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

QUANTIFYING THE SUPPLY OF, POTENTIAL NEED FOR, AND GAPS IN CHILD CARE ACROSS THE COUNTRY

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Foreward

In the landmark Military Child Care Act of 1989, Congress required that the Department of Defense submit a report on the need for child care for military personnel and along with it a plan for how we would meet the need. The report describing the unmet need was submitted in 1992, and since then, the Defense Department has made enormous progress in closing the child care gap. There has been no similar report for the rest of the country, nor have we developed a national plan to meet the child care need for the nation's families. Without a clear understanding of the actual supply available versus the actual need for care—the child care gap—it is impossible to quantify either the actual child care spaces needed or the corresponding costs—what it takes to close that gap—and ultimately to develop a plan to ensure that all families in America have access to affordable, reliable, and quality care for their children that supports them in their daily lives.

This study was originally intended to answer the first of those questions: What is the actual gap for all 50 states? The work began in 2019. Working with state government officials, we analyzed child care data for 12 states. Representatives from these states served as our State Advisory Committee to help guide the work. This committee met in-person in December 2019, and with their input, we made modifications to the project design and moved forward to analyze the remaining states. As the COVID-19 pandemic hit, and the child care supply shifted radically, we determined that continuing to map the remaining states would not be possible. We decided instead to complete the original 25 states included in a prior report, addend the report with 10 additional states as data became available, pause, and then reevaluate the 35 states post-COVID-19 to determine the impact of the pandemic on the available supply of child care and changes in the potential need. For the purpose of this analysis, the District of Columbia is included in the count of 35 states.

Early in our work, we identified two major challenges that are addressed in this report. The first is the need for better data at the state level, and we make several recommendations that we hope will guide states as they work to better understand child care within their own states. In all except two states, we lack data on the capacity of child care programs to serve the various age groups.

While there is extensive anecdotal information about the lack of infant care, the actual availability is unknown. The second challenge that became apparent early in the process was the lack of understanding of exactly what parents want.

Do parents want care closer to home or closer to work, what are they looking for when they choose care, and are there differences in child care preference between urban and rural parents? Is the lack of care in some communities

because parents cannot afford care or because they prefer something that is not available? Through a series of national parent surveys, we have attempted to answer some of these questions. Although more needs to be done, some of our findings to date are incorporated in the narrative. In the meantime, we will continue to work to better understand parents' needs and preferences and the impact they have on the supply of care.

In closing, we especially want to thank the 12 state officials who served on the advisory committee and the state officials in each of the 35 states for their countless hours in helping us with this project. We recognize that much of this work was done in the midst of the pandemic which made their support even more challenging. Finally, were it not for Anubhav Bagley and his relentless optimism and willingness to constantly make changes, this project would have been impossible.

Linda K. Smith

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Introduction

Child care plays a critical role in ensuring parents can work, children can learn, and the economy can thrive.[1] In recent years, there has been broad bipartisan support at all levels of government to ensure all working parents have access to child care. And during the coronavirus pandemic support for child care has only grown.[2,3] But amid efforts to improve child care access, an important underlying question has yet to be answered: "*how much* additional child care does the country need?"

The Military Child Care Act which was included in the National Defense Authorization Act for Fiscal Years 1990 and 1991,[4] posed this question to the Department of Defense in 1989 when it required the Secretary of Defense to conduct an assessment of the needs for child care among Americans associated with the United States Armed Forces. As it states:

> *"Not later than six months after the date of the enactment of this Act, the Secretary of Defense shall submit to Congress a report on demand for child care by military and civilian personnel in the Armed Forces over the five-year period beginning on the date of submission of the report. The report shall include a plan for meeting that demand, the cost of implementing such plan, and methods for monitoring the military's family day care program."*

However, in the nearly three decades since this question was raised, an answer has not been produced for the United States as a whole. It should be noted that there have been serious efforts to investigate the need for child care. Spurred by the Preschool Development Grant Birth through Five (PDG B-5),[5] many states have undertaken assessments to define the need for child care within their borders. Beginning in December 2018, the PDG B-5 competitive grant awarded 46 states one-year funds to conduct state-level needs assessments.[6] But these studies are not consistently available to the public and do not offer nationally comparative data that can inform both federal and state policy, alike.

Organizations like Child Care Aware of America and the Center for American Progress have developed informative maps on national child care access that have contributed greatly to our understanding of child care supply and the characteristics of communities that typically lack adequate supply.[7,8] Yet, no analysis has both quantified the national gap in child care and done so in a way that accurately reflects how parents access child care programs in reality.

Incorporating the most comprehensive child care supply data collected to date, and an advanced methodology that incorporates parent choice data to calculate the number of children whose families do not have reasonable access to care, the present child care gap analysis conducted by the Bipartisan Policy Center's Early Childhood Initiative provides a long overdue answer to the child care access question and offers a starting point from which the country can work to close the child care gap. With such data, federal, state, and local policymakers can produce evidence-based strategies and budget requests to expand the supply of child care in a manner that reflects the quantity of additional child care communities actually need.

This report, accompanied by an interactive map, describes BPC's mapping methodology, insights gleaned from the data collection process that states can use to optimize the ways they collect supply data, and national findings on the gap in child care according to geographic location and socioeconomic factors across the country. The report also includes an important discussion about the further need to fully understand parents' child care choices at the national and local level in order to accurately apply these findings to policy decisions.

The present analysis measured the supply of, need for, and gap in child care in 35 states prior to the onset of the coronavirus pandemic. BPC's complete 50-state analysis was cut short by the national emergency. A national parent survey conducted by BPC and Morning Consult in August 2020 indicates that child care supply and parent child care preferences will look different as the nation recovers from the effects of the virus.[9] Thus, BPC plans to conduct a subsequent post-COVID-19 analysis to measure changes in child care access from before and after the crisis. However, when there are changes to the system, the availability of child care access data is even more important. BPC believes that the data collection lessons, child care gap findings, and new parent choice data discussed in this report can provide critical information to inform child care policy decisions that will effectively help the system recover.

Project Overview

To accurately map child care access across the United States, BPC ensured that all methodological decisions were approved by state child care officials who could speak to the intricacies of the child care landscape on the ground. Every step of the analysis was guided by an advisory committee comprised of representatives from 12 states (see table below). BPC first analyzed the child care gap in these 12 states and during the process the committee developed consistent definitions of supply and need, identified additional data resources and analyses for incorporation, reviewed analytics, and advised BPC on how to present the results in ways that would be most useful for states. The methodology crafted through this preliminary analysis was used to perform analyses on all further states. The following overview discusses the methodology and the key decisions the committee made to shape it.

12-State Advisory Committee

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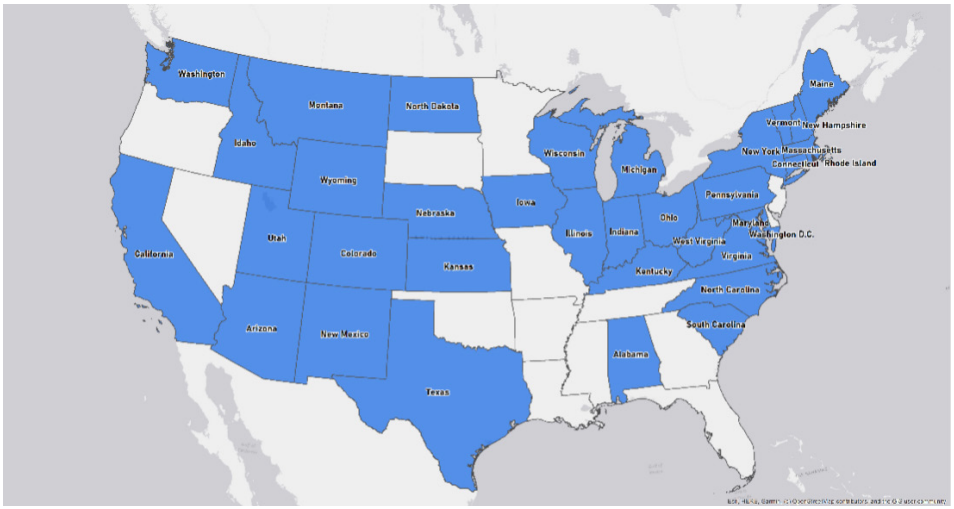
In order to produce comprehensive, nationally comparative data on the child care gap, BPC originally set out to map child care access in all 50 states. However, when the coronavirus pandemic prompted stay-at-home orders in March, BPC halted the analysis as a parent survey conducted with Morning Consult in April indicated that there would likely be major changes to the child care landscape.[10] This report and accompanying interactive map present the results from 35 states highlighted in the map below.



Mapping Child Care Supply

BPC worked closely with each of the 35 states included in this analysis to capture the complete landscape of formal child care and early learning facilities in those states in 2019. Licensed child care only constitutes one part of the formal child care supply. As outlined in BPC's 2018 report, *Creating an Integrated Efficient Early Care and Education System to Support Children and Families: A State-by-State Analysis*,[11] the formal child care system is comprised of a patchwork of child care centers, family child care homes, state Pre-K programs, preschools, Head Start, military-certified or registered programs, and license-exempt care designated by state statutes.

