



Bipartisan Policy Center

# Child Care in Rural America – What Have We Learned?

Highlights from our reports on child care supply gap, the economic impact of the gap and recent parent survey on child care in rural America

**October 6, 2021**

# Rural Child Care in 35 States: What we know and don't know



# Supply Gap: Overview

## Goals of the report

- Answer the question: “What is the actual child care gap?”
- Understand the supply of, need for, and gap in child care in 35 states prior to the onset of the COVID-19 pandemic.
- Serves as the first study to both quantify the nation’s child care gap and do so in a way that factors in real parent choice data

***National finding:*** 31.7% of children below six with all parents in the labor force come from families without access to formal child care facilities



# Supply Gap Report: Overview

## Methodology

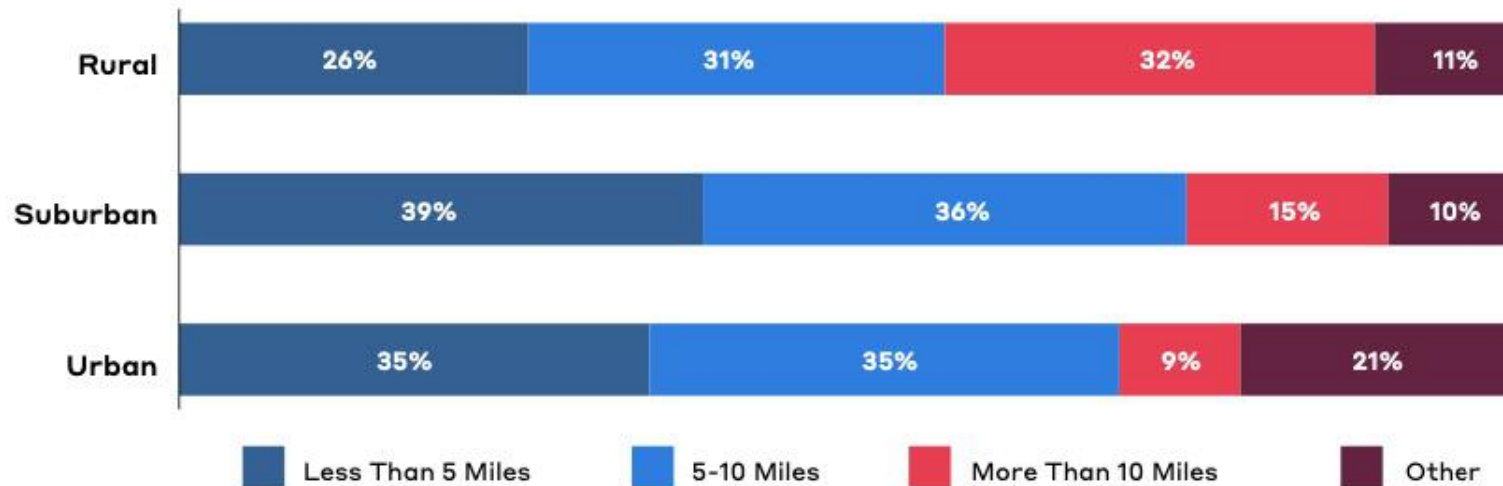
1. Collected data on the need for and supply of child care by geographic location
  - The number of children under 6 with all parents in the labor force using the census's American Community Survey 5-year 2014-2018 sample
  - Child care supply data as reported by state's child care officials, the Office of Head Start, and the Department of Defense's
2. Used driving distance to estimate parent access to child care facilities
3. Allocated the need: maximized the assignment of children to child care facilities while ensuring that the number of children did not exceed facility capacity based on distance from facilities
4. Quantified the child care gap



# Supply Gap: Rural Findings

Rural parents are significantly more likely to have to drive more than 10 miles to access child care.

**Distance Parents Drive to Child Care**



Among children receiving subsidy, parents in urban areas lived around 3.5 miles from their child care arrangement, while rural parents lived 10 miles from theirs.



# Supply Gap Report: Rural Findings

Even though urban communities often had a much higher potential need for child care and thus a greater likelihood of having a higher gap, rural areas were underserved far more often than urban areas

