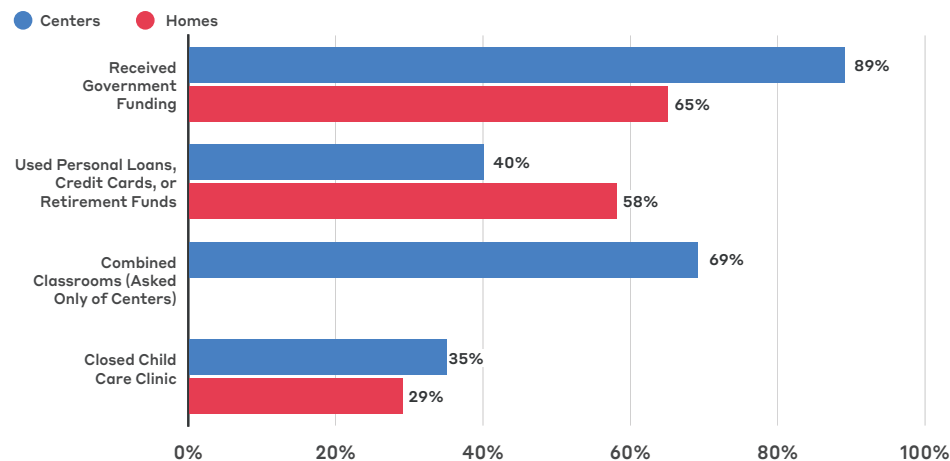


## SURVIVING THE PANDEMIC

# Child Care Programs in Texas

A study conducted by the Bipartisan Policy Center finds that the COVID-19 relief packages passed by Congress were a lifeline for struggling U.S. child care programs. Nearly all child care providers in the 11-state survey reported using the funds to keep their businesses open during the pandemic. Key findings for Texas are highlighted below.

### Strategies Used by Child Care Centers/Homes in Texas During the Pandemic



#### Top 3 Reasons Centers Closed

- Covid Exposure/Illness (41%)
- Government Requirement (33%)
- Other (12%)

#### Top 3 Reasons Homes Closed

- Covid Exposure/Illness (42%)
- Loss of Enrollment (22%)
- Government Requirement (17%)

#### Top 3 Reasons Centers Combined Classrooms

- Loss of Enrollment (63%)
- Loss of Teachers, Unable to Hire Replacements (22%)
- Other (6%)

About one-third (35%) of child care centers and 29% of family child care homes (FCC) in Texas closed at some point during the pandemic with homes closing for longer, on average (68 days), compared to centers that closed (46 days). Both centers and homes cited COVID illness/exposure (41% and 42% respectively), government requirements (33% of centers and 17% of homes), and centers cited other reasons (12%) while homes gave loss of teachers and being unable to replace them (22%) as the top three reasons for closing.

Additionally, 69% of centers reported combining classes due to loss of enrollment and loss of teachers (63%)

and being unable to replace them (22%) as their main reasons for doing so. About 40% of centers and 58% of homes reported the use of personal loans, credit cards, or retirement funds to stay afloat.

Most centers (89%) and homes (65%) reported receiving government relief funding during the pandemic. On average, centers received \$126,869 (median \$70,000) and homes received \$17,678 (median \$7,500) to help them to continue operating. Centers reported spending the money to pay teachers, pay the rent/mortgage, or to pay for facility maintenance or modifications, while homes mainly spent the money to pay rent/mortgage,

### Uses of Government Relief Funding for Centers and Homes in Texas

	Child Care Centers	Family Child Care Homes
<b>Pay Teachers and Other Classroom Staff</b>	62%	N/A
<b>Pay Other Essential Support Staff (Centers)/ Assistants (Homes)</b>	5%	24%
<b>Pay Rent/Mortgage</b>	17%	30%
<b>Pay for Facility Maintenance or Modifications</b>	7%	22%
<b>Pay for Personal Protective Equipment</b>	5%	12%
<b>Create Socially Distanced Space for Children and Staff</b>	2%	4%
<b>Start/Resume Mental Health Services to Children and Staff</b>	1%	1%
<b>Pay for Activities</b>	1%	8%

to pay for assistants, and for facility maintenance or modification.

