

Breaking the Piggy Bank



Parents and
the High Price
of Child Care



About the National Association of Child Care Resource and Referral Agencies

The National Association of Child Care Resource and Referral Agencies (NACCRRA), and its national network of 850 Child Care Resource and Referral agencies, have been improving the system of early learning for children for almost 20 years. Child Care Resource and Referral agencies are local and state-based organizations that work with parents, providers and communities to improve access to quality child care for families. NACCRRA represents Child Care Resource and Referral agencies on the national level and works to promote policies and partnerships that facilitate universal access to quality child care.

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Executive Summary

Child care is part of the daily routine for millions of American families with young children. Working parents rely on child care to earn the income they need to support their families, and ensure that their children are well-cared for in safe environments while they are at work. High quality child care – care that provides a safe, stable, developmentally appropriate, and stimulating environment – helps children enter school prepared to learn.

Although child care is a necessity, it is also very expensive. The high price of child care strains household budgets and forces parents to make sacrifices – often in the quality of care their children receive. *Breaking the Piggy Bank: Parents and the High Price of Child Care* highlights the difficulties working families in the United States face in paying for child care and recommends steps that states and the federal government should take to improve the affordability of care.

Breaking the Piggy Bank presents data on child care prices collected from a nationwide survey of State Child Care Resource and Referral Networks and local Child Care Resource and Referral agencies (CCR&Rs). The report also analyzes findings from a series of 14 focus groups conducted with parents in seven cities across the country. The report found that:

- ▶ **Child care is part of the daily lives of millions of American families with young children.** Nine out of 10 parents who participated in NACCRRRA's focus groups and who considered leaving the labor force to stay home with their children decided to continue working for economic reasons.
- ▶ **Child care, especially high quality care, is expensive.** A family in the United States with a 4-year-old child encounters average prices of \$3,016 to \$9,628 a year in child care fees. Parents of infants face even higher child care prices. Average child care fees for one infant range from \$3,803 to \$13,480 a year. Further, high quality child care can be even more costly; child care in an accredited facility can cost as much as \$5,000 more a year than non-accredited care.

- ▶ **Child care prices are high compared to other household expenses.** In every region of the United States, average annual child care fees for an infant are higher than the average amount that families spend on food each year. In 49 states, child care fees for two children at any age exceed the median rent cost. In every state, average monthly fees for child care for one infant are higher than the average monthly car payment.
- ▶ **Working families earning low incomes especially struggle to afford child care.** Families earning \$18,000 or less each year would have to spend 30 percent or more of their annual income to afford the average price of child care for an infant in 38 states. In five states – New York, Connecticut, Minnesota, Massachusetts and New Jersey – the average price of child care for two children is greater than \$18,000 a year.
- ▶ **High child care prices force parents to make sacrifices.** More than two-thirds of the parents who participated in NACCRRRA's focus groups rated the cost either as their highest concern or among the top two or three concerns when choosing child care for their children. Overwhelmingly, parents who participated in focus groups spoke about compromising on quality in order to afford child care. In addition, more than four out of 10 parents said they paid more for child care than they felt they could afford.

Child care is a major part of family life and a critical support for working parents. Parents recognize that the influence that child care has on a child's life is enduring and it is vitally important that this influence be positive. Unfortunately for working families with young children, the old adage, "you get what you pay for," applies to child care. Quality, affordable child care should not be a dream. However, increased state and federal investments in child care are necessary to make quality, affordable care a reality for working families.

About This Report

Breaking the Piggy Bank: Parents and the High Price of Child Care analyzes findings from a series of 14 focus groups conducted with parents in seven sites across the country. Participants represented different racial, ethnic and socioeconomic backgrounds.

Breaking the Piggy Bank also presents data on child care prices collected from a nationwide survey of State Child Care Resource and Referral Networks and local Child Care Resource and Referral Agencies (CCR&Rs). CCR&Rs and State Child Care Resource and Referral Networks provide a set of core services to help parents and communities meet child care needs - including maintaining data on the rates charged by child care providers. CCR&Rs collect price data for care that is provided in child care centers as well as care that occurs in a child care provider's place of residence - known as a family child care home.

In 2005, NACCRRRA asked State Child Care Resource and Referral Networks in each state to report average annual fees for center-based child care for an infant and a 4-year-old child. In addition, NACCRRRA collected data on fees in family child care homes, as well as child care centers, from over 400 local CCR&Rs. However, because the price data on family child care is less conclusive, the prices described in this report refer to center-based child care, unless otherwise indicated. As part of a separate study on child care in low-income urban communities, 12 CCR&Rs were also asked to report differences between fees charged for accredited and non-accredited care.

For a detailed methodology, see Appendix B.

Child care is part of the daily lives of millions of American families with young children.

Over the last 30 years, labor force participation by women with children has increased substantially. In 1975, 40 percent of women with children younger than six held a paid job. In 2004, 62.2 percent of women with children under six were in the workforce.¹ Currently, 70.7 percent of all women with children work.² Three out of four working mothers work more than 30 hours per week.³ In addition, women are returning to work sooner after giving birth. In 2002, over half of American women with a child under one year of age were in the labor force.⁴ By 2001, 60 percent of children under the age of six were in some type of child care arrangement each week.⁵

Women's wages are crucial to the economic well-being of their families. In 20 to 25 percent of dual-earner families, women are the primary earners.⁶ "They [mothers] are your breadwinners," observed a parent in Oklahoma. Nine out of 10 focus group participants who considered leaving the labor force to stay home with their children decided to continue working for economic reasons. As one mother in Washington, D.C., explained: "[I could not be a stay-at-home mother] because of the economic situation in the house." A mother in Oklahoma echoed this reality: "someone has to pay the bills." Most single parents - who make up 24.3 percent of all families⁷ - also cannot afford to stay at home with young children. As one single mother in Boston explained: "I am [the] head of household. If I don't work we have no home."

For parents to work, families need child care for their children. As a result, 11.6 million children under five years of age are in some type of regular child care arrangement each week. On average, children under five years of age, whose mothers are employed, spend 36 hours a week in child care.⁸



Figure 1

Mom's Income Matters

- ▶ For families with children under 5 with employed mothers and income less than \$18,000 per year, the mother's income was 90 percent of household income.
- ▶ For families with children under 5 with employed mothers and income between \$18,000 and \$36,000, the mother's income was two-thirds of household income (66.5 percent).
- ▶ For families with children under 5 with employed mothers and income between \$36,000 and \$60,000, the mother's income was more than half of the household income (53 percent).

SOURCE: Census detailed tables, Table 6, page 2, "Average Weekly Child Care Expenditures of Families with Employed Mothers that Make Payments, by Age Groups and Selected Characteristics: Winter 2002"

Children need high quality child care.



Research has repeatedly shown that high quality child care - care that provides a safe, stable, developmentally appropriate and stimulating environment - helps children to enter school prepared to learn. Children who receive high quality child care demonstrate greater mathematical ability, greater thinking and attention skills, and fewer behavioral problems than children who receive low quality care. These differences hold true for children from a range of family backgrounds, particularly for children from families earning low incomes.⁹

Not surprisingly, child care that is of high quality is more expensive than care that is of mediocre or poor quality. One parent in Boston said, simply: "If you want quality care, it costs money."

A comparison between the prices of unaccredited and accredited* child care centers in 12 low-income urban communities suggests that accredited child care can cost as much as \$5,000 more a year than non-accredited care. (See Appendix A, Detailed Table 4.) In Providence, R.I.**, the average annual cost of care for an infant in an accredited center is \$13,156, while the average cost of care in an unaccredited center is \$9,100. Thus, in Providence, the cost of quality care is 45 percent higher than the cost of care that may or may not meet minimum quality standards. In Des Moines, Iowa***, the average annual price of care for pre-school age children in an unaccredited center is \$5,806, while the price of care in an accredited center is \$11,050 - a difference of \$5,244, or 90 percent.

* Accreditation is a measure of quality that ensures that a child care center or family child care home meets minimum standards for child care.

** zip code 02905

*** zip code 50311

Child care is expensive.

“Expensive.” “Costly.” “Unaffordable.” When asked to give their immediate reaction to the phrase “child care,” parents across focus groups mentioned the high price of care in their responses. Child care price data from all 50 states support these parents’ assessments. Average child care prices in the United States range from \$3,016 for a 4-year-old child in Alabama, to \$13,480 for infant child care in Massachusetts.

In order to afford average priced infant care in a center¹⁰, a two-parent married family would, on average, have to spend 10.6 percent of their household income each year. Single parents would have to pay an even greater percent of their income - almost \$3 of every \$10 they earn. These findings are consistent with a recent United States Census report which found that parents with children under the age of five years spend, on average, almost 10 percent of their monthly income for child care, and families earning low incomes, i.e., less than \$18,000 per year, spend almost one-quarter of their monthly income on child care.¹¹

“I can’t afford it right now.”

–Parent in Bartlesville, OK

“Expensive, very expensive.”

–Mother in Washington, D.C.

A family in the United States with a 4-year-old child faces an average of \$3,016 to \$9,628 a year in child care fees. In 47 states, average annual child care fees for a pre-school age child are greater than 10 percent of the median household income in the state.¹²

Child care prices for a 4-year-old child are least affordable in New York. At \$8,530 a year, average child care fees in this state are equal to 11.5 percent of the state median income for a married family with children under 18. Child care in Minnesota – where prices equal 11.4 percent of the state median income for a two-parent family – ranks second lowest in affordability, followed by California (10.9 percent) and Massachusetts (10.6 percent). See Table 1 below.