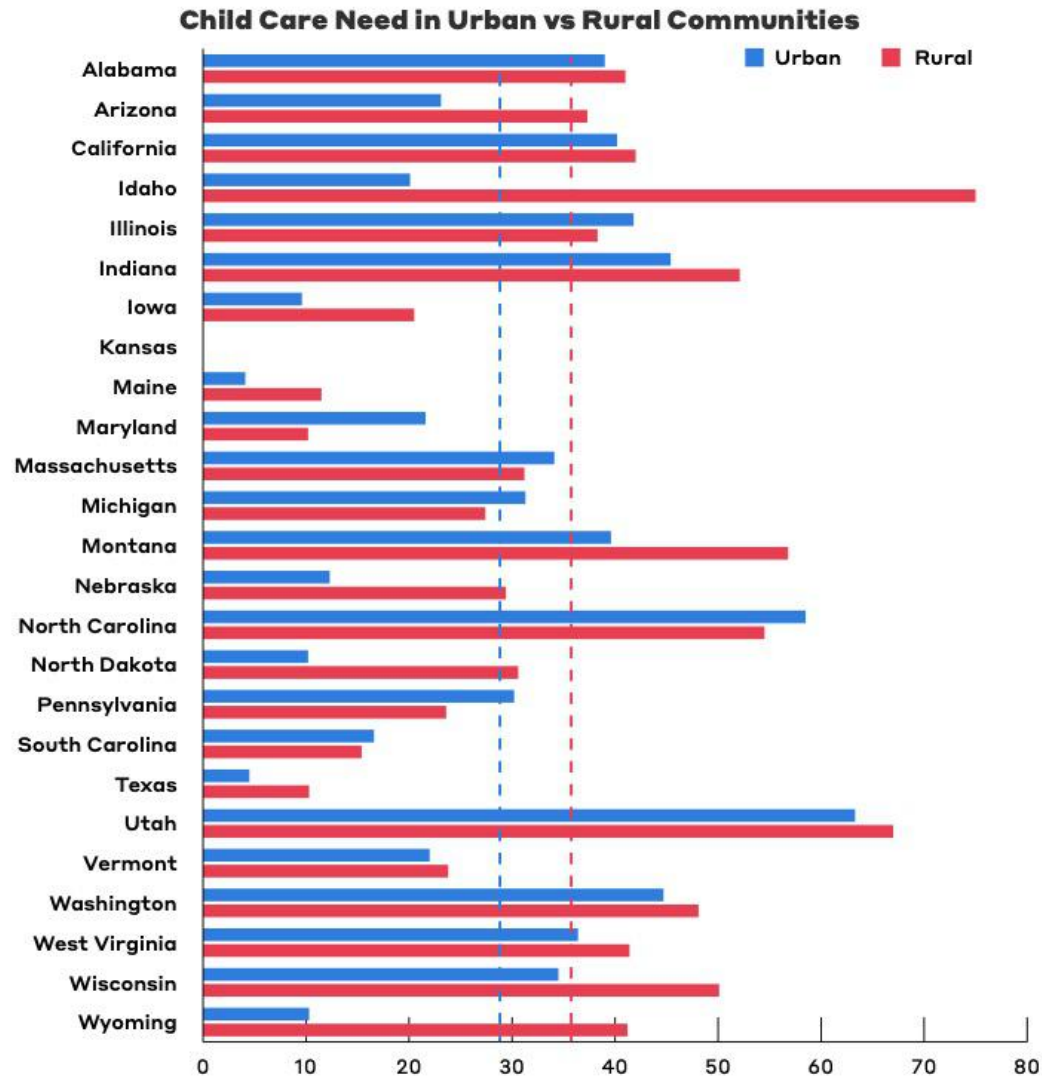
## Child Care Need in Urban vs Rural Communities

<b>Urban Need</b>	6,307,272 children	74.7% of the need
<b>Rural Need</b>	1,988,434 children	23.5% of the need



# Supply Gap Report: Rural Findings

Urban areas had an average gap of 28.9% (blue line), whereas rural areas had an average gap of 35.1% (red line)







# The Economic Impact of the Child Care Gap





# Economic Impact Report: Overview

## Goals of the report

- Answer the question: “What is the economic impact of America’s 31.7% child care gap?”
- Produce data that estimates the economic cost of failing to address these potential gaps in the child care supply, not the impact of other child care issues like unaffordability
- This report estimated the economic impact of the potential gaps in the 35 states BPC mapped (including Washington, D.C.)



# Economic Impact Report: Overview

## Methodology

- All estimates represent the initial year's economic loss plus the residual burden over the next 10 years.
- These are estimates of the economic burden of America's child care gaps on households, businesses, and tax revenues. The results capture:
  - The immediate one-year impact of these gaps
  - The residual burden they produce over the next 10 years



# Economic Impact Report: Findings

The economic impact of the child care gap in rural areas falls between \$32.79 and \$49.93 billion.