After discussion with the 12-state advisory committee, it was clear that any analysis of child care supply that is representative of what parents truly experience on the ground must incorporate this array of child care settings. Therefore, BPC sought to collect supply data on all legally operated and state-recognized providers—a definition of child care supply agreed to by the committee. However, in many states, a number of different agencies separately collect and maintain data on certain types of child care programs. There are also no uniform definitions of these different types of formal care and early learning programs across states.

Thus, BPC worked directly with each state's various child care and education agencies to understand the 129 different facility types across states and build comprehensive datasets of each provider's location and capacity. These close working relationships with states—along with BPC's efforts to work with the federal Department of Health and Human Services to understand Head Start data, with the American Indian and Alaska Native tribes to incorporate tribal child care, and with the Department of Defense to capture early care and education settings operating on military installations—were necessary to ensure that the spatial analysis did not overcount or undercount supply. BPC only incorporated each state's child care supply data into the analysis once the state approved of the dataset. The quality of the supply data gathered for this project makes this child care mapping analysis the most comprehensive known to date. And in an effort to continuously improve the analysis, the supply data is subject to change as BPC encourages states to continuously include additional facilities information that could make the dataset more complete.

It is important to note, however, that through this data collection process, it became apparent that there were barriers to gaining a complete picture of the child care supply. In conversations with the advisory committee, many representatives shared concerns about accounting for public pre-kindergarten programs that operate on part-day schedules. Clearly, for parents working full-time, these settings do not meet their full child care needs. It is unclear how these programs fit into the supply landscape because it is not currently known how parents who enroll their children in these programs arrange for care during pre-program or post-program hours.

BPC only incorporated each state's child care supply data into the analysis once the state approved of the dataset.

Beyond the simple capacity of care, many states also have quality rating and improvement systems (QRIS). Quality rating systems can be an important source of information for parents as they choose their providers and might mean parents favor certain high-quality providers in the supply landscape. But given the voluntary nature of most state QRIS and the varying requirements across state QRIS, it was not possible to review the supply of quality-rated care in a uniform, consistent manner. BPC tracked challenges like these and gleaned important insights into how state agencies can collect data in ways that are more informative for the future. These recommendations are outlined later in this report.

Mapping the Potential Need for Child Care

BPC mapped the potential need for child care in each state, rather than the demand for child care.

- **Child Care Demand:** the rate at which parents and families actually utilize or look for formal child care
- **Potential Child Care Need:** all children under six with all available parents in the labor force

While the use of child care demand would have enabled BPC to make a more representative estimate of the amount of additional child care supply actually needed , many seasonal and family-related factors influence demand and there is little data available on the actual demand for child care by geographic area. Thus, BPC and the advisory committee decided to focus this analysis on the *potential* need for child care by using 2014-2018 American Community Survey (ACS) data on the number of children under age six with all available parents in the labor force.[12]

As a result, child care gap estimates from this report provide informative starting points from which states can begin to make policy recommendations, but any recommendations must also consider how much and what types of child care parents will actually use. A later section discusses data from BPC's national parent surveys that illuminate the kinds of information necessary for accurately interpreting these findings.

Measuring the Gap

Building on methodology developed by the Maricopa Association of Governments (MAG) in Phoenix, AZ, BPC compared the supply of and potential need for child care in each of the 35 states.

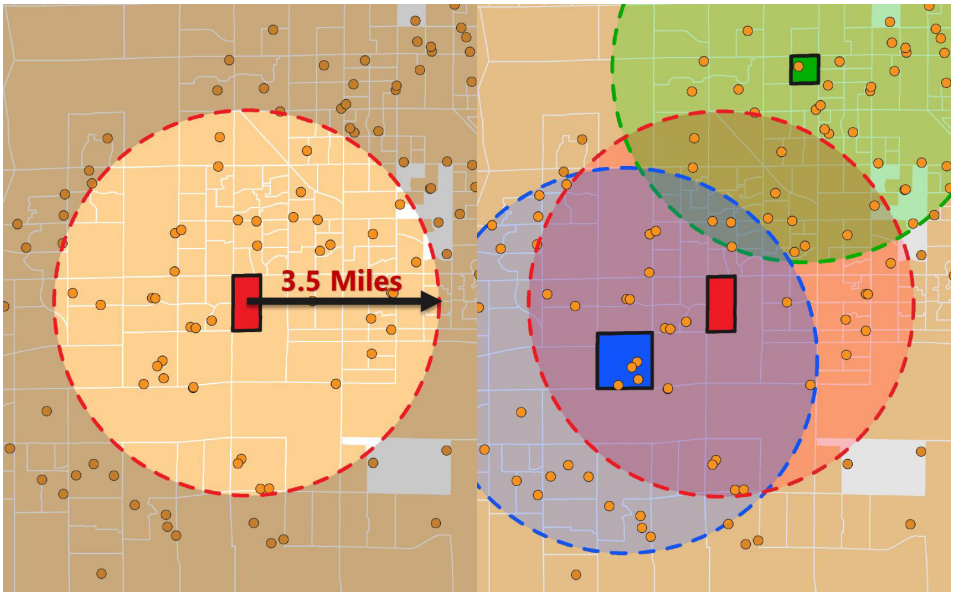
However, simply comparing supply and potential need within a particular zip code or census block group would not reflect how parents choose child care providers in reality. Parents do not restrict their child care choices to the boundaries of their zip code or census block group. Such an approach would lead to an unrealistic distribution of child care surplus and child care gaps: high gap areas and high surplus areas would fall adjacent to each other.

Instead, in order to help child care administrators accurately identify underserved areas, BPC incorporated insights about parent choices into the methodology. From October 11–17, 2019, Morning Consult surveyed on BPC's behalf a national sample of parents about their child care choices—all parents had children under age six, paid for child care at the time, and had a household member working.[13] The results revealed that parents predominantly drive for child care, as 86% of the 800 parents surveyed said they typically drive to their child care arrangement. And 60% of parents said they prefer child care closer to home, while just 27% said they prefer child care closer to their workplace or school. Following these trends, BPC implemented the MAG methodology which incorporates driving distance from home to measure the child care gap—the number of children who potentially need child care but whose families cannot reasonably access formal child care facilities by driving.

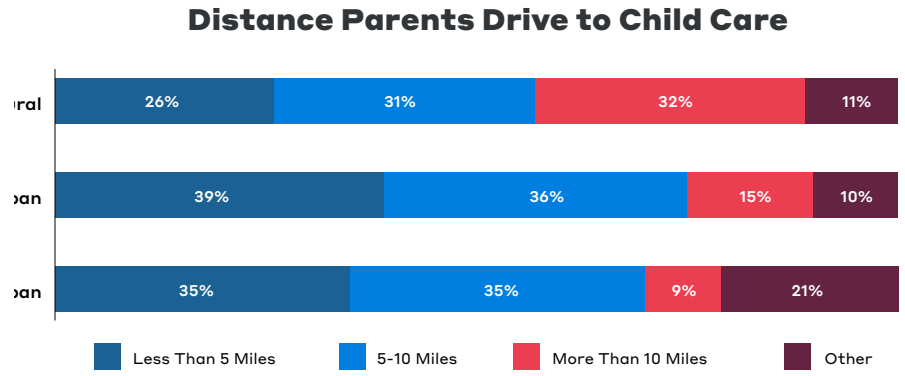
Each census block group was assigned a service area of a specific radius, based on driving distance. It was assumed that the families with children under age six in a given block group could reasonably access the child care slots available in the facilities within their given service area (see left image below). Thus, potential child care need within the block group was proportionally allocated to the child care providers within the service area.

It is important to note a limitation of using ACS data for this analysis: the data do not provide exact household locations and can only be geographically disaggregated down to the level of census block group. Thus, it is not possible to calculate each household's exact distance from a provider. However, the ACS provides the best available household data estimates to date.

Because service areas from neighboring block groups typically overlapped (see right image below), providers were allocated children from all block groups whose service area the facility fell into, until all provider capacity was filled. A complex matrix balancing operation was used to balance the allocations from each block group to achieve the maximum allocation of children possible. A complete explanation of the mathematical methodology can be found here.



To further incorporate parent choices into the methodology, rural block groups were assigned larger service areas than urban and suburban block groups. In the Morning Consult survey,[14] a much larger percentage of parents from rural areas said they typically drive 10 or more miles to their child care arrangement, compared to suburban and urban parents.



In order to assign service areas that most accurately reflected the distances parents in those block groups were willing to drive for child care, BPC estimated service area radii using results from the survey and an analysis of child-level address data from Maine. This analysis found that among children receiving subsidy, parents in urban areas lived around 3.5 miles from their child care arrangement, while rural parents lived 7.5 miles from theirs. Data from one other state not included in this analysis suggested a similar pattern. To

adjust for these driving distance differences in the methodology, urban and suburban block groups were, on average, assigned radii of 3.5 miles and rural block groups were assigned radii of 10 miles. In certain states, based on their recommendations, a different distance was used.