Table 1

Least Affordable States for a 4-year-old in a Child Care Center*				
State	Average Annual Cost of Full-Time Pre-School Care	Child Care as a Percentage of Median Single Parent Family Income ¹³	Child Care as a Percentage of Median Two-Parent Married Family Income ¹⁴	Rank (Based on percentage of two-parent family income.)
New York	\$8,530	40.4%	11.5%	1
Minnesota	\$8,832	31.1%	11.4%	2
California*	\$7,576	31.1%	10.9%	3
Massachusetts	\$9,628	40.7%	10.6%	4
Rhode Island	\$7,800	45.3%	10.3%	5
Virginia	\$7,852	34.6%	10.3%	5
Wisconsin	\$6,968	31.0%	9.8%	7
New Jersey	\$8,985	32.8%	9.6%	8
Pennsylvania	\$6,800	31.4%	9.6%	8
Vermont	\$6,537	27.7%	9.5%	10
Washington	\$6,891	32.7%	9.5%	10

*See Appendix A Detailed Table 2 for state-by-state ranking.

*Based on averaging data provided by local CCR&Rs. Local CCR&Rs were asked to provide the average year-round cost of full-time pre-school care in a child care center in their service area.

In the 10 states where child care prices for pre-school care are most prohibitive, married families with children must, on average, spend more than 9.5 percent of their household income in order to afford child care for a 4-year-old. Single parents in these states have to pay an even larger proportion of their income toward the care of a 4-year-old child - from 27.7 to 45.3 percent of the state median income for a single parent family.

Of the specific CCR&R service areas in which NACCRRRA collected data, White Plains, N.Y., was the most expensive place to purchase pre-school age care. The average annual price of child care for a 4-year-old in this community is \$13,832 a year. White Plains is followed by Cambridge, Mass. (\$13,416); Concord, Mass. (\$11,962); Mahopac, N.Y. (\$11,700); and Oakland, Calif. (\$11,024).

Even in states where the child care prices are less, many families still struggle to afford average priced care. For example, in Mississippi where the average price of care for a 4-year-old is \$3,904 a year, annual child care fees are still nearly 27 percent of median single parent family income in the state.

In Mississippi and in several other states where the average annual price for child care for a 4-year-old child is relatively less, such as Georgia at \$4,025, South Carolina at \$4,180, and Alabama at \$3,016, the price of care may reflect lower ratios between the number of caregivers required per child. For example, in 18 states, the ratio of caregivers to 4-year-old children is 1:10 or less; one child care provider or staff person must be present for every 10 children.¹⁵ (These low ratios reflect research which suggests that low caregiver to child ratios are essential to children's safety and learning). Contrary to the research, in Georgia and South Carolina, one caregiver can legally care for up to 18 4-year-old children. In Alabama and Mississippi, one caregiver can care for up to 16 4-year-old children. In contrast, in New York, the state in which child care is the least affordable, one caregiver may not legally care for more than eight 4-year-old children. It is likely that lower ratios of caregivers to children results in higher child care fees, as it costs more to staff a classroom of 16 or 18 children with a ratio requirement of 1:8 compared to 1:16 or 1:18. Therefore, it's likely that the states with the least expensive care may also have a lower quality of care since staffing requirements are far below what the research shows is recommended for quality care and learning.

The younger the child, the more expensive the child care.

Parents of infants face even higher child care prices. Average child care fees for one infant range from \$3,803 to \$13,480 a year. In 42 states, child care fees for an infant are higher than tuition at a four-year public university.¹⁶ As one Boston parent explained: “[Child care for] both of my children costs \$2,000 a month. It is literally, an infant-toddler college.”

Child care for an infant is least affordable in Minnesota. At an average of \$11,796 a year, infant care fees in this state are equal to 15.2 percent of the state median income for married families with children. At 14.8 percent of state median income for married families, infant care prices are second least affordable in Massachusetts, followed by California (13.9 percent) and New York (13.7 percent). Table 2 lists the least affordable states for infant care.

As Table 2 illustrates, single parents must pay an even higher percent of their income for the care of their infants. In Minnesota, single parents, on average, would have to pay more than \$4 of every \$10 they earn to afford average priced child care for an infant. In each of the 10 least affordable states for infant care, average annual child care fees are greater than 34 percent of the state median income for single parents.

Of the specific CCR&R service areas in which NACCRRRA collected data, the four most expensive places for infant care are all in Massachusetts - Concord at \$27,645; Boston at \$27,637; Brockton at \$24,856; and Cambridge at \$16,900. In contrast, the average tuition at a public university in Massachusetts is \$5,660 a year. Hence, the Boston parent who compared paying child care fees for her infant to paying for college tuition is actually likely to spend significantly

Table 2

Least Affordable States for Infant Care				
State	Average Annual Cost of Full-Time Infant Care	Child Care as a Percentage of Median Single Parent Family Income	Child Care as a Percentage of Median Two-Parent Married Family Income	Rank (Based on percentage of income for two-parent married family.)
Minnesota	\$11,796	41.5%	15.2%	1
Massachusetts	\$13,480	56.9%	14.8%	2
California	\$9,691	39.7%	13.9%	3
New York	\$10,185	48.2%	13.7%	4
Virginia	\$9,854	43.4%	13.0%	5
Illinois	\$9,449	43.9%	12.8%	6
Rhode Island	\$9,464	54.9%	12.6%	7
Washington	\$9,048	42.9%	12.4%	8
Arizona	\$7,644	34.1%	12.3%	9
Wisconsin	\$8,372	37.2%	11.7%	10
Colorado	\$8,892	35.1%	11.7%	10



less once the child reaches college-age. San Francisco, Calif. came in fifth at the relatively cheaper average annual cost of \$15,600.

In some of the least costly states for infant care, such as Arkansas at \$4,020, and Georgia at \$4,878, the legal ratio of caregivers to infants is far below what the research recommends. For example, Arkansas and Georgia, have a 1:6 ratio requirement for infants, which means one caregiver may be responsible for up to six infants at a time.¹⁷ In contrast, Massachusetts and Minnesota (where the average cost of care

for an infant is among the most expensive), the ratio requirement for infant care is 1:3 and 1:4 respectively. Particularly in caring for infants, there is a marked difference in the quality of care when one caregiver is responsible for six infants at a time compared to three. Nevertheless, even with the less costly care available in states with lower ratios of caregivers to infants, single parents would still have to pay on average, almost \$3 of every \$10 they earn in order to afford average priced care.

Family child care may be more affordable but the quality of care is unknown.



The type of child care also affects the price of care. Table 3 depicts the range of prices for child care in centers and family child care homes.¹⁸ Child care fees in family child care homes range from \$2,080 in Mississippi to \$13,099 in Massachusetts.

In the majority of states, fees for family child care homes are less expensive, on average, than fees for child care centers. For the care of a pre-school age child, the annual difference associated with using family child care ranged from an average of \$1,595 in Minnesota to \$57.25 in Kentucky. For infant care, the average difference associated with family child care

ranged from an average of \$3,146 a year in Massachusetts to \$154 a year in Arkansas. In a few states, however, the average cost of care for a child care center is the same or slightly less than care in a family child care home.¹⁹

While the price of child care in family child care homes in general may be less costly than child care in centers, the quality of care in family child care homes is relatively unknown. Most states do not require licensing of a family child care home until six or seven children are cared for in the home.²⁰ Much of family child care is unregulated by the states. Therefore, while the cost of care may be less on average, the quality of care is for the most part, unknown.

Table 3

Comparison of Annual Child Care Costs in Family Child Care Homes and Child Care Centers								
	One Child in Care				Two Children in Care			
	Pre-School Age Child		Infant or Toddler		Two Pre-School Age Children		One Pre-School Age Child and One Infant or Toddler	
	high	low	high	low	high	low	high	low
Family Child Care Home	\$8,761.08	\$2,080.00	\$13,099.50	\$2,236.00	\$17,522.17	\$4,160.00	\$21,860.59	\$4,316.00
Child Care Center	\$9,873.58	\$3,640.00	\$16,060.69	\$3,874.00	\$19,747.16	\$7,280.00	\$25,933.27	\$7,514.00

Child care prices are high compared to other household expenses.



For working families at all income levels, child care fees consume a large amount of the household budget. Figure 2 compares child care prices to average monthly expenditures on other household necessities. In every region of the United States, average annual fees for child care for one child of any age are higher than the amount of money that families pay each year for clothing and health care combined.²¹ In the South²² and West²³, the average annual price of care for one infant costs more than families spend on food each year. In the Northeast²⁴ and Midwest²⁵, the price of child care for one child of any age is more than families spend on food.

In most areas of the United States, child care prices come close to or exceed housing costs. In 15 states, average monthly child care fees for an infant are higher than the median monthly rent. In Massachusetts, a family paying average priced child care fees for an infant and median rent spends \$271 more each month in child care than on rent.²⁶ It is no surprise that a parent in Boston noted: “Day care is more than my rent.”

“(Child care) costs \$4 less than my mortgage each month.”

—Parent in Bartlesville, OK

“Day care is more than my rent.”

—Parent in Boston, MA

For working families with more than one child in care, child care costs are even more likely to exceed housing costs. In every state but Nevada, child care fees for two children at any age exceed the median rent cost in the state. For a family in Minnesota, the average cost of child care for two children²⁷ is \$459 higher a month than the median monthly mortgage. A family in Virginia, who pays average fees for child care for two children²⁸, will pay \$719 more a month for care than they would for the average monthly rent payment.

Figure 2



Notes:

Mortgage (median monthly housing costs) and rent (median monthly renting costs) data is from The American Community Survey 2004

College tuition (Average price of 4-year public university) data is from www.collegeboard.com

Food, clothing (apparel and services), healthcare, and car payment (vehicle purchases) data is from U.S. Bureau of Labor Statistics "Consumer Expenditures in 2003".

*Assumes one infant and one pre-school age child.