Economic Impact of Gaps in 35 States Including DC: High-Level Findings

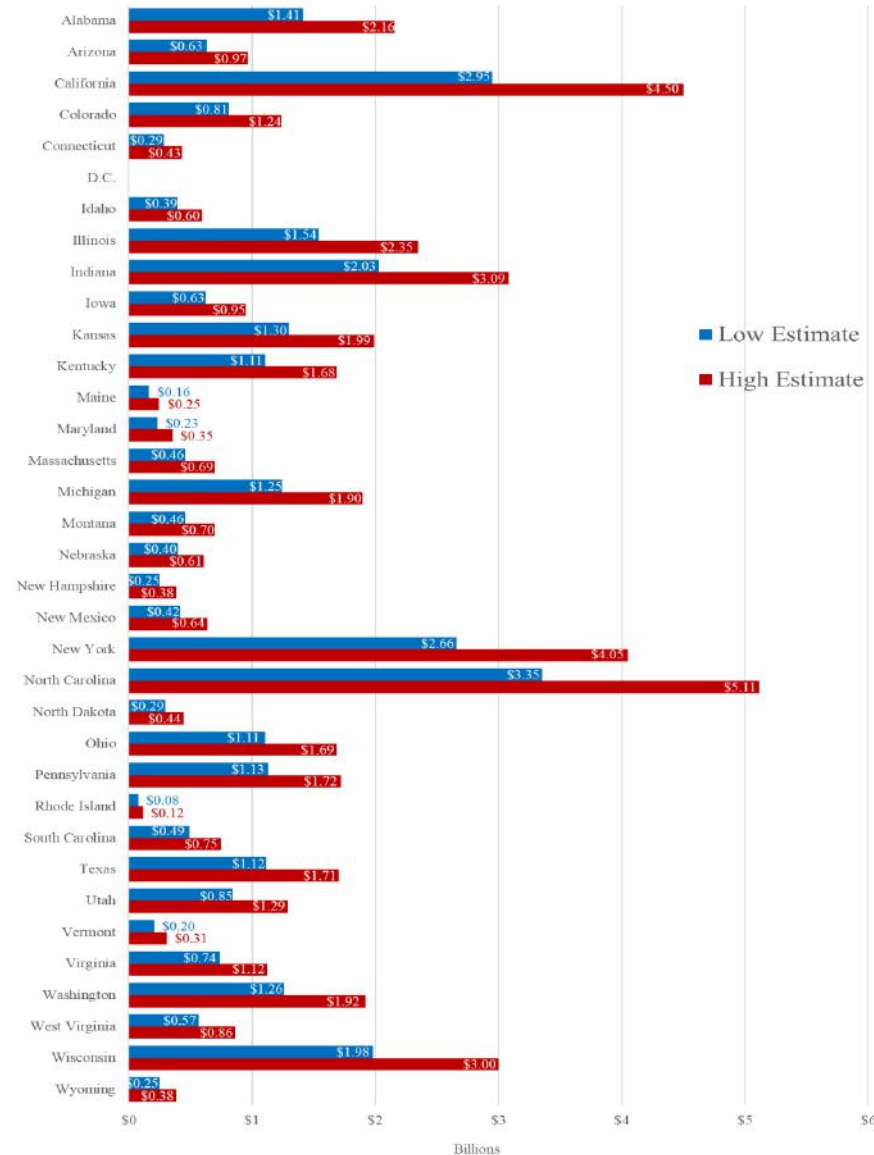
Impact	Low Estimate (\$B)	High Estimate (\$B)
Total	\$142.51	\$217.02
On Households	\$97.14	\$147.92
On Businesses	\$20.27	\$30.87
On Tax Revenues	\$25.10	\$38.22
On Rural Communities	\$32.79	\$49.93
Per Missing Child Care Slot	\$41,168	\$62,693



# Economic Impact Report: Findings

The lack of access to child care had significant potential economic impacts on rural communities.

Cumulative Economic Impacts of Child Care Gaps in Rural Communities



# Survey of Working Rural Parents



# Survey Objectives

## Goals of the Rural Parent Survey

- Understand child care needs among rural parents
- Explore accessibility of child care providers in rural communities
- Understand the extent rural parents have considered formal child care options when selecting a care arrangement and top-of-mind considerations when choosing a child care provider.
- Use of financial supports for child care, including federal tax credits



# Methodology

## Survey Methodology

- Surveyed 654 rural parents with a child under the age of 5 with at least one member of the household employed
- An online survey July 29-August 19.
- Results have a margin of error of +/- 4 percentage points.
- For simplicity, respondents in this survey are referenced as *parents*.





# Rural Survey Results: Rural Community

Rural parents living in larger communities are more likely to have access to the tested child care programs in their community.

% Yes	Rural Parents	Town Size: 500 Residents or Fewer	Town Size: 501-2,500 Residents	Town Size: 2501-5,000	Town Size: 5001-10,000	Town Size: 10,000+
Child Care Center	73%	51%	70%	73%	81%	84%
Part-day Pre-K Program	69%	56%	65%	64%	73%	85%
Head Start Program	66%	49%	64%	64%	78%	71%
Family Child Care Home	46%	34%	41%	40%	53%	64%

