispanic Origin, Mother's Labor Force Status and Education, and Family Income: October 2013, *available at http://www.census.gov/hhes/school/data/cps/2013/tables.html*.

11 U.S. Department of Education, National Center for Education Statistics, Digest of Education Statistics: 2013, Table 202.60. Percentage Distribution of Quality Rating of Child Care Arrangements of Children at About 4 Years of Age, by Type of Arrangement and Selected Child and Family Characteristics: 2005-06, *available at* <u>http://nces.ed.gov/programs/digest/d13/tables/dt13\_202.60.asp</u>. (Table prepared in January 2013 based on data from the Early Childhood Longitudinal Study, Birth Cohort, Longitudinal 9-month—Kindergarten Restricted-Use Data File.)

12 National Women's Law Center calculations based on data on Head Start enrollment in FY 2015 from Fiscal Year 2016 Administration for Children and Families Justification of Estimates for Appropriations Committees, 119, *available at* <u>https://www.acf.hhs.gov/sites/default/files/olab/2016\_acf\_cj.PDF</u>; and data on the number of children ages three and four in poverty from U.S. Census Bureau, Current Population Survey, 2014 Annual Social and Economic Supplement, Detailed Poverty Tables, POV34. Single Year of Age-Poverty Status: 2013, *available at* <u>http://www.census.gov/hhes/www/cpstables/032014/pov/pov34\_000.htm</u>.

13 National Women's Law Center calculations based on data on Early Head Start enrollment in FY 2015 from Fiscal Year 2016 Administration for Children and Families Justification of Estimates for Appropriations Committees, 119, *available at* https://www.acf.hhs.gov/sites/default/files/olab/2016\_acf\_cj.PDE; and data on the number of children under age three in poverty from U.S. Census Bureau, Current Population Survey, 2014 Annual Social and Economic Supplement, Detailed Poverty Tables, POV34. Single Year of Age-Poverty Status: 2013, *available at* http://www.census.gov/hhes/www/cpstables/032014/pov/pov34\_000.htm. 14 W. Steven Barnett, Megan E. Carolan, James H. Squires, Kirsty Clarke Brown, and Michelle Horowitz, The State of Preschool 2014: State Preschool Yearbook (New Brunswick, NJ: National Institute for Early Education Research, 2015), *available at* http://nieer.org/yearbook.

<sup>1</sup> U.S. Department of Health and Human Services, Office of Human Services Policy, Office of the Assistant Secretary for Planning and Evaluation, Estimates of Child Care Eligibility and Receipt for Fiscal Year 2011 (Washington, DC: U.S. Department of Health and Human Services, 2015), *available at* <a href="http://aspe.hhs.gov/hsp/15/childcareeligibility/ib\_childcareeligibility.pdf">http://aspe.hhs.gov/hsp/15/childcareeligibility/ib\_childcareeligibility.pdf</a>.

<sup>2</sup> Stephanie Schmit and Rhiannon Reeves, Child Care Assistance in 2013 (Washington, DC: CLASP, 2015), available at

<sup>3</sup> Karen Schulman and Helen Blank, Turning the Corner: State Child Care Assistance Policies 2014 (Washington, DC: National Women's Law Center, 2014), 9,

available at http://www.nwlc.org/sites/default/files/pdfs/nwlc\_2014statechildcareassistancereport-final.pdf.