Because only 35 states were included in this analysis, cross-state interactions could not be incorporated for all state borders. At state borders where the adjacent state was not included, the state boundary line served as an artificial barrier that would not likely affect parent child care decisions in reality. To produce accurate gap estimates for populations on state borders, gaps would need to be recalculated with a complete 50-state dataset.

Overall, this methodology enabled BPC to estimate the number of children in each census block group whose families did not have access to formal child care.

Understanding Parent Choices

Before discussing the project's data collection recommendations and gap findings, it is necessary to emphasize that any recommendation to expand the supply of child care based on gap data must consider how much and what types of child care parents and families will actually use. While states can use the findings from this analysis to calculate the amount of additional formal child care needed to provide access to every family with the potential need for care, and then subsequently estimate the amount of resources needed to build this supply, the *potential* need for care should not be construed with the *actual* demand for care. Estimates based on this analysis provide informative starting points from which states can begin to make policy recommendations, but administrators, advocates, and legislators must be sure to incorporate in these decisions research on the types of formal care parents actually use and the rates at which parents utilize informal child care options.

This section reviews key findings from national surveys conducted by BPC and Morning Consult in October 2019 and August 2020 that provide an introduction to the parent choice context necessary for interpreting the implications of these child care gap findings before and amid the coronavirus pandemic.[15,16] But more work needs to be done to understand parent preferences. As state and local administrators make decisions on how and where to address child care gaps in their communities, it is especially important that they collect parent choice information in local settings. Along with the survey results, this section poses important questions for officials to consider when they make these decisions.

As state and local administrators make decisions on how and where to address child care gaps in their communities, it is especially important that they collect parent choice information in local settings.

Many parents still need 30+ hours of child care per week.

Any interpretations of gap data for policy recommendations must incorporate information on the amount of care families need per week. In 2019, BPC surveyed parents with children under six who paid for child care at the time. Of these families, the majority (63%) said they paid for 30 or more hours of child

care per week. In August, amid the pandemic, BPC surveyed a new sample of parents with children under six that did not necessarily pay for child care. Of the families in this sample with both parents employed, 44% reported that they need more than four full days of child care per week. As parents get back to work, the demand for full-time child care remains for families with all available parents in the workforce. And even parents who have the ability to work remotely say they need full-time care: 46% of these parents indicated they need more than four full days of care per week.

Related questions to consider when using gap data to inform policy decisions:

- What proportion of parents in your community need full-day vs half-day care?
- What proportions of parents in your community need care at non-traditional hours?

Parents may increasingly rely on informal care, but not only for financial reasons.

Officials need to incorporate information regarding the rates at which parents utilize informal care when interpreting gap data. Prior to the pandemic, 56% of parents said they relied on grandparents, family members, or friends for child care in order to afford child care expenses, and 23% of parents said they moved to be closer to grandparents, family members, or friends in order to afford child care expenses. Not surprisingly, families with incomes under $50,000 were much more likely than families with higher incomes to rely on this informal network of support, and families with a greater number of children were likely to do so as well.

Increased Reliance on Grandparents, Family, or Friends to Afford Child Care Expenses

Families	Yes	No
Income Under $50,000	65%	35%
Income $50,000 - $100,000	53%	47%
Income $100,000+	49%	51%
One child at home	55%	45%
Two children at home	58%	42%
Three children at home	68%	32%

Seemingly unmet need may have been met by informal care provided by friends and family members before COVID-19. However, it is unclear how much of the unmet need was met by friends and family members and how many of these families viewed such arrangements as their ideal choice, as survey results suggest that these arrangements were likely to have been more often utilized by families who could not afford formal care.

But during the pandemic, when told to rank their preferred child care arrangement assuming cost was *not a factor*, 53% of parents ranked family or relative care in their top three choices. As the pandemic persists, parents may rely more on informal care options, and not just for financial reasons. Whether this shift to informal care is temporary or will continue even after the pandemic remains to be seen.

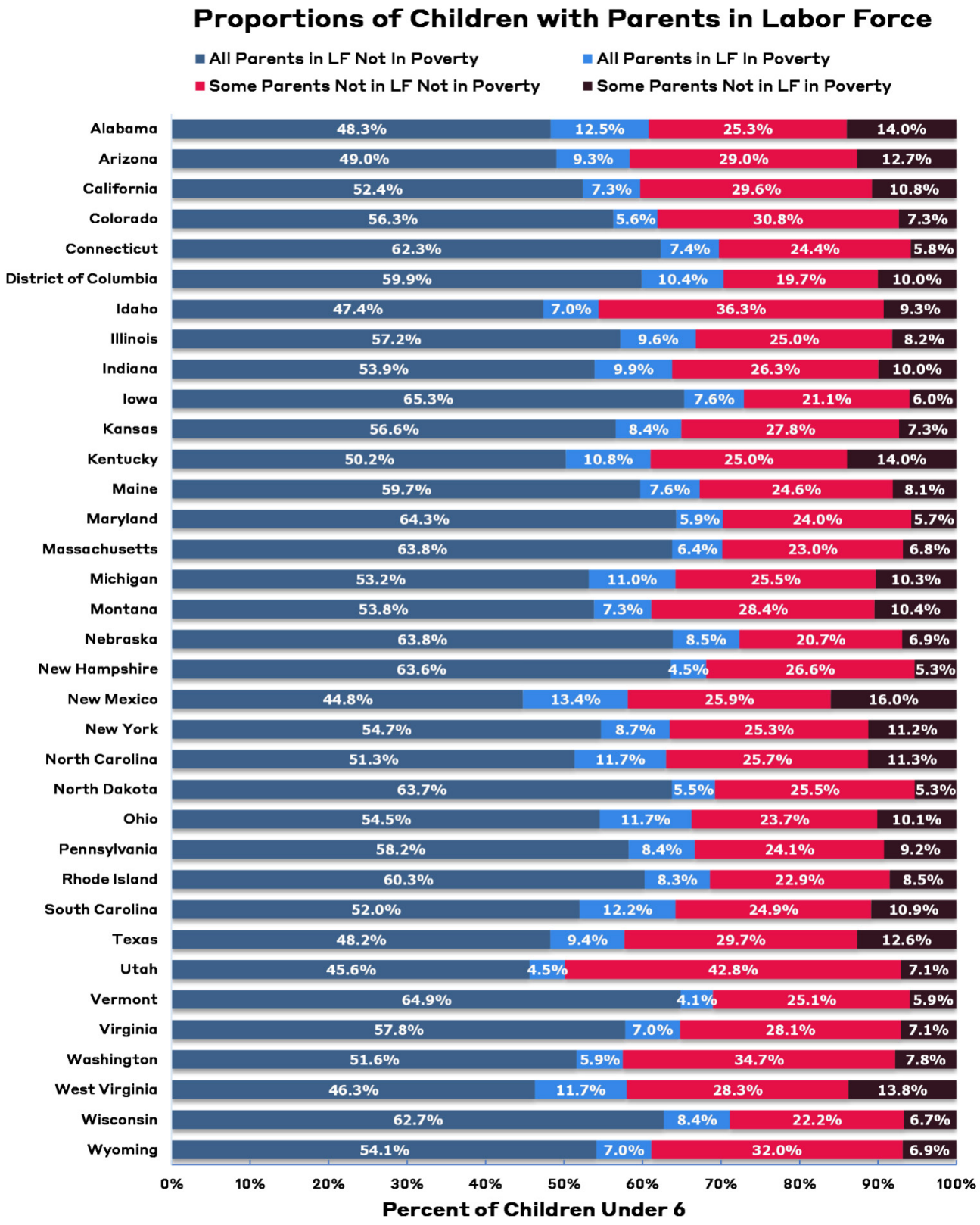
Related questions to consider when using gap data to inform policy decisions:

- What proportion of parents in your community would prefer formal vs informal child care arrangements? And for what reasons?
- What proportions of parents in your community have access to informal care if they cannot find a formal child care arrangement?

Cultural values influence the gap

Some communities place great value on caring for children within their families, rather than opting for formal child care. In these areas, it is likely that the demand for formal care is lower and thus, so is the supply. However, the present analysis estimated the child care gap using the potential need for care and did not account for each family's caregiving values. In areas with a greater emphasis on family caregiving, potential need may have remained high while access to providers may have diminished, producing higher gaps even though such gaps may have less serious real-life implications for families. Any interpretation of the gaps produced by this analysis must include a careful consideration of the cultural factors that determine the extent to which potential need translates to actual demand.