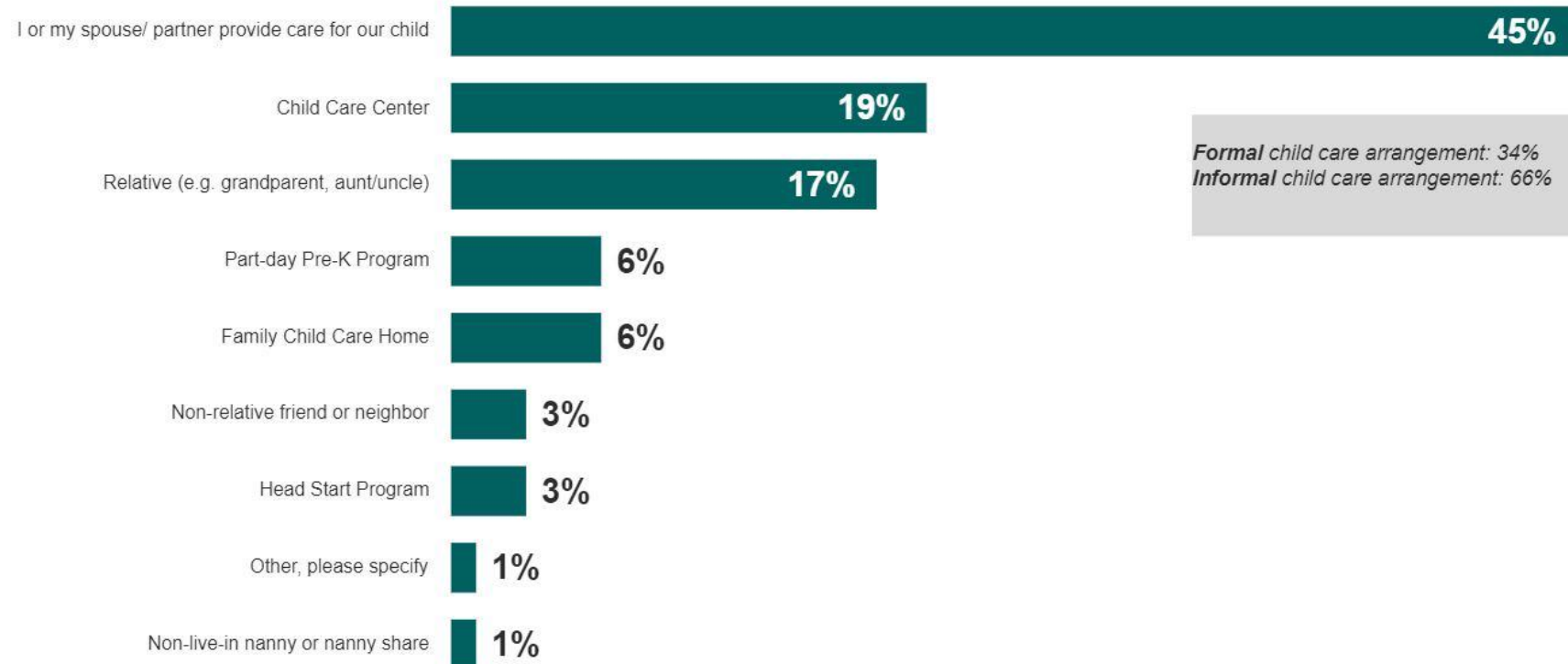


# Rural Survey Results: Reliance on Parent

Nearly half (45%) of rural parents say they or their spouse/partner provide care for their youngest child.

Which of the following best describe the current primary child care arrangement for your youngest child?