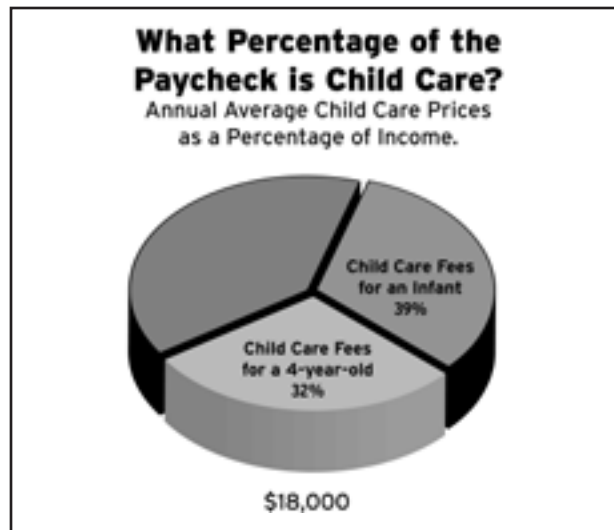
Working families earning low incomes especially struggle to afford child care.

For working families who are struggling financially, high child care prices present an even greater challenge. Ten percent of families who pay for child care earn \$18,000 or less each year. These families would have to spend 30 percent or more of their annual income to afford the average price of child care for an infant in 38 states. In five states – New York, Connecticut, Minnesota, Massachusetts and New Jersey – the average price of child care for two children is greater than \$18,000 a year. These average child care prices are consistent with the United States Census data, which suggests that families with incomes below the poverty level spend more than three times the percentage of their income on child care than families whose incomes are above the poverty line – 25 percent versus 7 percent respectively.²⁹

Consider the following example. A married family living in Tucson, Ariz., has two children in need of child care – a 2-year-old and a 4-year-old. Both parents are employed full-time at minimum wage jobs earning \$5.15 an hour. Together they earn \$21,424 a year. After automatic deductions for Social Security and Medicare taxes**, the family takes home \$1,648 a month in income. The family pays about \$1,380 each month for food, housing, utilities, clothing, transportation and health care. This leaves about \$268 each month to cover the family's child care costs – \$776 less than necessary to afford average-priced care in a center in Tucson. (See Figure 3.)

The family could try to save money by placing their children in a family child care home, rather than a center. If the family paid average prices in Tucson for both children, child care at the providers' home would cost about \$859 a month. This is \$185 less a month than a center, but still \$591 more than the family has available to spend.

Single parents are also more likely to face challenges in affording child care. Consider the following example. A single mother with an infant in Louisville earns \$14,527 a year (approximately \$7 an hour) - the median income for a single mother



“It’s hard to live and pay day care when you make \$7 dollars an hour.”

–Father with children under eight years old, Indianapolis, IN

“My question is: can I eat while I pay for child care? This is a huge issue for us.”

–Parent in Indianapolis, IN

in Kentucky. After automatic deductions for Social Security and Medicare taxes[^], she has a monthly budget of \$1,117.97 for her child and herself. The mother pays about \$1,028 each month for food, housing, utilities, clothing, transportation and healthcare for herself and her infant. This leaves approximately \$90 each month to cover child care costs – \$400 less than would be needed to afford average priced center-based care for an infant in Louisville. (See Figure 4.)

Again, a family child care home would be a slightly less expensive, but still unaffordable option. The average monthly fee for an infant in a family child care home in Louisville is \$440. This is approximately \$350 more than the mother has available to spend on child care each month.

** A family of four earning \$21,423.96 a year is likely to have zero income tax liability.

[^] A family of two earning \$14,527 a year is likely to have zero income tax liability.



Figure 3:

Monthly Budget: Two-Parent Family in Tucson, Arizona One Infant and One Pre-School Age Child Both parents working full-time, earning minimum wage	
Gross Monthly Income ³⁰	\$1,785.33
Social Security Deduction ³¹	-\$110.69
Medicare Deduction ³²	-\$25.89
Take-home pay	\$1,648.76
Groceries ³³	\$238.00
Housing ³⁴	\$231.67
Utilities ³⁵	\$199.50
Clothing ³⁶	\$53.00
Transportation ³⁷	\$467.92
Health Care ³⁸	\$190.50
Monthly Expenses Before Child Care	\$1,380.58
Money Left Over for Child Care:	\$268.17
Average Price for Child Care for One Infant in a Center in Tucson:	\$582.42
Average Price for Child Care for One Pre-school age child in a Center in Tucson:	\$462.42
Total Price for Child Care for Two Children in Tucson:	\$1,044.83
Shortfall:	-\$776.66

Figure 4:

Monthly Budget: Single-Parent Family in Louisville, Kentucky, One Infant Working full-time, earning \$7/hour	
Gross Monthly Income ³⁹	\$1,210.58
Social Security Deduction ⁴⁰	-\$75.06
Medicare Deduction ⁴¹	-\$17.55
Take-home pay	\$1,117.97
Groceries ⁴²	\$202.08
Housing ⁴³	\$215.92
Utilities ⁴⁴	\$162.08
Clothing ⁴⁵	\$33.83
Transportation ⁴⁶	\$260.83
Health Care (Insurance, Services, and Prescriptions) ⁴⁷	\$152.83
Monthly Expenses Before Child Care	\$1,027.58
Money Left Over for Child Care:	\$90.39
Average Monthly Price for Child Care for One Infant in a Center in Louisville:	\$497.73
Shortfall:	-\$407.34

Child care assistance exists, but is limited.

If the families in Tucson and Louisville were fortunate enough to receive help from the government to pay for child care, this would remove a great deal of strain from their household budgets.

Every state government has a child care assistance program, however limited, which is financed through federal and state funding. Child care assistance programs partially subsidize the price of child care for families on welfare and other families earning low incomes. In some states, parents receive a voucher or certificate, which they use to purchase child care. In other states, payments are made directly from the child care assistance program to the child care provider of the parents' choice. Parents are required to make monthly co-payments to contribute toward their children's child care fees.

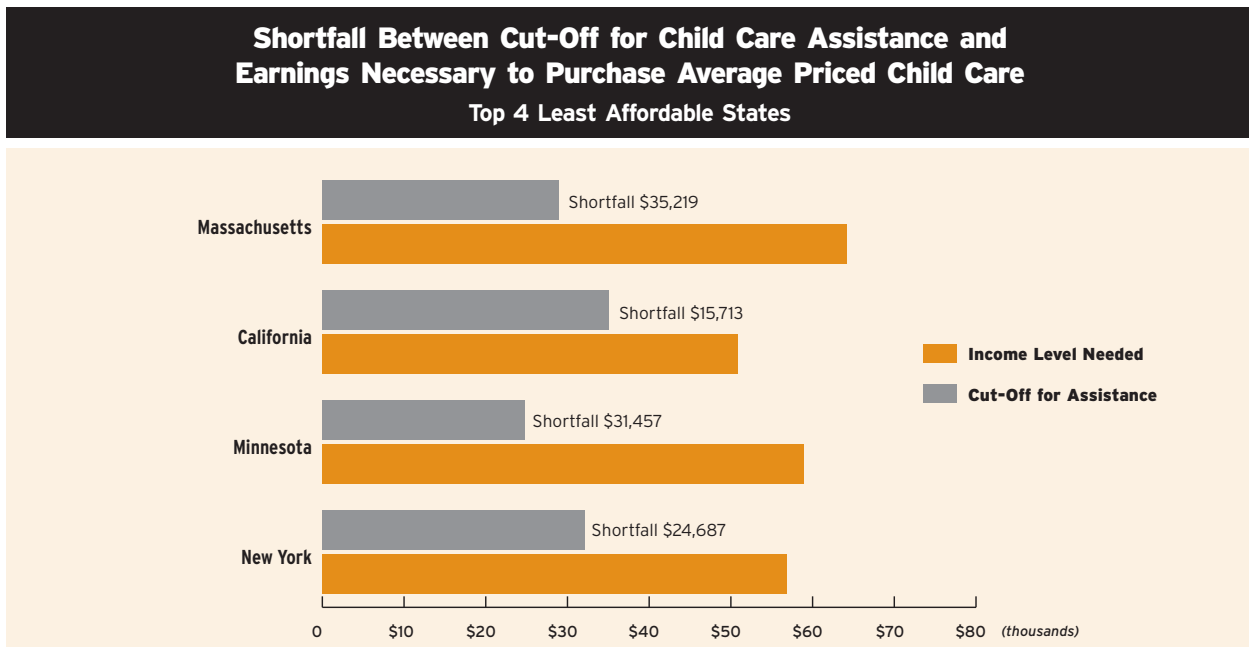
In practice however, many working families earning low incomes, like the one in Tucson and the one in Louisville, are not able to access the child care assistance they need. As of early 2005, 17 states had waiting lists for child care assistance and Tennessee had frozen intake.⁴⁸ As Figure 5

demonstrates, income cut-offs for assistance eligibility also prevent working families in need from accessing assistance.

Several parents who participated in focus groups expressed their frustration at being unable to access the child care assistance they needed to afford care, despite the fact that they earned low incomes. "They will help you if you're willing to do nothing, but if you're working and making just a little too much, you get nothing," said a parent in Pittsboro, N.C.

Few states have graduated income cut-off policies for families who earn small pay increases at work. A parent in Bartlesville, Okla., explained; "Welfare is not a step, it's a wall. If you make \$10 more a month, it means \$300 [less] a month in [child care] subsidies." For example, while both parents continue to earn minimum wage, the two-parent family in Tucson would be eligible for child care assistance in Arizona. However, if both parents received a \$1.25 an hour raise - bringing their income to \$6.40 an hour each - the family would be well over the income limit for assistance, but still almost \$380 a month short of being able to afford average child care prices in Tucson for their children.

Figure 5:



* Average Priced Child Care for a 4-year-old Child. Assumes that affordable child care fees would consume no more than 15 percent of a household's budget.

** Source: Cut-off for Child Care Assistance, National Women's Law Center. Child Care Assistance Policies 2005. September, 2005.

High child care prices force parents to make sacrifices.



More than two-thirds of parents who participated in the focus groups rated cost either as their highest concern or among the top two or three concerns when choosing child care for their children. In every focus group, parents who participated wanted quality child care for their children – child care environments with structured activities and diverse curricula in which children are learning while parents are at work. However, parental concerns about quality were constrained by the high cost of care.

“Cost affects your number of options.”

–Parent in San Antonio, TX

“The cost automatically limited me.”