To identify the states in which gaps may have been more affected by greater preferences for family caregiving—without having to survey families in each area—it is possible to look at each state's composition of children under six with some parents *not* in the labor force. Greater proportions of children with some parent not in the labor force may indicate a greater emphasis on family caregiving that led more families to have a parent remain home. The presence of more available parent caregivers may have diminished overall supply and


Proportions of Children with Parents in Labor Force
All Parents in LF Not In Poverty
All Parents in LF In Poverty
Some Parents Not in LF Not in Poverty
Some Parents Not in LF in Poverty
Alabama 48.3% 12.5% 25.3% 14.0%
Arizona 49.0% 9.3% 29.0% 12.7%
California 52.4% 7.3% 29.6% 10.8%
Colorado 56.3% 5.6% 30.8% 7.3%
Connecticut 62.3% 7.4% 24.4% 5.8%
District of Columbia 59.9% 10.4% 19.7% 10.0%
Idaho 47.4% 7.0% 36.3% 9.3%
Illinois 57.2% 9.6% 25.0% 8.2%
Indiana 53.9% 9.9% 26.3% 10.0%
Iowa 65.3% 7.6% 21.1% 6.0%
Kansas 56.6% 8.4% 27.8% 7.3%
Kentucky 50.2% 10.8% 25.0% 14.0%
Maine 59.7% 7.6% 24.6% 8.1%
Maryland 64.3% 5.9% 24.0% 5.7%
Massachusetts 63.8% 6.4% 23.0% 6.8%
Michigan 53.2% 11.0% 25.5% 10.3%
Montana 53.8% 7.3% 28.4% 10.4%
Nebraska 63.8% 8.5% 20.7% 6.9%
New Hampshire 63.6% 4.5% 26.6% 5.3%
New Mexico 44.8% 13.4% 25.9% 16.0%
New York 54.7% 8.7% 25.3% 11.2%
North Carolina 51.3% 11.7% 25.7% 11.3%
North Dakota 63.7% 5.5% 25.5% 5.3%
Ohio 54.5% 11.7% 23.7% 10.1%
Pennsylvania 58.2% 8.4% 24.1% 9.2%
Rhode Island 60.3% 8.3% 22.9% 8.5%
South Carolina 52.0% 12.2% 24.9% 10.9%
Texas 48.2% 9.4% 29.7% 12.6%
Utah 45.6% 4.5% 42.8% 7.1%
Vermont 64.9% 4.1% 25.1% 5.9%
Virginia 57.8% 7.0% 28.1% 7.1%
Washington 51.6% 5.9% 34.7% 7.8%
West Virginia 46.3% 11.7% 28.3% 13.8%
Wisconsin 62.7% 8.4% 22.2% 6.7%
Wyoming 54.1% 7.0% 32.0% 6.9%
0% 10% 20% 30% 40% 50% 60% 70% 80% 90% 100%
Percent of Children Under 6

if families with all parents in the labor force shared the cultural emphasis on within-family care, overall supply would have further diminished but the gap calculation would have been inflated. Interpretations of the gap in those areas should be sure to determine the extent to which the gap is really a product of cultural values that necessitate less formal child care. The figure above presents each state's composition of children under six by parent labor force participation according to the 2014-2018 five year ACS Public Use Microdata Sample. It is clear that a number of states had noticeably greater proportions of children under six with some parent not in the labor force. The figure also disaggregates by poverty categorization since poverty status likely constrains parents' choices of whether to participate in the labor force or stay home.

Related questions to consider when using gap data to inform policy decisions:

- Which communities require less formal child care due to parent preferences for within-family care?
- How many child care slots do parents in those communities still need?

Quality and safety impact child care choices more than ever.

Closing the child care gap and improving child care access is more than simply increasing the number of child care slots available to families. Child care quality is an essential part of child care access. Provider quality dictates whether parents can even consider enrolling their child because parents look for providers they feel are safe, reliable, and trustworthy. Overwhelmingly in the 2019 survey, when parents were given the opportunity to submit words that represented the most important attributes of a child care provider to them, the most cited words were safety, reliability, and quality (seen in the word graphic below).

As parents consider sending their child back to a child care program during the pandemic, 85% of parents say concern about the coronavirus is a factor in their decisions and 89% of parents indicate that frequent communication with parents about child health and safety is important as they choose a child care program. Provider quality and safety will be paramount for coming months and will thus be a critical factor in improving access. It may even alter the types of formal care parents choose, as more parents in August reported that they would be comfortable enrolling their child in a child care center (53%) than a family child care home (41%).

As discussed earlier in this report, there is a lack of consistent data on state-defined quality, meaning it was not possible to reliably include QRIS ratings in the gap analysis. Thus, local quality information needs to be incorporated into interpretations of any gap findings.

More specifically, interpretations need to consider how state regulations on staff-to-child ratios may affect child care gap sizes. The present gap findings were susceptible to influence by each state's staff-to-child ratios. Higher ratios

produce higher licensed capacities and thus a greater number of available slots to cover potential child care need. However, policies should not manipulate staff-to-child ratios as a means to superficially lower the child care gap. Low ratios ensure that staff can offer children the individual attention necessary to provide for their physical safety and contribute to their social and emotional development.[17] The National Association for the Education of Young Children has set best practices for staff-to-child ratios (see table below).[18] However, a number of states do not meet these standards and any attempt to increase child care access must do so in a manner that does not sacrifice quality.

Adult-to-Child Ratios for Licensed Child Care Centers[19]				
	Infant	**Young Toddler**	**Older Toddler**	**Preschool**
NAEYC Best Practice	1 to 4	1 to 4	1 to 6	1 to 10
Alabama	1 to 5	1 to 7	1 to 8	1 to 18
Arizona	1 to 5	1 to 6	1 to 8	1 to 15
California	1 to 4	1 to 6	1 to 6	1 to 12
Colorado	1 to 5	1 to 5	1 to 7	1 to 12
Connecticut	1 to 4	1 to 4	1 to 4	1 to 10
District of Columbia	1 to 4	1 to 4	1 to 4	1 to 10
Idaho	1 to 4	1 to 4	1 to 5	1 to 8
Illinois	1 to 4	1 to 5	1 to 8	1 to 10
Indiana	1 to 4	1 to 5	1 to 7	1 to 12
Iowa	1 to 4	1 to 4	1 to 6	1 to 12
Kansas	1 to 3	1 to 5	1 to 7	1 to 12
Kentucky	1 to 5	1 to 6	1 to 10	1 to 12
Maine	1 to 4	1 to 5	1 to 7	1 to 10
Maryland	1 to 3	1 to 3	1 to 6	1 to 10
Massachusetts	1 to 3	1 to 4	1 to 4	1 to 10
Michigan	1 to 4	1 to 4	1 to 4	1 to 12
Montana	1 to 4	1 to 4	1 to 8	1 to 10
Nebraska	1 to 4	1 to 4	1 to 6	1 to 12
New Hampshire	1 to 4	1 to 5	1 to 6	1 to 12
New Mexico	1 to 6	1 to 6	1 to 10	1 to 12
New York	1 to 4	1 to 5	1 to 5	1 to 8
North Carolina*	1 to 5	1 to 6	1 to 10	1 to 20
North Dakota	1 to 4	1 to 4	1 to 5	1 to 10
Ohio	1 to 5	1 to 7	1 to 7	1 to 12
Pennsylvania	1 to 4	1 to 5	1 to 6	1 to 10
Rhode Island	1 to 4	1 to 6	1 to 6	1 to 10
South Carolina	1 to 5	1 to 6	1 to 8	1 to 17
Texas	1 to 4	1 to 9	1 to 11	1 to 18
Utah	1 to 4	1 to 4	1 to 7	1 to 15

Vermont	1 to 4	1 to 4	1 to 5	1 to 10
Virginia	1 to 4	1 to 5	1 to 8	1 to 10
Washington	1 to 4	1 to 7	1 to 7	1 to 10
West Virginia	1 to 4	1 to 4	1 to 12	1 to 12
Wisconsin	1 to 4	1 to 4	1 to 8	1 to 13
Wyoming	1 to 4	1 to 5	1 to 8	1 to 12

*North Carolina has a tiered licensing system. Ratios decrease as a program meets increased licensing standards. The listed ratios represent the state's minimum licensing ratio levels.

Related questions to consider when using gap data to inform policy decisions:

- How much additional child care would your community need to provide adequate access while meeting staff-to-child ratio best practices?
- What proportions of parents prefer certain types of formal child care? Are these preferences due to health and safety concerns?

Affordability is key.

With increased safety and quality measures, often come increased costs for providers and subsequently heightened child care tuition rates for parents. Child care affordability has been and continues to be a barrier to child care access on par with the presence of providers themselves.

More than half of parents (54%) said that finding child care within their budget was somewhat difficult or very difficult in 2019. And many parents even reported that child care costs affected their household budgets: 59% of parents said they have reduced every day purchases like groceries in order to afford child care expenses, 45% of parents said they have tapped into emergency savings funds to afford child care expenses, and 42% of parents said they have accrued credit card debt to afford child care.

Amid the pandemic, affordability concerns remain. In August, 51% of parents surveyed nationally said that they were either very concerned or somewhat concerned that they would not be able to afford child care in light of the pandemic. In addressing the child care gap, state and local administrators will need to pay close attention to the economic factors that prevent providers from thriving and families from accessing child care in certain communities.