RURAL PARENTS, N=654

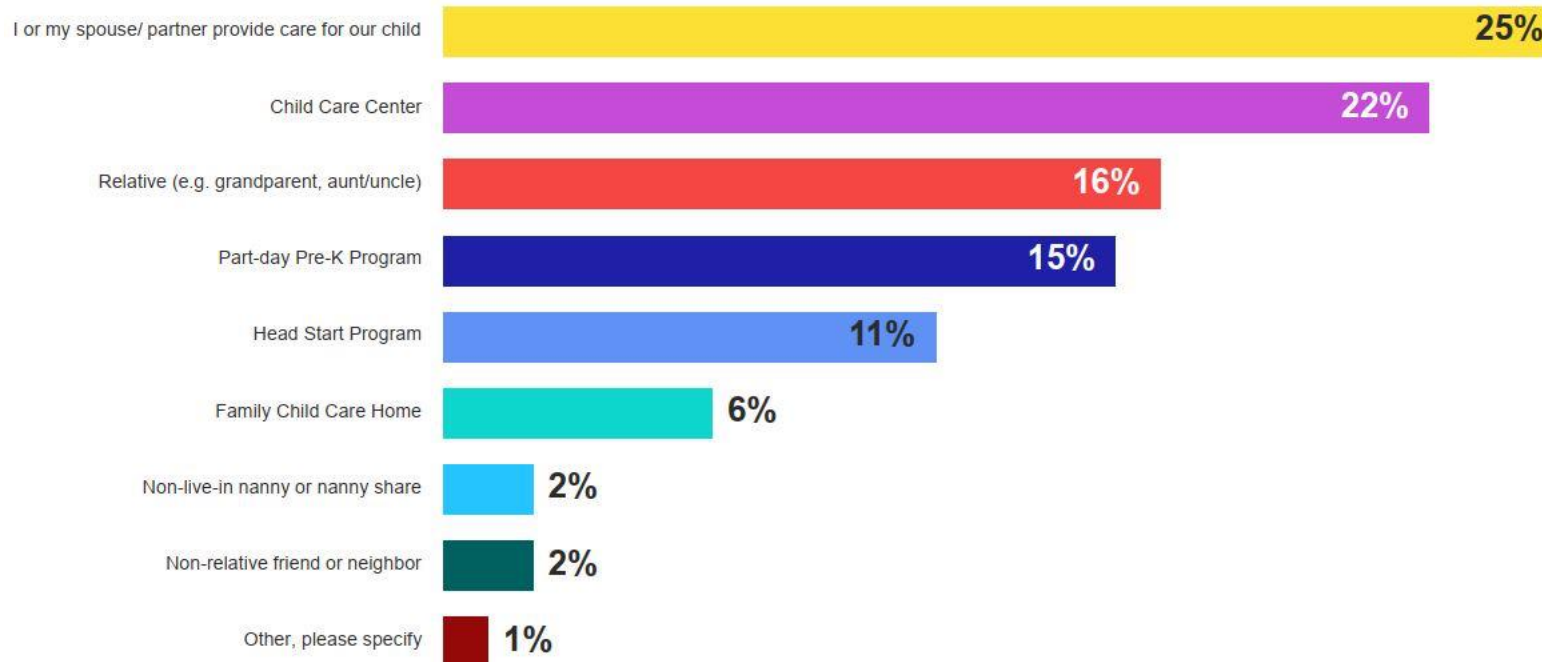


# Rural Survey Results: Child Care Preferences

If child care were free and in a convenient location, 25% of rural parents would prefer to personally provide care for their child, and 22% would prefer a child care center.

If child care were free and in a convenient location for your family, what type of child care arrangement would you most prefer?

RURAL PARENTS, N=654

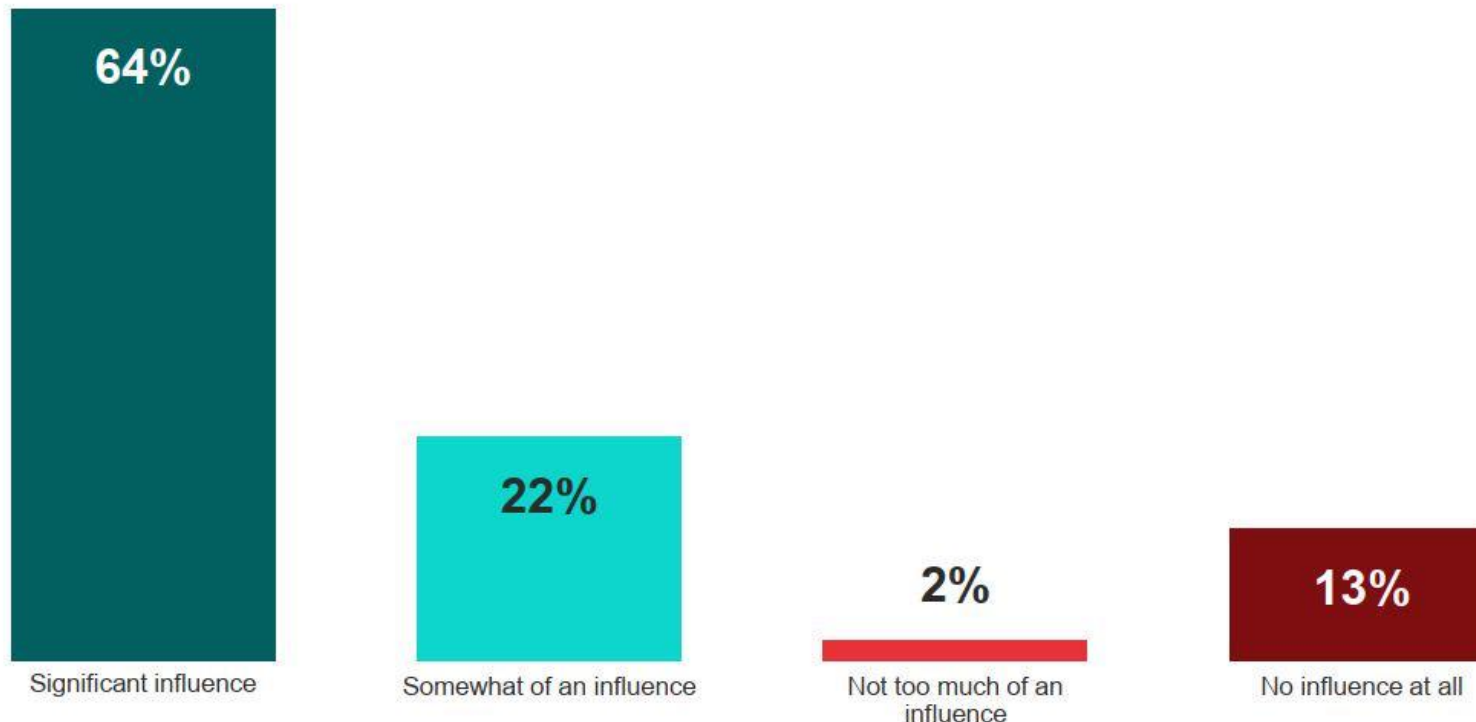


# Rural Survey Results: Deciding on a Child Care

Over 4 in 5 rural parents who are personally or their spouse/partner is not currently working say child care responsibilities influenced their decision to not work (86%), including 64% who said they significantly influenced their decision.