–Parent in Washington, D.C.

When parents looked for child care, quality options were often not available at a price they could afford. This meant making sacrifices in the quality of child care their children received. Overwhelmingly, parents who participated in focus groups spoke about compromising on quality in order to afford high child care prices.

“I decided on a center because I loved it. It was in a great location, very clean, great quality. Then, they told me the price and I flew out of there! Three hundred dollars a week. Very expensive!”

–Parent in Washington, D.C.

“I haven’t found good quality care. I can’t afford it. I have to pay for it out of my pocket. I can’t get vouchers. I compromised on quality.”

–Single parent of an infant in Boston, MA

“Affordability-wise, you have limited options. Finding available child care that’s of quality and is affordable is impossible. If cost wasn’t an issue, it wouldn’t be hard to find child care.”

–Single parent of an infant in Boston, MA

"In my community, I have lots of options and great day care. Cost held me back. I can't afford \$800 a month. That was the only thing that held me back."

—Parent with child under eight years old in Indianapolis, IN

"It's disappointing to look for day care for your child, because whether you can pay a lot or a little, you deserve to have your child well cared-for."

—Parent with children under eight years old in Washington, D.C.

"I wanted diversity and all of these dream things, but then you'd look at the cost."

—Parent with children under eight years old in Oakland, CA

"I would like my son to be in a school-type setting—getting him ready for school. I fall through the cracks for Head Start. There's nothing there. You're poor and can't make it. Or you help yourself and you're over the [income] level [to participate in programs like Head Start]. There's no school for him until you start kindergarten in my school district."

—Parent in Pittsboro, NC

Other parents said that they would have preferred to place their children in a child care center or family child care home, but elected to use informal care because of the high prices they encountered for formal care.

"I'm fortunate because I have my mother. I had to pull him [my son] out of the center because I couldn't afford it."

—Single parent with child under two years in Boston

This parent's experience may explain, at least in part, data from the United States Census, which suggests that families earning low-incomes are more likely to rely on grandparents or other relatives for child care than are families earning higher incomes.

In addition, more than four out of 10 parents who participated in the focus groups said they paid more for child care than they felt they could afford. Some parents said that they paid higher fees due to lack of availability, while others paid more to ensure that their children were learning in their child care setting.

"I spend \$25,000 per year. I knew it would be a lot, but that's so much more than I thought."

—Parent in Oakland, CA

"We didn't have a choice whether it was expensive or inexpensive because our choices were so limited."

—Parent in Bartlesville, OK

"There are times when we give everything to our children. There are times when we can't, but we try . . . one doesn't have the necessary [money] to pay for electricity, water, telephone, rent and there are times that it is not enough. But you make all the possible [sacrifices] to pay for that amount [for child care] so your children can be fine."

—Parent in Pittsboro, NC

"We have to compromise, but we realize that this is a very important time for our children. We're getting in debt every month, but it [quality child care] is a major concern . . . The compromise is huge. Everyone says we're crazy. But, I know it will pay off for her."

—Parent with children under eight years old in Oakland, CA

Conclusion



Across the United States, high child care prices force parents of young children to make difficult choices. For families, it's a "catch 22" situation. Parents rely on child care in order to work and earn an income. However, even in the states with lower relative child care costs (which may be due to the larger number of children each caregiver is responsible for) child care fees still comprise a large portion of the average family's budget. For families across the income spectrum, child care fees cost more each month than most other household expenses. Families earning low incomes struggle even more to afford child care and often are unable to obtain child care assistance.

Parents want high quality child care for their children. They know that child care environments that are safe, stable and stimulating are necessary to their children's success in school and in life. Yet, they cannot afford the high price-tag that accompanies quality child care. As a result, some parents place their children in care that is of lower quality than they want, simply because they can't afford other options.

Child care fees are expensive because caring for a young child is a labor intensive endeavor. Child care providers cannot lower their prices while maintaining the low child to caregiver ratios that have been shown to yield a better learning

environment and safer place for children. Training and education for child care providers, safe facilities, and other factors that improve the quality of child care may also increase child care fees for parents. This would explain why accredited care - care that meets minimum quality standards - may add as much as \$5,000 more a year to prices in some communities.

To make quality child care more affordable for families, the fees parents pay must be supplemented by outside investments. Like college, quality child care is expensive. But, unlike college costs, the price of child care is borne entirely by parents in most instances, except for a relatively small proportion of the very poorest of families. In the case of higher education, states and the federal government underwrite the cost of the system to make it affordable for families. In addition, loans and grants are available for the lowest income students on an individual basis. To ensure that all families can access quality child care, states and the federal government must take a proactive role in underwriting the cost of the nation's child care system, much like they have in the higher education system.

Access to quality child care should not be a dream. It should be a reality. The affordability of quality child care must be improved for all families.

Making child care more affordable for working parents: policy recommendations.

Currently, some programs exist within states and the federal government to help improve the affordability and quality of child care for parents, including federal-to-state grant programs and state and federal tax credits. However, these programs generally are limited in scope, are inadequately funded, provide only modest relief to families, and do very little to improve the quality of care.

The primary government program for child care is a federal-to-state grant known as the Child Care and Development Block Grant (CCDBG). CCDBG is largely used by states to offer vouchers to families earning very low incomes to help pay for child care. Funding for the Child Care and Development Block Grant has been frozen since 2002. As a result, many families who are struggling to afford quality child care do not receive the assistance they need, and those who receive assistance receive less than they need to access quality child care. Funding shortfalls are not the only challenges that prevent families from receiving child care assistance. The subsidy administration process is often fraught with substantial obstacles that families must overcome in order to receive the assistance for which they are eligible.

Investments in child care infrastructure and improvements in the quality of care available are necessary to reduce the cost of child care for all families earning low incomes, especially for working families who are not eligible for vouchers. However, states use very little CCDBG funding to carry out these activities. Consequently, for most children and parents in the United States, quality child care is unaffordable.

The following steps could be taken by the federal government and by states to help more families afford quality child care for their children.

#1. Underwrite the cost of child care to enable more families to afford quality child care.

The federal government could help more families afford quality child care by:

- ▶ Increasing the overall level of funding for



the Child Care and Development Block Grant (CCDBG) and increasing the amount of funding that states must set-aside to improve the quality of child care to 10 percent.

- ▶ Requiring that CCDBG quality funds be used to offset the costs of early childhood development training for child care providers, including pre-literacy training.
- ▶ Allowing CCDBG funds to be used to increase staff retention at child care centers in order to reduce turnover costs, which increase the prices charged to parents.
- ▶ Providing resources to help child care providers meet minimum training requirements established by states, which are designed to enable providers to promote the social, emotional, physical and cognitive development of children.
- ▶ Providing additional funding for the construction and renovation of child care facilities.
- ▶ Allowing CCDBG funds to be used for wage incentive programs and initiatives that establish tiered payment rates for providers that meet or exceed minimum quality standards.

- ▶ Requiring states to set improvement goals for their child care systems and measure progress toward the goals annually. States would be required to submit and follow a quality improvement plan if they were not making progress toward their goals. Quality improvement plans should include a strategy to strengthen child care centers, family child care homes, and informal/relative care.
- ▶ Requiring states to inspect all child care arrangements paid for by CCDBG funds at least once a quarter as required by Congress for Department of Defense child care programs.
- ▶ Allowing states to collect and disseminate through CCR&R agencies information about: (a) informed child care choices, including information about the quality and availability of child care services; (b) research and best practices with regard to children’s development, including early cognitive development; (c) the availability of assistance to obtain child care services; and (d) other programs for which families may receive assistance.

The federal government and state governments could help more families afford quality child care by:

- ▶ Offering higher payments to child care providers who meet quality standards or benchmarks or accreditation standards.
- ▶ Supporting activities and providing technical assistance to enhance early learning for pre-school children, which promotes literacy and fosters school preparedness, and helps identify developmental delays that may hinder school readiness.



- ▶ Offering training, professional development, and educational opportunities for child care providers that relate to the use of curricula, and early childhood teaching strategies, including offering training for providers, of children of any age, in informal child care settings.

State governments could help more families afford quality child care by:

- ▶ Using CCDBG funds to establish or support a system of local CCR&R agencies coordinated by a statewide, nonprofit CCR&R agency to improve the quality of care for all children.

#2. Provide resources to promote planning and development within communities to expand quality child care choices for parents.

The federal government could help more families afford quality child care by:

- ▶ Requiring states to examine the affordability of child care for families, within their state child care plans.
- ▶ Demonstrating ways to underwrite the cost of quality child care for families.

State governments could help more families afford quality child care by:

- ▶ Requiring local communities to examine the affordability of child care for families.
- ▶ Underwriting the cost of quality child care settings to make child care more affordable for families.
- ▶ Building and strengthening the existing community child care systems to promote early learning.

#3. Increase funding for child care assistance so that more families are able to receive help with child care costs.

The federal government could help more families afford quality child care by:

- ▶ Fully and adequately funding CCDBG.
- ▶ Adjusting current assistance for inflation annually to ensure that parents can maintain access to quality care.

State governments could help more families afford quality child care by:

- ▶ Increasing state funds for child care so that more families can access help.
- ▶ Adjusting current child care assistance for inflation so that parents do not lose purchasing power in the market.
- ▶ Ensuring that vouchers for child care or reimbursements to child care providers are equivalent to at least the 75th percentile of the cost of care in a community. States and communities should conduct valid and reliable surveys to determine the cost of child care every two years. Such surveys should differentiate cost by age, type of child care arrangement, the cost of serving children with disabilities, and the cost of care during non-traditional hours.

#4. Reduce barriers in the subsidy administration process that prevent families from accessing assistance.