Related questions to consider when using gap data to inform policy decisions:

- How many children in your community are from families who cannot access formal child care due to financial reasons?
- At what cost would those families be able to access formal child care?
- In areas with inadequate child care supply, have providers attempted to offer care but failed to remain viable? Are there economic challenges they faced that are specific to those areas?

Data Collection Challenges and Recommendations

While BPC worked to map the child care supply in the first 12 states, there was agreement among states that for a mapping approach to serve as a useful, strategic tool to understand supply within communities, it would need to integrate all known data sources to best understand supply and choices for families. There was strong interest by state administrators to develop "one source of truth" regarding the supply of early care and education settings.

However, obtaining and integrating data sources from siloed child care agencies in each state proved to be both an opportunity and a challenge. The following section outlines the issues BPC confronted during the supply mapping process and provides recommendations developed with the advisory committee about how states can optimize, and how some states have optimized, their systems to collect data that can better identify child care gaps to inform policy decisions.

These data collection insights are particularly important for states as they work to rebuild their early care and education systems which were devastated by the COVID-19 pandemic. Being able to successfully advocate for grant funding, learn where to target financial relief, and provide information to help families identify available care as they get back to work, starts with collecting useful data. States can apply these recommendations as they work to build back better. Included below are examples of how some states have already begun to rethink their data collection processes during the pandemic.

ISSUE: Capacity by Age of Child

With the exception of North Carolina, the first 12 states that BPC mapped did not have data reflecting program capacity by age. Capacity data by age is needed to ensure that any landscape supply analysis truly reflects available care for families with young children: under age 6, under age 3, and infant care.

RECOMMENDATION: States should consider using a point-in-time count to reflect capacity and enrollment by age, utilizing age groups that do not overlap or include school-age children. Collecting such data enables states to inform parents of availability by age and can indicate how availability of care for different age groups has changed during the pandemic. Doing so with a point-in-time method would also enable states to continuously monitor age availability in real-time.

ISSUE: Licensed Capacity, Desired Capacity, and Enrollment

There are three variables related to supply capacity. Licensed capacity is related to a provider's square footage or room size. Desired capacity by a program reflects the number of children that programs desire to enroll, given staff availability and supplies, and may be less than licensed capacity. Enrollment of children can change frequently related to family preferences and transitions. Looking at only licensed capacity may then overestimate the capacity actually available.

RECOMMENDATION: States should consider point-in-time counts to better understand enrollment and how it compares to licensed capacity. Desired capacity could also be collected via surveys. If available, the desired capacity would serve as the realistic maximum for future gaps analyses. And as the pandemic persists, desired capacity can inform the state of the number of child care slots available amid health and safety restrictions.

ISSUE: Multiple Databases

In many states, data lives in a number of different places and is not readily available to the public. BPC was only able to build full datasets of all types of licensed and license-exempt providers by having conversations with states about their supply and by working with various child care and education agencies within each state.

RECOMMENDATION: To make it a priority to understand the full scope of early care and education, states should make this data publicly available and develop forums such as State Advisory Councils where all child care agencies within a state can align their data collection efforts. As discussed in a later section of this report, parent child care preferences have shifted during the pandemic. A central data processing system will enable states to understand in what new ways families are utilizing different parts of their systems.

ISSUE: Head Start

To complete the analysis, it was necessary to collect Head Start data (Head Start and Early Head Start) for site locations and capacity for those locations. Although data was available for grantees, delegates locations were not always known. Head Start Collaboration offices did not have location data for both grantees and delegate agencies.

RECOMMENDATION: Head Start Collaboration Offices should have access to both delegate and grantee information, including locations and use of child care subsidies by Head Start families. State officials should work with their Head

Start Collaboration Offices to identify all locations where Head Start and Early Head Start services are provided.

ISSUE: Tribal Child Care

In discussions with states, BPC found that states often do not license or collect data on tribal programs. Further, there are no public data sources that provide information on the number of child care and early education programs serving Native American children.[20]

RECOMMENDATION: To the extent possible, states should work with tribal leaders to identify child care data in order to ensure fair representation of the supply and need in these communities. As part of its work providing federal funds to tribes, the federal Office of Child Care should collect data on tribal capacity and need. Since tribes were disproportionately impacted by COVID-19,[21] and tribal child care providers were likely devastated as a result, collecting this information will be critical in coming months to understand the extent to which tribal child care is able to rebound.

ISSUE: Parent Choice

As discussed previously in this report, too little is understood about parents' decision-making process. Multiple factors can influence a parent's decisions, and any policies that aim to increase supply need to take into account parents' preferences.

RECOMMENDATION: States need to clearly define their supply to understand how it does or does not serve families. States should conduct research and parent outreach to better define need and understand when and why parents are choosing care arrangements.

These data collection recommendations can help states better perform child care gap analyses in the future. And they can help states monitor child care supply over the long-term. However, there is no better time than now for states to consider implementing these recommendations. In order to respond to the pandemic's effects on child care, state child care agencies across the country have been forced to rethink how they gather information on the state of their providers. Indiana, for example, has deployed new online tools that track child care provider availability along with capacity and other metrics.[22] These recommendations provide a framework for the changes states should make as they rethink their data collection processes in response to COVID-19.

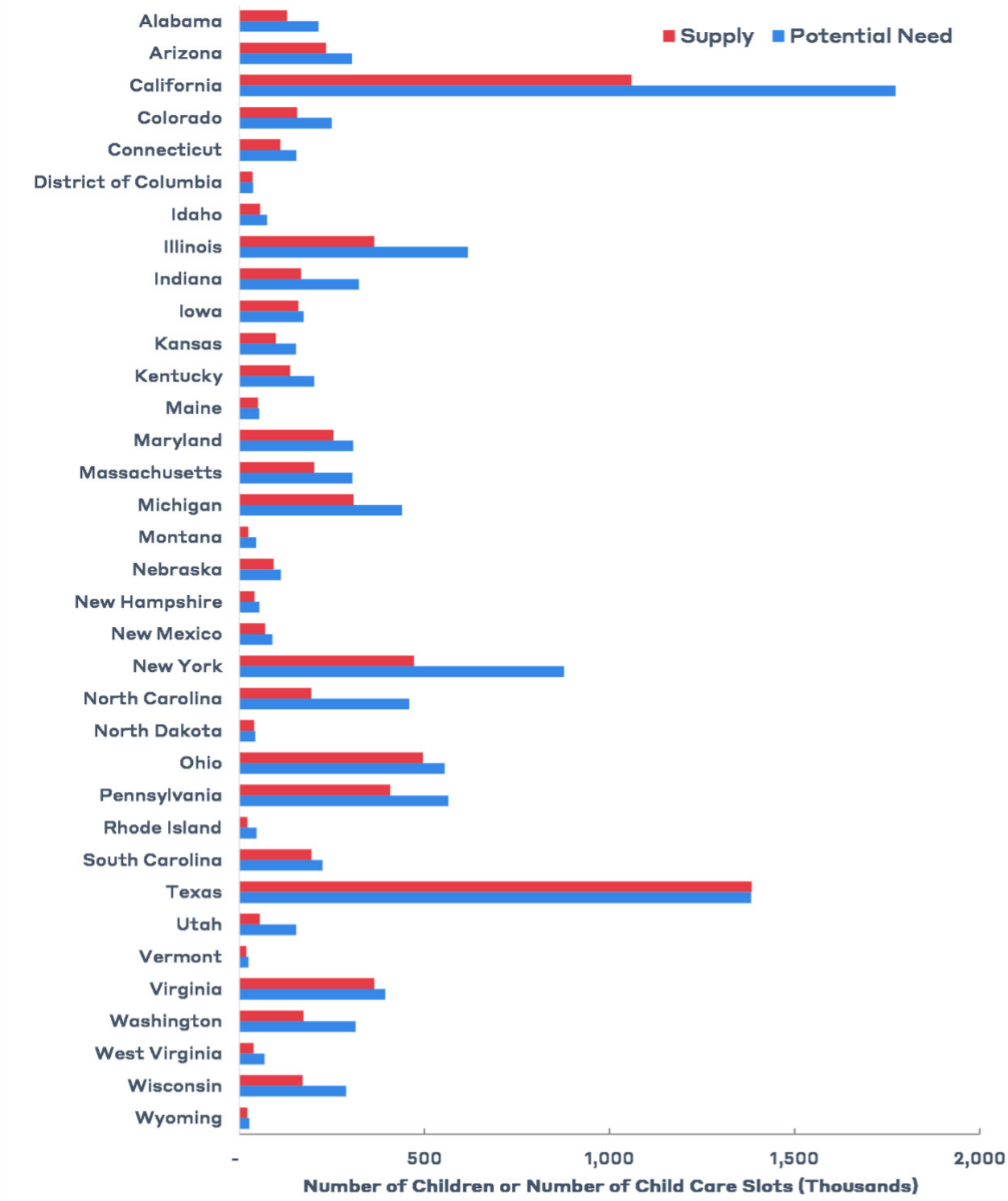
High-Level Findings From the Gap Analysis

The results of this child care gap analysis provide the first known estimate of the national gap in child care. For years, federal lawmakers have advocated financial support to increase access to child care for all working families. However, amid these efforts, an important underlying question has remained: "*how much* additional child care does the country need?" The present analysis serves as the first attempt to answer to this question and offers a starting point from which the country can work to close the child care gap. In 35 states in 2019, prior to the coronavirus pandemic, 3,461,600 children below the age of six with all available parents in the workforce did not have access to formal child care.