How much of an influence, if at all, did child care responsibilities have in your and or your partner or spouse's decision not to work?

RURAL PARENTS WHO ARE PERSONALLY OR SPOUSE/PARTNER IS NOT CURRENTLY WORKING, N=206



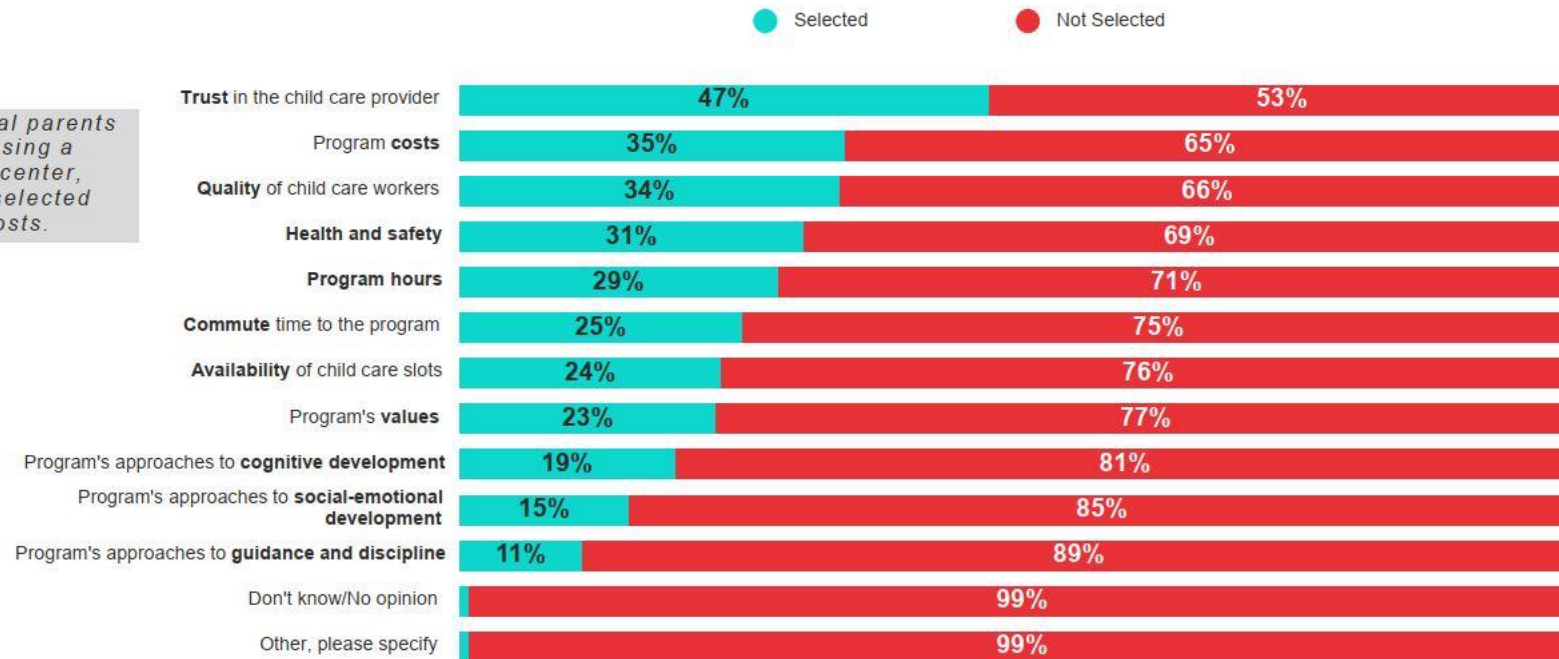
# Rural Survey Results: Deciding on a Child Care

Among rural parents using a formal child care provider, half (47%) say trust most impacted their decision to select their child care provider, followed by costs (35%) and quality of workers (34%).

Which of the following most impacted your decision to select your child care provider for your youngest child? Please select the top 3.

RURAL PARENTS USING A FORMAL CHILD CARE PROVIDER, N=217

Among rural parents currently using a child care center, only 26% selected program costs.