The federal and state governments could help more families afford quality child care by:

- ▶ Setting realistic eligibility levels for assistance, so that all families earning lower incomes can choose among quality child care providers, not just those families who earn incomes below the poverty level.
- ▶ Imposing co-payments on a sliding fee scale so as not to disadvantage families earning lower incomes who may not be able to afford a flat co-payment.
- ▶ Ensuring that families are not required to re-apply for assistance more frequently than once every six months.
- ▶ Gradually phasing out assistance as a family's income increases, as opposed to dropping a family for earning \$1 over the income limit.
- ▶ Enabling families to access assistance without having to take excessive leave from work by allowing families to make appointments, rather than wait in line, and by staggering staffing so that child care assistance offices open early and close late.

#5. Ensure that public pre-kindergarten programs are designed to meet the child care needs of working families.

State governments could help more families afford quality child care by:

- ▶ Ensuring that state pre-kindergarten programs are operated within community-based child care programs.
- ▶ Requiring school-based state pre-kindergarten programs to offer "before and after" care so that working families can participate.

#6. Improve and update the federal tax code and state tax codes, to help families at all income levels pay for care.

The federal government could help more families afford quality child care by:

- ▶ Increasing both the percentage of employment-related child care expenses and the allowable amount of eligible expenses that families earning low or middle incomes are allowed towards the Dependent Care Tax Credit each year.
- ▶ Making the Dependent Care Tax Credit refundable and available on an advanced basis. This will allow families earning lower incomes, who may have little or no tax liability, to benefit.
- ▶ Eliminating the "use it or lose it" provision of the Dependent Care Assistance Program – a pre-tax flexible spending account for child care expenses – so that more families are able to participate in the program.
- ▶ Authorizing funding for outreach programs to encourage employers and employees to utilize Dependent Care Assistance Programs.
- ▶ Increasing the maximum amount of excluded income in the Dependent Care Assistance Program, especially for families with two or more children.

State governments could help more families afford quality child care by:

- ▶ Establishing state income tax credits for child care which are refundable and available on an advanced basis.

Appendix A: Detailed Tables

Detailed Table 1

Average Annual Child Care Prices by State		
State	Average Cost of Pre-School Care	Average Cost of Infant Care
Alabama	\$3,016	\$3,803
Alaska	\$6,684	\$7,860
Arizona	\$5,876	\$7,644
Arkansas	\$3,384	\$4,020
California*	\$7,622	\$9,691
Colorado	\$7,020	\$8,892
Connecticut	\$8,459	\$10,390
Delaware	\$5,515	\$6,215
Florida	\$4,948	\$6,342
Georgia	\$4,025	\$4,878
Hawaii	\$5,620	\$8,105
Idaho**	\$4,410	\$4,952
Illinois	\$6,806	\$9,449
Indiana	\$5,408	\$6,985
Iowa	\$5,375	\$6,677
Kansas	\$4,446	\$5,873
Kentucky	\$4,710	\$5,552
Louisiana	\$4,760	\$5,320
Maine	\$6,344	\$7,592
Maryland	\$6,515	\$10,314
Massachusetts	\$9,628	\$13,480
Michigan	\$6,216	\$7,936
Minnesota	\$8,832	\$11,796
Mississippi	\$3,904	\$4,368
Missouri	\$3,967	\$5,564
Montana	\$4,486	\$4,836
Nebraska	\$5,100	\$5,400
Nevada	\$3,200	\$4,200
New Hampshire	\$7,014	\$8,755
New Jersey	\$8,985	\$10,507
New Mexico	\$5,054	\$5,996
New York	\$8,530	\$10,185
North Carolina	\$5,876	\$6,916
North Dakota	\$4,784	\$5,252
Ohio**	\$5,777	\$6,580
Oklahoma**	\$3,940	\$4,423
Oregon	\$5,160	\$6,600
Pennsylvania	\$6,800	\$8,000

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Detailed Table 1 (continued)

Average Annual Child Care Prices by State		
State	Average Cost of Pre-School Care	Average Cost of Infant Care
Rhode Island	\$7,800	\$9,464
South Carolina	\$4,180	\$4,712
South Dakota	\$4,804	\$5,331
Tennessee	\$4,188	\$4,942
Texas**	\$4,427	\$5,386
Utah	\$4,764	\$5,873
Vermont	\$6,537	\$7,328
Virginia	\$7,852	\$9,854
Washington	\$6,891	\$9,048
West Virginia**	\$3,886	\$4,853
Wisconsin	\$6,968	\$8,372
Wyoming	\$5,438	\$5,914

Note: Costs of child care are based on the price of care in a licensed child care center. The information was provided by the State CCR&R Network, except where noted, in early 2005.

*Cost of Pre-School Care is based on information provided by local CCR&R agencies in 2005.

**Cost of Infant and Pre-School Care is based on information provided by local CCR&R agencies in 2005.

Detailed Table 2

Ranking of Cost of Child Care for a 4-year-old (1 = Highest; 50 = Lowest)						
State	Average Annual Cost of Pre-School Care	Median Income for Single Parent Family with Children under 18	Percent of Median Single Parent Family Income Spent on Pre-School Care	Median Income for Two Parent Married Family with Children under 18	Percent of Median Two Parent Family Income Spent on Pre-School Care	Ranking of Pre-School Care as a Percent of Income
New York	\$8,530	\$21,128	40.4%	\$74,431	11.5%	1
Minnesota	\$8,832	\$28,425	31.1%	\$77,744	11.4%	2
California*	\$7,576	\$24,388	31.1%	\$69,513	10.9%	3
Massachusetts	\$9,628	\$23,673	40.7%	\$91,223	10.6%	4
Rhode Island	\$7,800	\$17,226	45.3%	\$75,399	10.3%	5
Virginia	\$7,852	\$22,697	34.6%	\$76,035	10.3%	5
Wisconsin	\$6,968	\$22,493	31.0%	\$71,284	9.8%	7
New Jersey	\$8,985	\$27,415	32.8%	\$93,227	9.6%	8
Pennsylvania	\$6,800	\$21,626	31.4%	\$70,715	9.6%	8
Vermont	\$6,537	\$23,588	27.7%	\$68,605	9.5%	10
Washington	\$6,891	\$21,097	32.7%	\$72,699	9.5%	10
North Carolina	\$5,876	\$18,464	31.8%	\$62,203	9.4%	12
Arizona	\$5,876	\$22,404	26.2	\$62,251	9.4%	12
Maine	\$6,344	\$18,235	34.8%	\$67,768	9.4%	12
Illinois	\$6,806	\$21,515	31.6%	\$73,798	9.2%	15
Colorado	\$7,020	\$25,304	27.7%	\$76,164	9.2%	15
New Mexico	\$5,054	\$14,408	35.1%	\$55,641	9.1%	17

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Detailed Table 2 (continued)

Ranking of Cost of Child Care for a 4-year-old (1 = Highest; 50 = Lowest)						
State	Average Annual Cost of Pre-School Care	Median Income for Single Parent Family with Children under 18	Percent of Median Single Parent Family Income Spent on Pre-School Care	Median Income for Two Parent Married Family with Children under 18	Percent of Median Two Parent Family Income Spent on Pre-School Care	Ranking of Pre-School Care as a Percent of Income
Ohio**	\$6,159	\$19,832	31.1%	\$67,967	9.1%	17
Connecticut	\$8,459	\$28,329	29.9%	\$94,343	9.0%	19
Michigan	\$6,216	\$21,396	29.1%	\$71,792	8.7%	20
New Hampshire	\$7,014	\$28,215	24.9%	\$82,395	8.5%	21
Wyoming	\$5,438	\$18,273	29.8%	\$64,365	8.4%	22
Indiana	\$5,408	\$21,153	25.6%	\$64,302	8.4%	22
Iowa	\$5,375	\$20,883	25.7%	\$63,993	8.4%	22
Alaska	\$6,684	\$29,100	23.0%	\$79,718	8.4%	22
Idaho**	\$4,803	\$17,039	28.2%	\$57,447	8.4%	22
Oregon	\$5,160	\$19,830	26.0%	\$63,284	8.2%	27
Kentucky	\$4,710	\$14,527	32.4%	\$58,295	8.1%	28
Utah	\$4,764	\$22,108	21.5%	\$59,311	8.0%	29
Montana	\$4,486	\$17,093	26.2%	\$56,200	8.0%	29
Nebraska	\$5,100	\$19,475	26.2%	\$64,576	7.9%	31
Florida	\$4,948	\$22,923	21.6%	\$63,517	7.8%	32
South Dakota	\$4,804	\$19,330	24.9%	\$62,152	7.7%	33
Louisiana	\$4,760	\$15,719	30.3%	\$61,695	7.7%	33
North Dakota	\$4,784	\$18,180	26.3%	\$62,570	7.6%	35
Hawaii	\$5,620	\$24,815	22.6%	\$77,245	7.3%	36
Texas**	\$4,427	\$20,379	21.7%	\$61,084	7.2%	37
Maryland	\$6,515	\$32,330	20.2%	\$90,310	7.2%	37
West Virginia**	\$3,886	\$14,558	26.7%	\$54,921	7.1%	39
Delaware	\$5,515	\$23,189	23.8%	\$78,709	7.0%	40
Oklahoma**	\$4,073	\$17,319	23.5%	\$58,165	7.0%	40
Tennessee	\$4,188	\$18,819	22.3%	\$60,021	7.0%	40
Kansas	\$4,446	\$24,259	18.3%	\$63,984	6.9%	43
Mississippi	\$3,904	\$14,603	26.7%	\$57,745	6.8%	44
South Carolina	\$4,180	\$18,360	22.8%	\$67,800	6.2%	45
Georgia	\$4,025	\$19,822	20.3%	\$65,425	6.2%	45
Missouri	\$3,967	\$21,270	18.7%	\$64,656	6.1%	47
Arkansas	\$3,384	\$15,176	22.3%	\$55,835	6.1%	48
Nevada	\$3,200	\$22,429	14.3%	\$60,108	5.3%	49
Alabama	\$3,016	\$16,451	18.3%	\$62,801	4.8%	50

Note: Costs of child care are based on the price of care in a licensed child care center. The information was provided by the State CCR&R Network, except where noted, in early 2005. Median Income for Single Parent Family is based on State Median Income for Single Female Householder with Children under Age 18, American Community Survey, 2004. Median Income for Two-Parent Family based on State Median Income for a Two-Parent Married Couple Family with Children Under Age 18, American Community Survey, 2004.