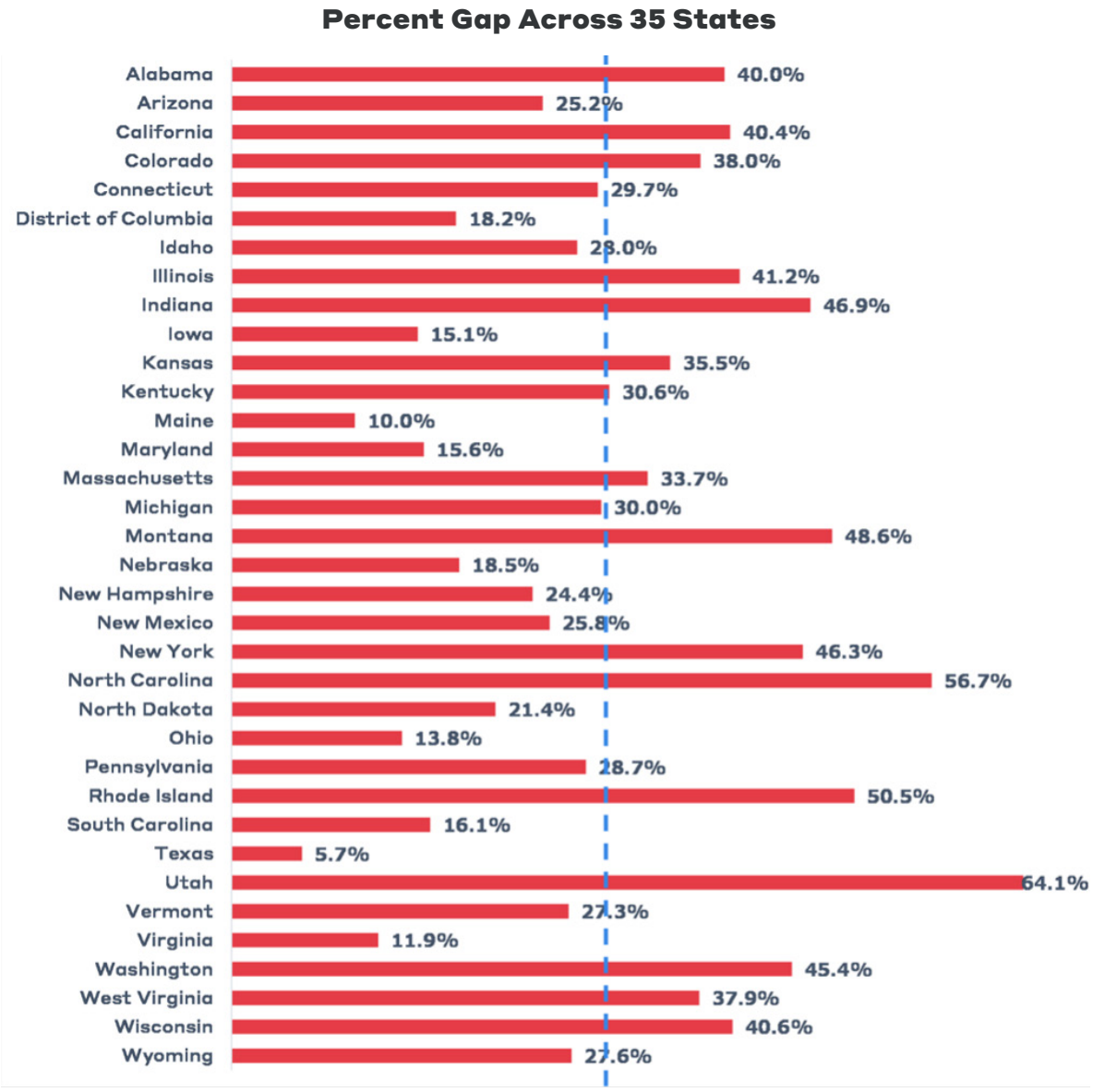
Child Care Gap Findings Across 35 States	
Potential Child Care Need	11,109,000 children
Child Care Supply	7,807,000 slots
Child Care Gap	3,461,600 children
Percent Child Care Gap	31.2% of children

*The difference between supply and potential need in this table does not equal the gap because the methodology used accessibility measurements to calculate the gap.

Child Care Gap Across 35 States



However, a comparison of states' percent gap (the percent of children under six with all available parents in the labor force who do not have access to formal child care) reveals how well those states had met their potential need, regardless of population size. The figure below indicates that states such as Maine, Texas, Iowa, South Carolina, and Nebraska came close to providing child care access to every family that had the potential need for it. Their percent child care gaps fell far below the average gap of 31.7%, marked by the vertical blue line.



This estimate is useful for orienting us around the magnitude of the child care gap. But the gap is not uniform across the country. As expected, there are significant differences in child care access between states. According to this analysis, states with high potential need for child care—typically more populous states—tended to exhibit higher total gaps than states with low potential need, excluding Texas. The figure below compares child care supply and potential child care need in each of the 35 states. Exact estimates for each state can be accessed using the accompanying interactive map.

BPC's interactive map offers further information on the supply of, need for, and gap in child care by county, congressional district, state senate district, metropolitan area, and federally designated Opportunity Zone.

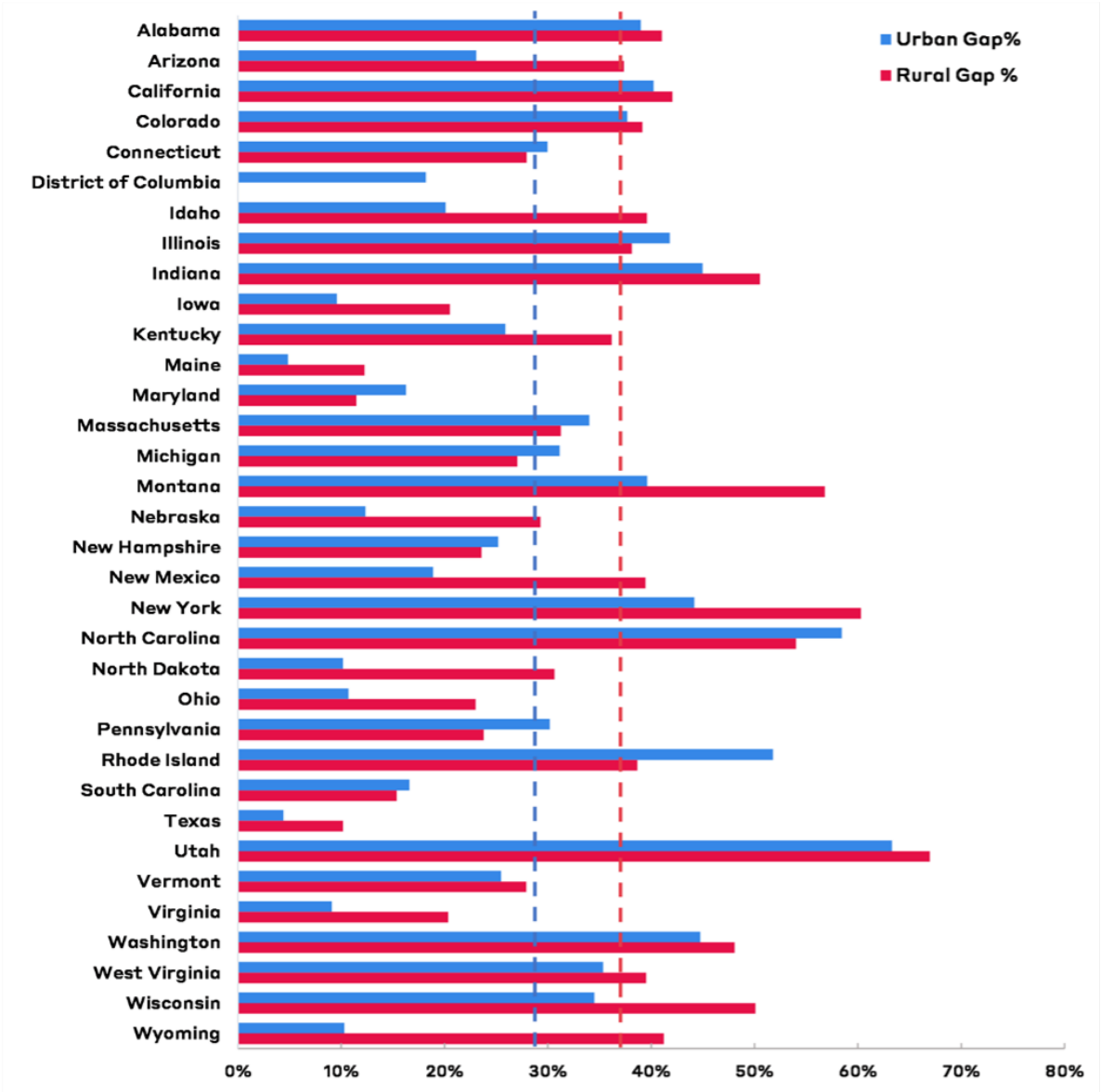
Disaggregating the Data: Rural vs Urban

In order to obtain a more comprehensive understanding of the distribution of child care gaps across the country, BPC investigated whether access to child care was associated with a number of geographic and socioeconomic factors.