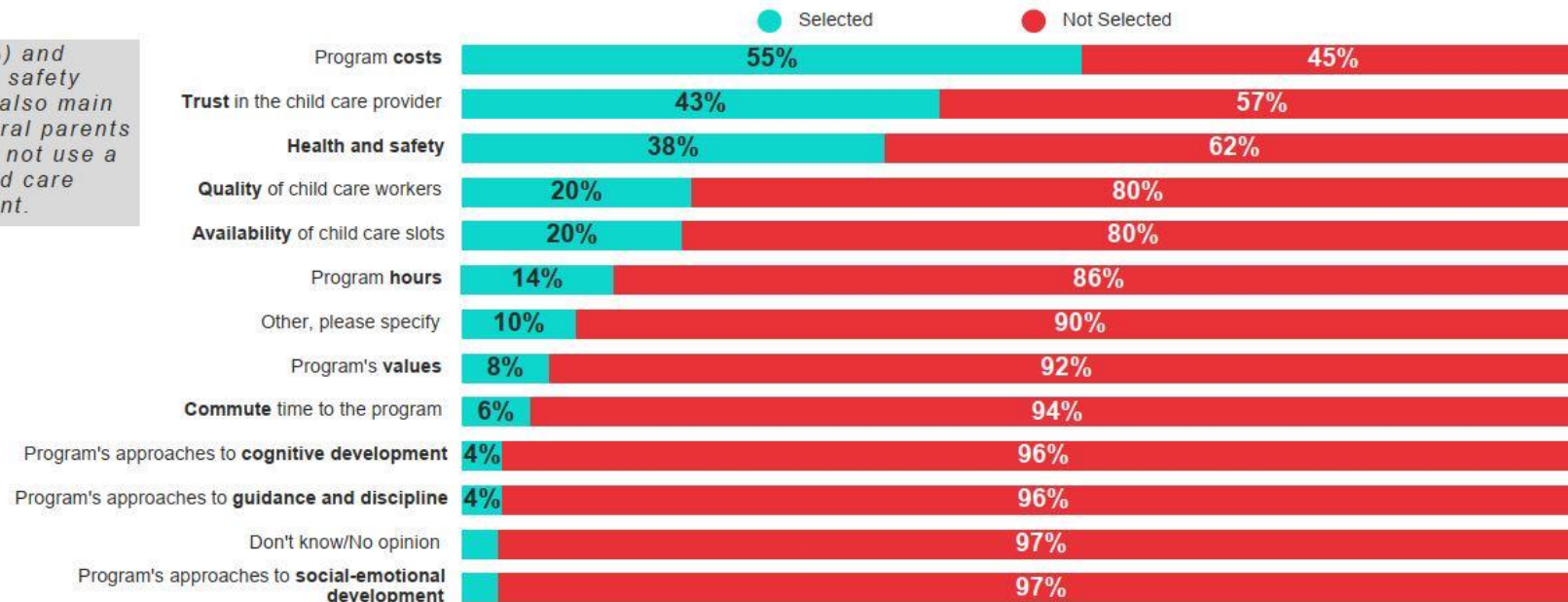
# Rural Survey Results: Deciding on a Child Care

Among parents who considered a formal child care arrangement but currently use informal care, 55% say program costs most influenced their decision to not use a formal arrangement.

You previously indicated you had considered using a formal child care arrangement, but that is not currently your child care provider for your youngest child. Which of the following most impacted your decision to **not use a formal child care arrangement** for your youngest child. Please select the top 3.

RURAL PARENTS USING AN INFORMAL CHILD CARE PROVIDER BUT CONSIDERED FORMAL CARE, N=244

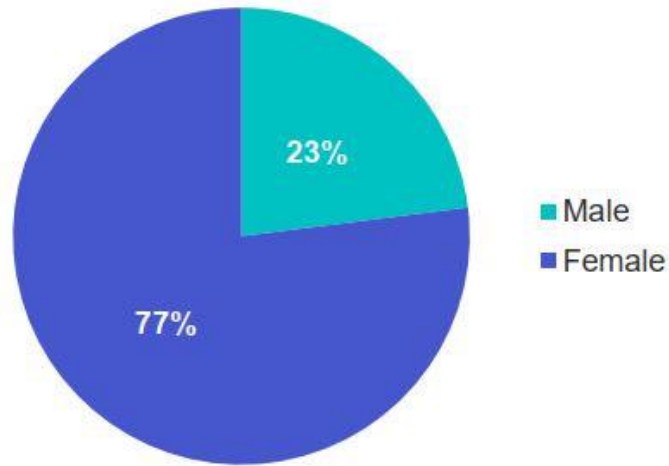
*Trust (43%) and health and safety (38%) are also main reasons rural parents decided to not use a formal child care arrangement.*