*Cost of Pre-School Care is based on information provided by local CCR&R agencies in 2005.

**Cost of Infant and Pre-School Care is based on information provided by local CCR&R agencies in 2005.

Detailed Table 3

Ranking of Cost of Child Care for an Infant						
(1 = Highest; 50 = Lowest)						
State	Average Annual Cost of Infant Care	Median Income for Single Parent Family with Children under 18	Percent of Median Single Parent Family Income Spent on Infant Care	Median Income for Two-Parent Married Family with Children under 18	Percent of Median Two-Parent Family Income Spent on Infant Care	Ranking of Infant Care as a Percent of Income
Minnesota	\$11,796	\$28,425	41.5%	\$77,744	15.2%	1
Massachusetts	\$13,480	\$23,673	56.9%	\$91,223	14.8%	2
California	\$9,691	\$24,388	39.7%	\$69,513	13.9%	3
New York	\$10,185	\$21,128	48.2%	\$74,431	13.7%	4
Virginia	\$9,854	\$22,697	43.4%	\$76,035	13.0%	5
Illinois	\$9,449	\$21,515	43.9%	\$73,798	12.8%	6
Rhode Island	\$9,464	\$17,226	54.9%	\$75,399	12.6%	7
Washington	\$9,048	\$21,097	42.9%	\$72,699	12.5%	8
Arizona	\$7,644	\$22,404	34.1%	\$62,251	12.3%	9
Wisconsin	\$8,372	\$22,493	37.2%	\$71,284	11.7%	10
Colorado	\$8,892	\$25,304	35.1%	\$76,164	11.7%	10
Maryland	\$10,314	\$32,330	31.9%	\$90,310	11.4%	12
Pennsylvania	\$8,000	\$21,626	37.0%	\$70,715	11.3%	13
New Jersey	\$10,507	\$27,415	38.3%	\$93,227	11.3%	13
Maine	\$7,592	\$18,235	41.6%	\$67,768	11.2%	15
North Carolina	\$6,916	\$18,464	37.5%	\$62,203	11.1%	16
Michigan	\$7,936	\$21,396	37.1%	\$71,792	11.1%	16
Connecticut	\$10,390	\$28,329	36.7%	\$94,343	11.0%	18
Indiana	\$6,985	\$21,153	33.0%	\$64,302	10.9%	19
New Mexico	\$5,996	\$14,408	41.6%	\$55,641	10.8%	20
Vermont	\$7,328	\$23,588	31.1%	\$68,605	10.7%	21
New Hampshire	\$8,755	\$28,215	31.0%	\$82,395	10.6%	22
Hawaii	\$8,105	\$24,815	32.7%	\$77,245	10.5%	23
Iowa	\$6,677	\$20,883	32%	\$63,993	10.4%	24
Oregon	\$6,600	\$19,830	33.3%	\$63,284	10.4%	24
Ohio**	\$7,036	\$19,832	35.5%	\$67,967	10.4%	24
Florida	\$6,342	\$22,923	27.7%	\$63,517	10.0%	27
Utah	\$5,873	\$22,108	26.6%	\$59,311	9.9%	28
Alaska	\$7,860	\$29,100	27.0%	\$79,718	9.9%	28
Kentucky	\$5,552	\$14,527	38.2%	\$58,295	9.5%	30
Wyoming	\$5,914	\$18,273	32.4%	\$64,365	9.2%	31
Kansas	\$5,873	\$24,259	24.2%	\$63,984	9.2%	31
Idaho**	\$5,100	\$17,039	29.9%	\$57,447	8.9%	33
West Virginia**	\$4,853	\$14,558	33.3%	\$54,921	8.8%	34
Texas**	\$5,386	\$20,379	26.4%	\$61,084	8.8%	34

(continued on next page)

Detailed Table 3 (continued)

Ranking of Cost of Child Care for an Infant						
(1 = Highest; 50 = Lowest)						
State	Average Annual Cost of Infant Care	Median Income for Single Parent Family with Children under 18	Percent of Median Single Parent Family Income Spent on Infant Care	Median Income for Two-Parent Married Family with Children under 18	Percent of Median Two-Parent Family Income Spent on Infant Care	Ranking of Infant Care as a Percent of Income
Louisiana	\$5,320	\$15,719	33.84%	\$61,695	8.6%	36
Missouri	\$5,564	\$21,270	26.16%	\$64,656	8.6%	36
Montana	\$4,836	\$17,093	28.29%	\$56,200	8.6%	36
South Dakota	\$5,331	\$19,330	27.58%	\$62,152	8.6%	36
North Dakota	\$5,252	\$18,180	28.89%	\$62,570	8.4%	40
Nebraska	\$5,400	\$19,475	27.73%	\$64,576	8.4%	40
Tennessee	\$4,942	\$18,819	26.26%	\$60,021	8.2%	42
Oklahoma **	\$4,695	\$17,319	27.11%	\$58,165	8.1%	43
Delaware	\$6,215	\$23,189	26.80%	\$78,709	7.9%	44
Mississippi	\$4,368	\$14,603	29.91%	\$57,745	7.6%	45
Georgia	\$4,878	\$19,822	24.61%	\$65,425	7.5%	46
Arkansas	\$4,020	\$15,176	26.49%	\$55,835	7.2%	47
Nevada	\$4,200	\$22,429	18.73%	\$60,108	7.0%	48
South Carolina	\$4,712	\$18,360	25.66%	\$67,800	7.0%	49
Alabama	\$3,803	\$16,451	23.12%	\$62,801	6.1%	50

Note: Costs of child care are based on the price of care in a licensed child care center. The information was provided by the State R&R Network, except where noted, in early 2005. Median Income for Single Parent Family is based on State Median Income for Single Female Householder with Children under Age 18, American Community Survey, 2004. Median Income for Two-Parent Family based on State Median Income for a Two-Parent Married Couple Family with Children Under Age 18, American Community Survey, 2004.

**Cost of infant and Pre-School Care is based on information provided by local CCR&R agencies in 2005.

Detailed Table 4

City and Zip Code	Annual Price of Child Care in Accredited and Non-Accredited Centers					
	For an Infant			For a Pre-School Age Child		
	Not Accredited	Accredited	Annual Difference	Not Accredited	Accredited	Annual Difference
Atlanta (30310)	\$5,543.72	\$5,980.00	\$436.28	\$4,880.20	\$4,853.16	(\$27.04)
Atlanta (30312)	\$5,720.00	\$5,624.58	(\$95.42)	\$5,038.28	\$5,148.00	\$109.72
Denver (80204)	\$10,140.00	\$9,360.00	(\$780.00)	\$7,800.00	\$8,060.00	\$260.00
Denver (80205)	\$8,268.00	\$8,060.00	(\$208.00)	\$7,020.00	\$7,280.00	\$260.00
Des Moines (50311)	\$7,800.00	\$9,100.00	\$1,300.00	\$5,806.00	\$11,050.00	\$5,244.00
Des Moines (50314)	\$7,800.00	\$8,060.00	\$260.00	\$7,800.00	\$6,760.00	(\$1,040.00)
Des Moines (50316)	\$6,812.00	\$10,400.00	\$3,588.00	\$5,876.00	\$8,146.67	\$2,270.67
Hartford (06105)	\$9,828.00	\$10,140.00	\$312.00	\$8,060.00	\$8,320.00	\$260.00
Hartford (06510)	\$11,960.00	\$12,757.68	\$797.68	\$10,400.00	\$11,034.92	\$634.92
Hartford (06510)	\$11,960.00	\$12,757.68	\$797.68	\$10,400.00	\$11,034.92	\$634.92
Louisville (40202)	\$5,980.00	\$7,020.00	\$1,040.00	\$5,408.00	\$5,997.00	\$589.00
Louisville (40210)	\$6,344.00	\$6,500.00	\$156.00	\$5,668.00	\$5,720.00	\$52.00
Milwaukee (53210)	\$9,672.00	\$8,840.00	(\$832.00)	\$8,736.00	\$7,800.00	(\$936.00)
New Haven (06510)	\$11,960.00	\$12,757.68	\$797.68	\$10,400.00	\$11,034.92	\$634.92
New Haven (06510)	\$11,960.00	\$12,757.68	\$797.68	\$10,400.00	\$11,034.92	\$634.92
New Haven (06511)	\$9,041.24	\$12,032.28	\$2,991.04	\$7,559.24	\$9,621.04	\$2,061.80
Providence (02905)	\$9,100.00	\$13,156.00	\$4,056.00	\$9,100.00	\$11,648.00	\$2,548.00
San Antonio (78207)	\$5,304.00	\$5,525.00	\$221.00	\$4,188.60	\$4,300.92	\$112.32

Note: Cost of child care provided by local CCR&Rs.