The analysis revealed that even after using the distance adjustment for families in rural communities, and even though urban communities often had a much higher potential need for child care (see table below) 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		
Urban Need	8,384,200 children	76.5% of the need
Rural Need	2,571,500 children	23.5% of the need

Percent Gap in Urban vs Rural Communities



*Supply data for Kansas was only available by zip code and could not be disaggregated by urban and rural settings

In 25 of the 34 states*, rural child care gaps were greater than urban child care gaps (see above figure). Urban areas had an average gap of 30.4% (blue vertical line), whereas rural areas had an average gap of 33.4% (red vertical line).

This dearth of child care access in rural communities suggests unique challenges for rural working parents. BPC's 2019 survey conducted by Morning Consult reported that only 38% of families in rural settings said finding quality child care within their budget was easy, while over half of families in urban settings said the same. Findings from the present analysis suggest that one of the factors driving this difference may be the lack of child care supply in those communities. It is not surprising then that rural parents were more likely than urban parents to have relied on family members or friends for child care due to financial reasons: 64% of rural parents, compared to 51% of urban parents did so. It even appears that the lack of available child care for rural parents may influence where they relocate, as 29% of rural parents, compared to 23% of urban parents said they moved closer to family or friends to find more affordable options for their child care needs.

Of course, differing family and communal values precipitate differing child care preferences and these preferences were likely to have influenced these decisions as well. And it is still unclear how large of a role the preference for family and friend care in rural communities plays in reducing the demand and therefore the supply of child care in those areas. But while an August 2020 survey by BPC and Morning Consult indicates that rural parents will continue to rely less on formal child care than urban parents through the pandemic—29% of rural parents compared to 40% of urban parents ranked child care centers in their top three most preferred child care arrangements, and 20% and 39%, respectively, did so for family child care homes—many working parents in rural communities still plan to rely on formal child care providers. Researchers and state administrators should conduct further investigations to determine the extent to which these large rural child care gaps are affecting parents on the ground and the extent to which they should work to address these gaps in order to help communities offer a child care supply capable of meeting local demand.

Disaggregating the Data: Opportunity Zones

For strategic targeting to increase the supply of child care aligned with available tax incentives, state child care administrators and state economic development agencies should review ways to partner to ensure that the supply of child care is part of broader economic development discussions.

The Tax Cuts and Jobs Act of 2017 created tax incentives for investors to support economic development in designated low-income communities referred to as Opportunity Zones.[23] The concept is for private capital to be pooled to support business development, sustainability, and jobs in distressed communities.[24] Opportunity Zones are designated in every state. BPC reviewed the designated

Opportunity Zones to determine the child care supply gap for working families with children under age six.

States where the percent child care gap across Opportunity Zones is greater than the total state child care gap are labeled red in the table below. Particularly in these states, any distressed community economic development strategy should consider the child care needs of working families in those communities. Expanding the child care supply in these areas would serve as a two-pronged economic development solution. It would enable additional low-income parents—who would otherwise need to remain home with their young children—to participate in the labor force, while simultaneously providing more jobs for workers in child care centers and family child care homes. States where the percent child care gap across Opportunity Zones is lower than or equal to the total state child care gap are labeled blue and grey, respectively. While child care access across Opportunity Zones in these states appears to be more aligned with child care access in the rest of the state, even these states have a number of individual Opportunity Zones (see first and second columns from the right) with a disproportionate lack of child care access. Targeting these regions with efforts to close the child care gap can produce economic mobility for the most vulnerable populations.

Child Care Gaps within Opportunity Zones			
State	Total State Gap	Total Gap in OZs	Number of OZs
Alabama	40.0%	36%	158
Arizona	25.2%	33%	168
California	40.4%	45%	879
Colorado	38.0%	40%	126
Connecticut	29.7%	32%	72
District of Columbia	14.1%	14%	25
Idaho	28.0%	23%	28
Illinois	41.2%	40%	326
Indiana	47.7%	48%	156
Iowa	15.1%	19%	62
Kansas*	35.5%	NA	NA
Kentucky	30.6%	38%	144
Maine	9.2%	14%	32
Maryland	20.0%	21%	149
Massachusetts	33.8%	34%	138
Michigan	30.2%	30%	288
Montana	48.6%	49%	25
Nebraska	18.5%	20%	44
New Hampshire	24.4%	25%	27
New Mexico	25.8%	31%	63
New York	46.3%	36%	514
North Carolina	57.0%	57%	252
North Dakota	21.4%	12%	25
Ohio	11.7%	12%	320
Pennsylvania	28.7%	24%	300
Rhode Island	51.6%	52%	25
South Carolina	16.1%	15%	135
Texas	5.8%	8%	628
Utah	64.1%	65%	46
Vermont	23.4%	22%	25
Virginia	10.2%	14%	212
Washington	45.4%	46%	139
West Virginia	39.5%	39%	55
Wisconsin	40.6%	34%	120
Wyoming	27.6%	16%	25

*Supply data for Kansas was only available by zip code and could not be disaggregated by Opportunity Zone

Parents need child care in order to work. Therefore, part of any economic development strategy for distressed communities should also consider the child care needs of working families in those communities. Whether part of an overall strategy to ensure that child care is part of the discussion as business prospects are considered, or, separately as a business itself, the availability of child care and the gap in the child care supply should be part of any discussion related to investments in Opportunity Zones.

Disaggregating the Data: Socioeconomic Characteristics

Beyond analyzing child care access by geographic area, BPC investigated whether a range of socioeconomic characteristics were associated with changes in the size of the child care gap. However, as mentioned previously, the American Community Survey does not provide household-level data. Potential child care need and socioeconomic characteristics could only be disaggregated at the level of census block groups. To handle this limitation, block groups across each state were categorized into buckets based on their socioeconomic characteristics:

- **High Percent Minority:** block groups where 25% or more of the population is comprised of minority populations.
- **Median Household Income Below 85% of State Median:** block groups where 50% or more of the population has a household income below 85% of the state median.
- **Median Household Income Above 85% of State Median:** block groups where 50% or more of the population has a household income above 85% of the state median.
- **Below Poverty Line:** block groups where 25% or more of the population has a household income below the federal poverty line.

BPC calculated the total percent gap across the block groups in each of these categories and compared the percent gap to the statewide percent gap. The table below reports the findings by state according to the following labels.

Child Care Gap by Socioeconomic Characteristics of Block Groups

State	Minority	Under Median Income	Over Median Income	Below Poverty Line
Alabama				
Arizona				
California				
Colorado				
Connecticut				
District of Columbia				
Idaho				
Illinois				
Indiana				
Iowa				
Kansas*				
Kentucky				
Maine				
Maryland				
Massachusetts				
Michigan				
Montana				
Nebraska				
New Hampshire				
New Mexico				
New York				
North Carolina				
North Dakota				
Ohio				
Pennsylvania				
Rhode Island				
South Carolina				
Texas				
Utah				
Vermont				
Virginia				
Washington				
West Virginia				
Wisconsin				
Wyoming				

*Supply data for Kansas was only available by zip code and could not be disaggregated by socioeconomic factors.
**Other blank cells indicate too small a sample for the specific socioeconomic factor