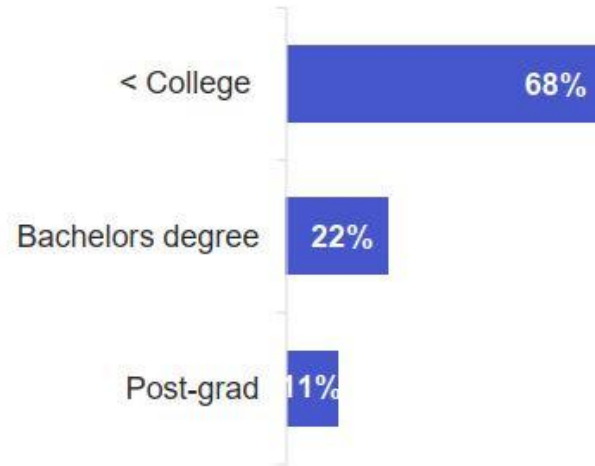


# Respondent Profile

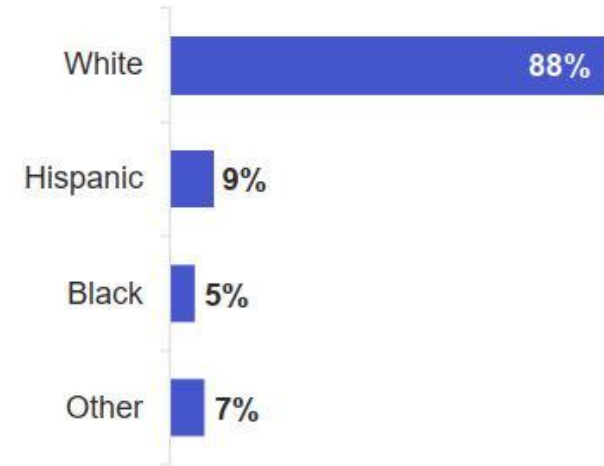
**Gender**



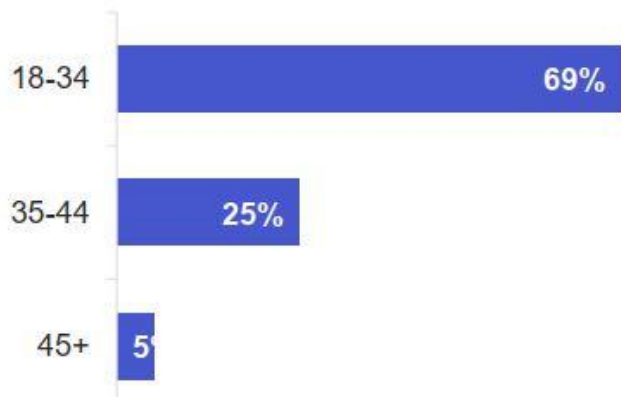
**Education**



**Ethnicity**



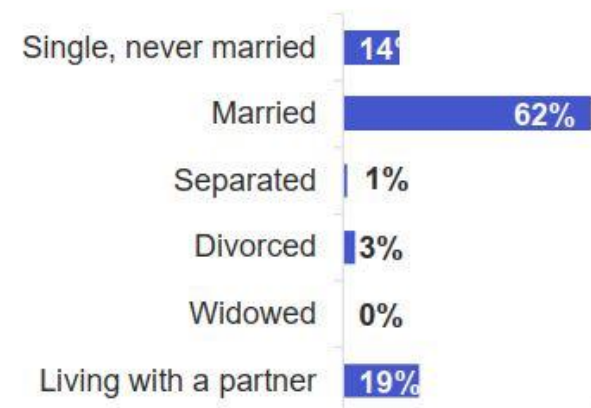
**Age**



**Income**



**Marital Status**



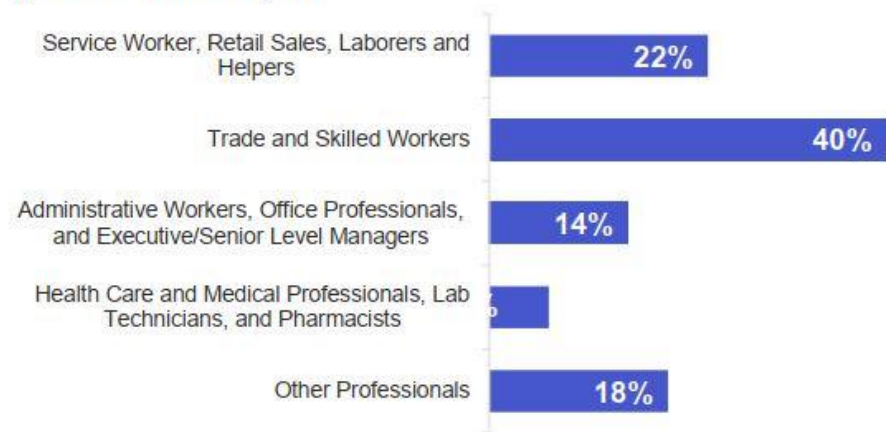


# Employment Demographics

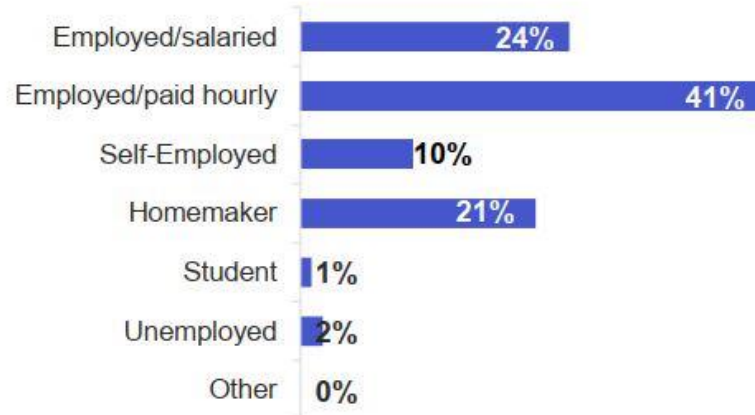
Which of the following categories best describes your current job?



Which of the following categories best describes your spouse's or partner's current job?



How would you describe your present employment situation?



How would you describe your spouse's or partner's present employment situation?