Detailed Table 5

Average Monthly Child Care Prices and Median Monthly Housing Costs by State					
State	Average Monthly Fees for a 4-yr-old	Average Monthly Fees for an infant	Average Monthly Fees for Two Children	Median Monthly Rent	Median Monthly Mortgage
Alabama	\$251	\$317	\$568	\$519	\$872
Alaska	\$557	\$655	\$1,212	\$808	\$1,421
Arizona	\$490	\$637	\$1,127	\$691	\$1,130
Arkansas	\$282	\$335	\$617	\$517	\$773
California*	\$635	\$808	\$1,443	\$914	\$1,733
Colorado	\$585	\$741	\$1,326	\$724	\$1,355
Connecticut	\$705	\$866	\$1,571	\$811	\$1,603
Delaware	\$460	\$518	\$978	\$743	\$1,191
Florida	\$412	\$529	\$941	\$766	\$1,143
Georgia	\$335	\$407	\$742	\$677	\$1,126
Hawaii	\$468	\$675	\$1,144	\$871	\$1,648
Idaho**	\$368	\$413	\$780	\$566	\$953
Illinois	\$567	\$787	\$1,355	\$698	\$1,370
Indiana	\$451	\$582	\$1,033	\$589	\$963
Iowa	\$448	\$556	\$1,004	\$533	\$942
Kansas	\$371	\$489	\$860	\$567	\$1,013
Kentucky	\$393	\$463	\$855	\$503	\$888
Louisiana	\$397	\$443	\$840	\$540	\$902
Maine	\$529	\$633	\$1,161	\$582	\$1,020
Maryland	\$543	\$860	\$1,402	\$837	\$1,406
Massachusetts	\$802	\$1,123	\$1,926	\$852	\$1,645
Michigan	\$518	\$661	\$1,179	\$628	\$1,137
Minnesota	\$736	\$983	\$1,719	\$673	\$1,260
Mississippi	\$325	\$364	\$689	\$529	\$843
Missouri	\$331	\$464	\$794	\$567	\$954
Montana	\$374	\$403	\$777	\$520	\$974
Nebraska	\$425	\$450	\$875	\$547	\$1,051
Nevada	\$267	\$350	\$617	\$787	\$1,274
New Hampshire	\$585	\$730	\$1,314	\$810	\$1,472
New Jersey	\$749	\$876	\$1,624	\$877	\$1,847
New Mexico	\$421	\$500	\$921	\$546	\$935
New York	\$711	\$849	\$1,560	\$796	\$1,525
North Carolina	\$490	\$576	\$1,066	\$610	\$1,028
North Dakota	\$399	\$438	\$836	\$466	\$902
Ohio**	\$481	\$548	\$1,030	\$587	\$1,090
Oklahoma**	\$328	\$369	\$697	\$525	\$871
Oregon	\$430	\$550	\$980	\$681	\$1,217

(continued on next page)

Detailed Table 5 (continued)

Average Monthly Child Care Prices and Median Monthly Housing Costs by State					
State	Average Monthly Fees for a 4-yr-old	Average Monthly Fees for an infant	Average Monthly Fees for Two Children	Median Monthly Rent	Median Monthly Mortgage
Pennsylvania	\$567	\$667	\$1,233	\$611	\$1,114
Rhode Island	\$650	\$789	\$1,439	\$740	\$1,469
South Carolina	\$348	\$393	\$741	\$610	\$987
South Dakota	\$400	\$444	\$845	\$493	\$952
Tennessee	\$349	\$412	\$761	\$564	\$954
Texas**	\$369	\$449	\$818	\$648	\$1,166
Utah	\$397	\$489	\$886	\$662	\$1,164
Vermont	\$545	\$611	\$1,155	\$674	\$1,174
Virginia	\$654	\$821	\$1,476	\$757	\$1,323
Washington	\$574	\$754	\$1,328	\$727	\$1,389
West Virginia**	\$324	\$404	\$728	\$461	\$769
Wisconsin	\$581	\$698	\$1,278	\$609	\$1,155
Wyoming	\$453	\$493	\$946	\$534	\$954

Note: Costs of child care are based on the price of care in a licensed child care center. The information was provided by the State R&R Network, except where noted, in early 2005. Rent costs based on Median Monthly Housing Costs for Renter-occupied Housing Units, American Community Survey, 2004. Mortgage costs based on Median Monthly Housing Costs for Owner-occupied Units with a Mortgage, American Community Survey, 2004.

*Cost of Pre-School Care is based on information provided by local CCR&R agencies in 2005.

**Cost of Infant and Pre-School Care is based on information provided by local CCR&R agencies in 2005.

Appendix B: Methodology

Survey Data on Child Care Prices

Data on child care prices were collected from two sources: 1) State Child Care Resource and Referral Networks and key CCR&Rs in states where no State Child Care Resource and Referral Network exists; and 2) local Child Care Resource & Referral agencies. Two survey instruments were designed to collect data from both these groups.

Surveying State Network Offices:

State CCR&R Networks received a survey in January 2005, via e-mail, asking them to provide information on the supply and cost of child care in their states. In states where State CCR&R Networks do not exist, NACCRRA approached key CCR&Rs who had provided state-level data to NACCRRA in the past. Among other questions, State CCR&R Networks were asked to report 1) the average annual fees paid for full-time care for an infant in a center; and 2) the average annual fees paid for full-time care for a 4-year-old child in a center. An infant was defined as a child up to the age of 12 months. However, State CCR&R Networks were asked to use their state's official definition, if it varied from the one provided.

All, except five states, provided price data on infant care in a center. All, except six states, provided price data on the care of a 4-year-old in a center. Idaho, Ohio, Oklahoma, Texas and West Virginia did not provide any price information. California did not provide information on the fees paid for the care of a 4-year-old in a center. For these states, data collected from the local CCR&R agencies (see methodology below) were used to create a statewide average. Note that data were obtained from all local CCR&R agencies in Idaho and Oklahoma, from 83 percent of the CCR&Rs in West Virginia, 76 percent in Ohio, 56 percent in Texas and 41 percent in California (see Table 5 below for details). Statewide averages created from local CCR&R agencies are slightly different from those provided by the state-level organizations, as the questions on price were phrased differently. Local CCR&Rs were asked to report for the cost of full-time care for an infant/toddler, rather than an infant. As a result, the statewide average price for infant care in these five states includes the price

of care for a toddler. Thus, the average price of infant care reported in these states is likely to be slightly lower than the actual average, because price of care usually decreases with the age of the child. Additionally, it should be noted that in four of the states, the response rate was not 100 percent, which means certain parts of these states are not represented in statewide averages.

Average prices of infant and 4-year-old care for each region were computed by grouping these data by the four U.S. Census regions and computing averages. These averages are not weighted, i.e., they have not been adjusted for variations in supply, population, cost of living or other variables that might affect price. Still, these un-weighted averages should be fairly good indicators of the average price of care in these areas, as data were obtained from each state.

Surveying Local CCR&Rs:

In March 2005, NACCRRA emailed an extensive survey to the director of every CCR&R in the United States. The survey was setup on the Web using SurveyMonkey. The main purpose of the survey was to establish base-line data on child care capacity and cost around the country, and to collect some basic information on the CCR&R agencies. Multiple follow-ups were conducted via e-mail, mail and phone.

The survey asked local CCR&Rs to provide the:

- 1) Average cost of year-round, full-time care for infants/toddlers in child care centers;
- 2) Average cost of year-round, full-time care for infants/toddlers in family child care homes;
- 3) Average cost of year-round, full-time care for pre-schoolers in child care centers; and
- 4) Average cost of year-round, full-time care for pre-schoolers in family child care homes.

Completed surveys were received from 63.7 percent of the CCR&Rs (see Table 4 for state-by-state completion rates). Responses were received from more than half the CCR&Rs in 37 states, with 100 percent of CCR&Rs in 22 states reporting data. Only Nevada, Nebraska and the District of Columbia did not report any community level cost data. Therefore, in most states data was available for all or a large majority of the area in those states.

Detailed Table 6

Response Rate: CCR&R Profile Survey				
State	Number of Total CCR&Rs	Total Completes	Total Non-Completes	Response Rate
Alabama	6	5	1	83.3%
Alaska	4	4		100%
Arizona	2	2		100%
Arkansas	4	4		100%
California	64	26	38	41%
Colorado	14	14		100%
Connecticut	1	1		100%
Delaware	1	1		100%
District of Columbia	1		1	0%
Florida	31	31		100%
Georgia	13	10	3	77%
Hawaii	1	1		100%
Idaho	7	7		100%
Illinois	16	16		100%
Indiana	11	11		100%
Iowa	5	4	1	80%
Kansas	16	16		100%
Kentucky	12	11	1	92%
Louisiana	3	2	1	67%
Maine	8	7	1	88%
Maryland	12	12		100%
Massachusetts	13	11	2	85%
Michigan	17	5	12	29%
Minnesota	6	6		100%
Mississippi	2	1	1	50%
Missouri	8	8		100%
Montana	11	4	7	36%
Nebraska	2		2	0%
Nevada	3		3	0%
New Hampshire	9	9		100%
New Jersey	18	8	10	44%
New Mexico	12	1	11	8%
New York	39	33	6	85%
North Carolina	75	17	58	23%
North Dakota	4	4		100%
Ohio	17	13	4	76%
Oklahoma	8	8		100%

(continued on next page)

Detailed Table 6 (continued)

Response Rate: CCR&R Profile Survey				
State	Number of Total CCR&Rs	Total Completes	Total Non-Completes	Response Rate
Oregon	19	17	2	89%
Pennsylvania	41	8	33	20%
Rhode Island	1	1		100%
South Carolina	6	2	4	33%
South Dakota	7	1	6	14%
Tennessee	11	11		100%
Texas	9	5	4	56%
Utah	6	2	4	33%
Vermont	11	6	5	55%
Virginia	14	9	5	64%
Washington	18	18		100%
West Virginia	6	5	1	83%
Wisconsin	16	10	6	63%
Wyoming	1	1		100%
TOTAL	642	409	233	63.7%

Note: The number of CCR&Rs listed above is fewer than the actual number of CCR&R offices around the country. In many states, CCR&R agencies are organized at local and regional level, with data being maintained and managed at the regional level. For example, Minnesota has 19 CCR&Rs organized under six regional entities. The data are maintained by the regional organizations and was reported to NACCRRRA at the regional level. Hence, the above list shows Minnesota has only six CCR&Rs and not 19.

As a part of a separate project to assess the cost and supply of child care in low-income, urban communities across the United States, NACCRRRA gathered information on the price of year-round, full-time care for an infant/toddler and for a pre-school age child in an accredited versus a non-accredited child care center in 12 such communities around the country from CCR&Rs serving those areas. The communities were defined by zip codes, and data were collected for each zip code within these areas.