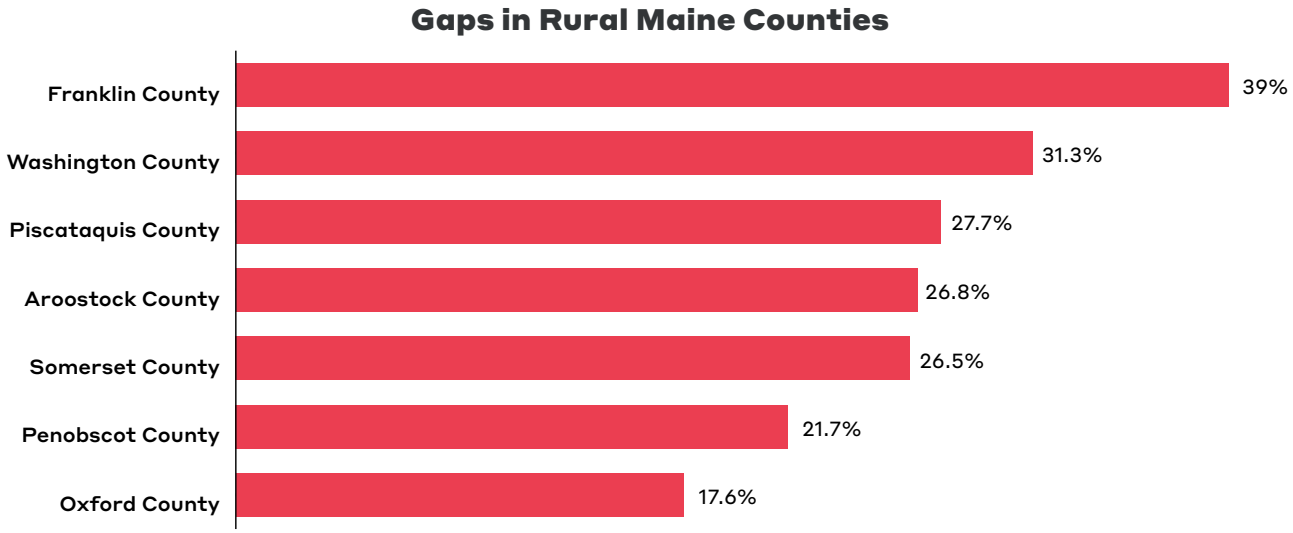
- Marginally Higher than the Statewide Gap (>1%)
- Higher than the Statewide Gap (>5%)
- Marginally lower than the Statewide Gap (< -1% difference)
- Lower than the Statewide Gap (< -5%)
- About equal to the Statewide Gap (within 1% difference)

Turning Data into Action

Case Study: Maine

In October 2019, BPC began working with Maine to analyze child care access across the state. Since that time, Maine has used the findings to launch a number of data-driven strategies to begin addressing its gaps in child care.

Maine was unique among the 35 states in that it was able to provide addresses for each child receiving child care subsidies. BPC used this data to calculate the actual average distance parents in rural and urban communities traveled to their child care providers, and incorporating these distance adjustments, found that 10.4% of the state's children under six with all available parents working did not have access to formal child care. The analysis also found that gaps were concentrated in rural areas, as rural areas had a total gap of 13.2% and urban areas had a total gap of just 4%. A deeper dive showed that some rural counties far exceeded even the overall rural percent gap.



Using BPC's mapping findings, Dr. Todd Landry, the director of Maine's Department of Child and Family Services, and Crystal Arbour, the manager of the state's Child Care Services Program, made the case to Maine's Children's Cabinet that the state needed to implement specific investment strategies to help expand the child care supply in specific areas.

"By developing a comprehensive early care and education landscape tool – from child care to Head Start to part-day preschool, it was possible for us to have strategic discussions with the Maine Children's Cabinet to pursue specific targeted strategies to meet the needs of local communities – particularly in Maine's rural areas where options for parents are currently limited, which also impacts labor force participation."

Dr. Todd Landry, Director of Maine's Office of Child and Family Services

The result was a series of targeted policies announced in February 2020 to:

- Expand infant and rural child care,
- Improve child care quality, and
- Expand the child care workforce via scholarships aimed at building a pipeline of early educators

While working with BPC to collect comprehensive supply data for this project, state officials also recognized areas in which they could update their data collection processes.

"For Maine, participating in BPC's project showed us it can be challenging to understand true capacity. The project helped us break down silos and create an integrated landscape of care so that we could understand available options for parents and bring a data-driven approach to addressing supply gaps across the state."

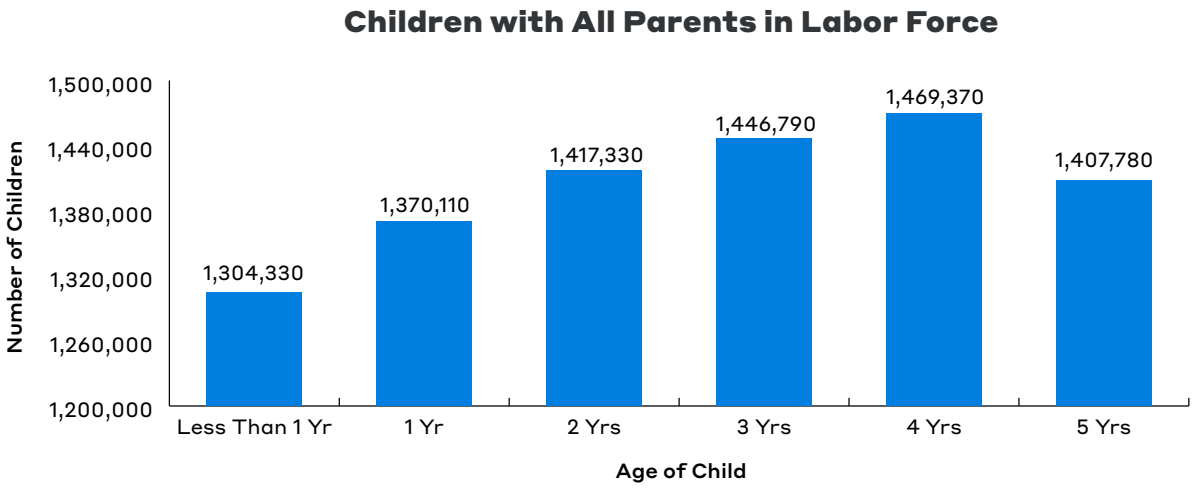
Crystal Arbour, Child Care Services Program Manager

This exercise prompted the state to update online child care provider profiles to include information on both enrollment and capacity by age. The Child Care Services Program recognized that these changes would make it easier for parents to find care for children of specific ages and enable the department to better understand supply gaps among child age groups going forward.

Conclusion and Future Directions

This analysis represents the most comprehensive attempt to map national child care access to date. In combination with parent choice data, these findings serve as a starting point by which federal, state, and local advocates can work to identify the amount of additional child care the country needs.

But there remains a lot left to learn. If each provider's capacity by age were known, would the gap look different for different age groups? The resources providers need to care for each child varies by the child's age—providing care for infants and toddlers is most expensive. Thus, the number of slots providers offer also varies by age of child. Such variation likely has a significant impact on child care access for families. But the present gap assessment was unable to incorporate single year of age as a factor. Data from the 2014-2018 ACS five-year Public Use Microdata Sample could be disaggregated to map the number of children under six by single year of age, but capacity data by age was not widely available so potential need could not be accurately allocated to facilities according to such age constraints. The figure below presents the potential need across the 35 states by single year of age and reveals that families with all parents in the labor force may be having fewer children each year—highlighting yet another way in which child age may affect the gap and another reason why the country should work to collect capacity by age.



Further, if all providers met national standards for staff-to-child ratios, how much would child care gaps increase? And if utilization rates for informal child care were known, how much of the seemingly unmet need would be met by

family, friend, and neighbor care? Answering these questions will be necessary for lawmakers and officials who wish to efficiently target resources to improve child care access in the communities that need it most.

72% of parents who did not intend to have a child in the future because of financial reasons in 2019 said child care costs significantly influenced their decision

An accurate understanding of child care demand and how it affects child care gaps across the country will also be necessary to accurately estimate the economic effects of these child care gaps. Lawmakers and advocates working to improve child care access often cite the positive economic effects of improving child care access. But similar to the gap in understanding about the quantity of child care the country needs, there has been almost no research attempting to comprehensively estimate the potential economic outcomes associated with improving the child care supply. Some research has quantified the revenue, $47.2 billion, generated by the child care industry, and the economic spillover, an additional $52.1 billion, of productivity in other sectors.[25] But such research has only measured the broad economic effects of the industry. There is no known information quantifying the economic benefits of improving access or the negative externalities associated with failing to increase access.

To begin to answer these important questions, national child care efforts need to focus on collecting the data.

And the time is now. As the country seeks to rebuild the child care system after the coronavirus pandemic, a post-COVID-19 child care gap analysis would give federal and state lawmakers a clear understanding of the magnitude of support needed to help the system recover. The present mapping process sets the stage for such an analysis and illuminates the critical pieces of information state governments will need to collect in order to conduct an accurate assessment. Survey findings from August indicate that over 70% of parents report that their providers are either closed or operating at reduced capacity, and 14% of parents indicated that their provider permanently closed. For states to both continuously monitor their child care systems and conduct meaningful post-COVID-19 analyses, they will need to update their data collection processes according to the recommendations set out in this report. It will be necessary to understand operating capacity by age, as providers face safety constraints and as school-age children increasingly fill child care slots. Simultaneously, it will be necessary to track changes in parents' child care choices, because while the country's child care supply is changing, parent preferences are changing too.

This analysis and its recommendations serve as a framework that can help the nation take data-driven steps toward ensuring the child care system can recover and recover in a way that builds a more stable and accessible system for the future.

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