## THE PANDEMIC'S IMPACT

**Enrollment:** In Texas, between March 2020 and May 2022, enrollment declined by 17.86% in centers and 16.35% in homes. The decline among enrollment in centers and homes was most pronounced among before-and-after care for school children (-18.50%) and (-27.07%).

### Enrollment in Centers and Homes in Texas

Centers				
	Mar - 20	May - 22	Change	% Change
Infants/Toddler (Birth-2)	26.45	21.98	-4.47	-16.91%
3 to 5 Years Old	37.18	30.41	-6.77	-18.21%
Before and After School (School-Age)	18.61	15.17	-3.44	-18.50%
<b>Total Capacity</b>	<b>82.23</b>	<b>67.55</b>	<b>-14.69</b>	<b>-17.86%</b>

Homes				
	Mar - 20	May - 22	Change	% Change
Infants/Toddler (Birth-2)	2.84	2.61	-0.2	-8.04%
3 to 5 Years Old	4.19	3.47	-0.7	-17.06%
Before and After School (School-Age)	1.90	1.39	-0.5	-27.07%
<b>Total Capacity</b>	<b>8.93</b>	<b>7.47</b>	<b>-1.5</b>	<b>-16.35%</b>

**Staffing:** In Texas, between March 2020 and May 2022, there was a decline in the number of teaching and other staff. These declines were most pronounced among both lead and assistant teachers.

### Average Number of Staff

	Mar - 20	May - 22	Change	% Change
<b>Lead Teacher</b>	<b>8.04</b>	<b>6.93</b>	<b>-1.11</b>	<b>-13.77%</b>
<b>Assistant Teacher</b>	<b>4.46</b>	<b>3.86</b>	<b>-0.61</b>	<b>-13.62%</b>
<b>Center Director or Assistant Director</b>	<b>1.83</b>	<b>1.75</b>	<b>-0.08</b>	<b>-4.22%</b>
<b>Other staff</b>	<b>1.68</b>	<b>1.64</b>	<b>-0.04</b>	<b>-2.45%</b>

#### Methodology of 11-State Survey:

The Bipartisan Policy Center worked with Well World Solutions to conduct a survey of child care centers and family child care homes in 11 states to better understand how child care programs weathered the COVID-19 pandemic and how they used the federal government's pandemic-related stimulus funding. The survey was fielded from June 14-30, 2022. The MOE was +/- 6% for centers and +/- 9% for homes in Texas. For more information on the methodology, see the full report.

In May 2022, the average number of openings in centers was 2.79 for lead teachers and 2.62 for assistant teachers. The table below provides more details.

### Average Number of Openings in Centers in Texas

Lead Teachers	
<b>Total</b>	<b>2.79</b>
<b>Infant/Toddler</b>	<b>1.25</b>
<b>3- to 5- Year Olds</b>	<b>1.01</b>
<b>Before and After School</b>	<b>0.53</b>

Assistant Teachers	
<b>Total</b>	<b>2.62</b>
<b>Infant/Toddler</b>	<b>1.11</b>
<b>3- to 5- Year Olds</b>	<b>0.97</b>
<b>Before and After School</b>	<b>0.54</b>

Total Openings	
<b>Infant/Toddler</b>	<b>2.36</b>
<b>3- to 5- Year Olds</b>	<b>1.98</b>
<b>Before and After School</b>	<b>1.07</b>

Strategies used by centers hiring new staff included, offering higher wages, child tuition discounts or waivers for staff and part-time or flexible schedules. For retaining staff, centers offered higher wages, child tuition discounts or waivers for staff, and retention bonuses. Their biggest competitor for staff was pre-kindergarten or preschool programs.

Half of home-based providers (50%) have staff –45% said hiring staff was “very difficult” and 42% gave that response for retaining staff.

## CONCLUSION

The pandemic exposed fundamental flaws in the child care market. COVID-19 relief funding kept the child care market afloat, but as we emerge from the pandemic, we must address the flaws in the business model so that child care can survive, and our economy can fully recover. We need to examine the true costs of child care and determine how to ensure the country has a stable, high-quantity system that meets the needs of all concerned—parents, children, businesses, and our education system. Child care provides a public good. Congress and our nation need to ensure every parent has access to safe, affordable, quality child care.