Detailed Table 7

Zip Codes in Which Data was Collected on the Impact of Accreditation on Price	
Hartford	06105
Louisville	40202
Des Moines	50314
Denver	80204
Des Moines	50311
Louisville	40210
New Haven	06511
Milwaukee	53210
Hartford	06510
Hartford	06510
Des Moines	50316
Denver	80205
Atlanta	30310
Atlanta	30312
San Antonio	78207
Providence	02903
New Haven	06510
New Haven	06510
Providence	02905

Parent Focus Groups

Overview. In August and September 2005, the National Association of Child Care Resource and Referral Agencies (NACCRRA) conducted 14 focus groups in seven locations across the country with parents on child care issues. The groups were conducted by a NACCRRA staff member and lasted approximately two hours each. The groups were conducted either on the premises of the CCR&R or another location identified by the CCR&R.

NACCRRA spoke to 163 parents of varied economic and ethnic or racial backgrounds, who mainly had children under the age of 8 years. Three of the groups were comprised of parents of children aged 0 to 24 months. The groups were conducted primarily in English, except for groups with Spanish-speaking Hispanic parents, which were conducted in Spanish. The following is a listing of the locations and the composition of each group:

Composition. More than eight in 10 of the focus group participants were women, reflecting the predominant role women still play in child rearing. To include more fathers in the discussion, NACCRRA held one fathers-only focus group in Indianapolis. About two-thirds of the participants were full-time working parents; approximately

two in 10 worked part-time and almost one-quarter reported being students. Some of these parents combined multiple jobs or worked and attended school at the same time. Slightly more than half the participants were married. Three in 10 parents were single and one in every 10 parents reported being separated or divorced with sole custody of their children. Efforts were also made to represent the various race and ethnicities in the United States. NACCRRA conducted a focus group each with African-American parents, Asian parents, American-Indian parents, and three focus groups with Hispanic parents. In terms of education and income, focus groups were roughly representative of the areas in which they were conducted. NACCRRA conducted several focus groups targeting low-income parents. Therefore these parents are overrepresented in the group as a whole (see Table 8 below).

Recruitment. Local Child Care Resource and Referral Agencies (CCR&R) in the selected cities were asked to recruit the parents. They posted flyers and publicized the focus groups at various community meetings to recruit parents who met criteria specified by NACCRRA. Parents who participated were paid \$50 and were provided with a meal during the session.

Detailed Table 8

Group Location and Composition		
Location	Number of Participants	Group Composition
Boston, MA Group 1	11	Low-income parents with children under 8 years
Boston, MA Group 2	10	Single parents with children 0-24 months
Indianapolis, IN Group 1	12	Parents with children under 8 years
Indianapolis, IN Group 2	13	Fathers with children under 8 years
Washington, DC Group 1	7	Hispanic parents with children under 8 years
Washington, DC Group 2	13	African-American parents with children under 8 years
Oakland, CA Group 1	13	Asian parents with children under 8 years
Oakland, CA Group 2	13	Parents with children under 8 years
Bartlesville, OK, Group 1*	14	Low-income parents with children 0-24 months
Bartlesville, OK Group 2*	10	American Indian parents with children under 8 years
Pittsboro, NC Group 1*	15	Low-income Hispanic parents with children 0-24 months
Pittsboro, NC Group 2*	12	Parents with children under 8 years
San Antonio, TX Group 1	12	Hispanic parents with children under 8 years
San Antonio, TX Group 2	8	Military parents with children under 8 years
	163	

Notes

- ¹U.S. Department of Labor Bureau of Labor Statistics. *Women in the Labor Force: A Databook*. May 2005. (<http://www.bls.gov/cps/wlf-databook2005.htm>).
- ²Ibid.
- ³Center for Economic and Policy Research. *Working Moms and Child Care*. May 2004.
- ⁴United States Census Bureau. *Maternity Leave and Employment Patterns of First-Time Mothers: 1961-2005*. October 2005.
- ⁵National Center for Education Statistics. U.S. Department of Education. *Child Care and Early Education Arrangements of Infants, Toddlers, and Preschoolers: 2001*. (<http://nces.ed.gov/pubs2006/2006039.pdf>)
- ⁶Bureau of Labor Statistics, Monthly Labor Review. *Earnings of husbands and wives in dual-earner families*. April 1998.
- ⁷United States Census Bureau. "Table HH-1 Households, by Type: 1940 to Present." (<http://www.census.gov/population/socdemo/hh-fam/tabHH-1.pdf>)
- ⁸U.S. Census. *Who's Minding the Kids? Child Care Arrangements: Winter 2002*. November 2005. (<http://www.census.gov/prod/2005pubs/p70-101.pdf>).
- ⁹Pesiner-Feinberg, et al. *The Children of the Cost, Quality and Outcomes Study Go to School*. University of North Carolina, Chapel Hill: 1999.
- ¹⁰Note, averages have not been weighted – numbers reported are unweighted averages of the average fees paid reported by the states. Additionally, data were not available for the District of Columbia.
- ¹¹U.S. Census. *Who's Minding the Kids? Child Care Arrangements: Winter 2002*. November 2005. (<http://www.census.gov/prod/2005pubs/p70-101.pdf>)
- ¹²Based on State Median Household Income, American Community Survey, 2004.
- ¹³Based on the State Median Income for a Single Female Householder with Children under Age 18, American Community Survey, 2004. [Table B19126](#).
- ¹⁴Based on the State Median Income for a Two-Parent Married Couple Family with Children under Age 18, American Community Survey, 2004. [Table B19126](#). Upper Bound.
- ¹⁵National Child Care Information Center. *Child Care Center Licensing Regulations: Child Staff Ratios and Maximum Group Size Requirements*. April 2005.
- ¹⁶Based on "Trends In College Pricing." College Board. 2005. (http://www.collegeboard.com/prod_downloads/press/cost05/trends_college_pricing_05.pdf)
- ¹⁷National Child Care Information Center. *Child Care Center Licensing Regulations: Child Staff Ratios and Maximum Group Size Requirements*. April 2005.
- ¹⁸Ranges are based on state-wide averages computed from data provided by local CCR&Rs. The averages have not been weighted.
- ¹⁹Family child care providers in many areas charge a flat fee regardless of the age of the child. This may explain why the cost of care in a family child care setting for a pre-school age child is either the same or slightly higher in these states compared to the price in center-based settings. In Rhode Island, there is no difference between the average price of care. In Utah and Idaho, the average annual cost of care in a family child care home for a pre-schooler was slightly higher than in a center, the annual difference being \$24 (\$0.46 per week) and \$46 (\$0.88 per week), respectively.
- ²⁰National Association for Regulatory Administration. *2004 Family Child Care Licensing Study*. July, 2004.
- ²¹Based on 2003 Consumer Expenditure Index. Bureau of Labor Statistics, 2004.
- ²²Alabama, Arkansas, Delaware, Florida, Georgia, Kentucky, Louisiana, Maryland, Mississippi, North Carolina, Oklahoma, South Carolina, Tennessee, Texas, Virginia, and West Virginia.

- ²³Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.
- ²⁴Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.
- ²⁵Illinois, Indiana, Iowa, Kansas, Michigan, Minnesota, Missouri, Nebraska, North Dakota, Ohio, South Dakota, and Wisconsin.
- ²⁶Based on Median Monthly Housing Costs for Renter-occupied Housing Units. American Community Survey, 2004. [Table R2514](#).
- ²⁷Assumes one infant and one pre-school age child.
- ²⁸Ibid.
- ²⁹U.S. Census. *Who's Minding the Kids? Child Care Arrangements: Winter 2002*. November 2005. (<http://www.census.gov/prod/2005pubs/p70-101.pdf>).
- ³⁰Assumes 40 hours a week, 52 weeks a year a \$5.15/hour for both parents.
- ³¹6.2 percent tax on earnings up to the maximum taxable amount (\$94,200 in 2006). United States Social Security Administration, 2005.
- ³²1.45 percent tax on all earnings. Ibid.
- ³³Average annual expenditure on food at home for households earning \$20,000 to \$29,000 annually. United States Bureau of Labor Statistics. Consumer Expenditure Survey, 2003. (<ftp://ftp.bls.gov/pub/special.requests/ce/share/2004/income.txt>)
- ³⁴Average annual expenditure on rental dwellings for households earning \$20,000 to \$29,000 annually. Ibid.
- ³⁵Average annual expenditure on utilities, fuels and public services for households earning \$20,000 to \$29,000 annually. Ibid.
- ³⁶Average annual expenditure on apparel for four individuals (man, woman and two children) for households earning \$20,000 to \$29,000 annually. Ibid.
- ³⁷Average annual expenditure on transportation for households earning \$20,000 to \$29,000 annually. Ibid.
- ³⁸Average annual expenditure on health care for households earning \$20,000 to \$29,000 annually. Ibid.
- ³⁹Based on Median yearly income for a single parent with a child under 18 in Louisville, Kentucky. United States Census Bureau. American Community Survey, 2004.
- ⁴⁰6.2 percent tax on earnings up to the maximum taxable amount (\$94,200 in 2006). United States Social Security Administration, 2005.
- ⁴¹1.45 percent tax on all earnings. Ibid.
- ⁴²Average annual expenditure on food at home for households earning \$10,000 to \$14,999 annually. United States Bureau of Labor Statistics. Consumer Expenditure Survey, 2003.
- ⁴³Average annual expenditure on rental dwellings for households earning \$10,000 to \$14,999 annually. Ibid.
- ⁴⁴Average annual expenditure on utilities, fuels and public services for households earning \$10,000 to \$14,999 annually. Ibid.
- ⁴⁵Average annual expenditure on apparel for four individuals (man, woman and two children) for households earning \$10,000 to \$14,999 annually. Ibid.
- ⁴⁶Average annual expenditure on transportation for households earning \$10,000 to \$14,999 annually. Ibid.
- ⁴⁷Average annual expenditure on health care for households earning \$10,000 to \$14,999 annually. Ibid.
- ⁴⁸National Women's Law Center. *Child Care Assistance Policies 2005: States Fail to Make Up Lost Ground, Families Continue to Lack Critical Supports*. September 2005.

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