

CAPITOL RESEARCH

● ● ● HUMAN SERVICES

THE CHILD CARE DILEMMA: AN OVERVIEW



Affordable, high-quality and accessible child care is a challenge for many American families. In a series of research briefs, CSG examines the balancing act familiar to many families in the United States—managing work and child care—and how states are working in conjunction with the federal government to improve the process for all families with young children.

42 percent of mothers reduced work hours and 39 percent took “a significant amount of time off,” to care for a child or family member, compared to fathers’ rates of 28 percent and 24 percent, respectively.

Source: Pew Research Center, 2014.

Child care is an interdisciplinary policy issue touching education, health, workforce development and economic development. While studies show that early childhood education is important to cognitive development, programs can be relatively expensive, especially for low-income households. Oftentimes, families must make difficult choices between work and reliable child care.

In this brief, we look at the demographics of families with children, the legislative landscape for the provision and regulation of child care, and the kinds of care that are available across the country. Subsequent briefs will explore:

- **Affordability.** How much does child care cost in each state, before and after subsidies?
- **Availability and Access.** How many slots are available per child in each state, and how can families find quality options?
- **Quality.** How are states managing certification requirements, assessing quality and developing the child care workforce?
- **Implications for the Workforce.** What are the economic costs of child care for families? We take a look at what the cost of child care could mean for parents in the workforce and the innovative ways states are tackling the issue in their communities.

The Demographics of Family

A third of children under 6 do not live in family households with married couples.¹

- States with smallest percentage of kids in married-couple homes: District of Columbia, Louisiana, Mississippi.
- States with largest percentage of kids under 6 in married-couple homes: Idaho, Utah, Wyoming.
- In most states, more than 20 percent of the population is under 14 years of age.
 - Of the four regions, the East has no states with the population under the age of 14 greater than 20 percent. The South has the largest count of states in this category, at seven.

Families in Poverty

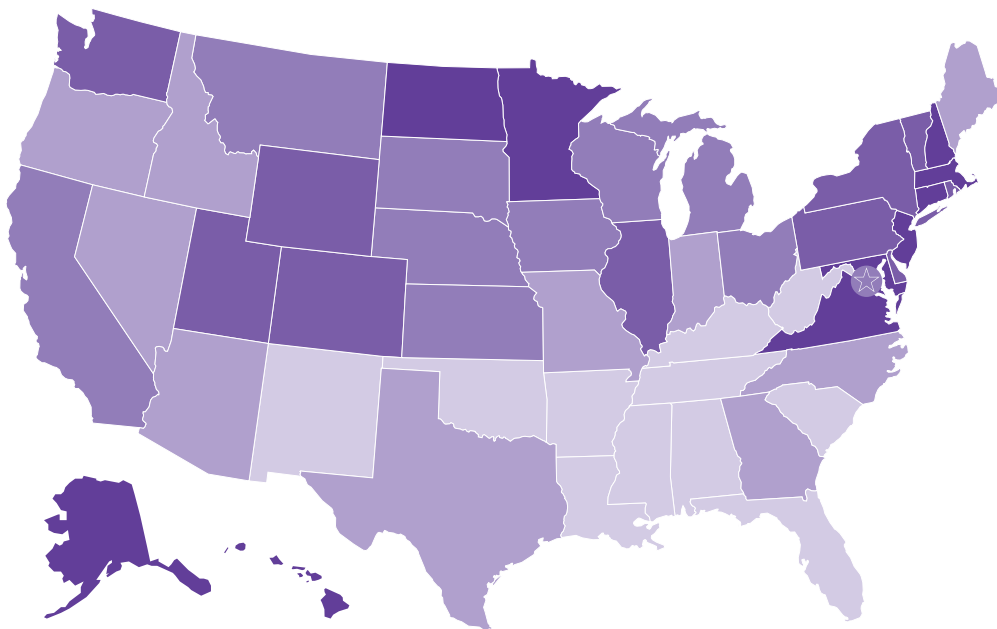
Households with small children are more likely to experience poverty, with single mothers hardest hit.³

- California, Hawaii and the District of Columbia are the only states where the poverty rate for families with young children (under 5) is lower than the overall poverty rate in their state.
- In all states, single mothers with children under 5 are in poverty at higher rates than the overall population of the state.
 - The greatest disparities are in Kentucky, Maine and West Virginia.
 - Across the states, at best if you are a single mom of young children you are nearly twice as likely to live in poverty compared to families overall in your state. In 10 states, you are more than three times as likely.
- Median family household income ranges from \$44,717 to \$88,627 in the states.
 - The states with the lowest median household incomes in 2014 were Mississippi, New Mexico and Arkansas. The states with the highest were New Jersey, Massachusetts and Connecticut.
 - Regionally, the South is overwhelmingly represented in the bottom quintile, with a couple of states in the second-lowest. The only Southern state in the highest quintile is Virginia.
 - A third of the highest quintile is in the Eastern region, but there is still some representation of the other regions.

Who are Families with Children?

The number of children, and the number of families with small children, varies across the states. However, the population under 5 years old represents between 4.9 percent and 8.9 percent of a state's population.² Children between the ages of 5 and 14, who may still need some form of after-school or summertime care, represent between 8.4 percent and almost 17.4 percent of a state's population. Family arrangements for children under the age of 6 vary across the states. Half of children under the age of 6 in Mississippi live in a married couple household, while 83.6 percent in Utah do.

Households with small children are also more likely to live in poverty. In only two states—California and Hawaii—and the District of Columbia, the poverty rate for families with children under the age of 5 is lower than the overall poverty rate in their state. Comparing the poverty rate of single mothers with children under the age of 5 with the overall rate, the contrast is even starker. In all states, the poverty rate for single mothers of small children is higher than the overall poverty rate. In Maryland, for example, 10 percent of the population lives in poverty, but 29.2 percent of single mothers of children under 5 years old live in poverty. The biggest disparities can be found in Kentucky, Maine and West Virginia. In the latter, 18.1 percent of all West Virginians live in poverty, but 64.5 percent of single mothers with small children live in poverty. Overall median household income for families with children varied across states. The average was \$63,176, but figures ranged from \$44,717 in Mississippi to \$88,627 in New Jersey.



2014 MEDIAN HOUSEHOLD INCOME FOR FAMILIES WITH CHILDREN

U.S. AVERAGE = \$63,176

- \$44,717–\$53,354
- \$53,470–\$57,983
- \$58,492–\$65,708
- \$65,830–\$70,007
- \$71,072–\$88,627

Women in the Workforce

Women with young children under the age of 6 look very similar to the overall working-age population in choosing to participate in the workforce in many states; however, in 26 states, the picture is very different.⁴

- While all regions are represented among the 26 states that have the greatest difference in workforce participation rates between women with young children and the overall working-age population, half are in the West.⁵
- Idaho, Utah and Washington have the lowest ratios of women with young children in the workforce as compared to the overall working-age population. In Utah, women with children under the age of 6 are participating in the workforce—either working or looking for work—at 69.6 percent of the rate of the working-age population.⁶
- When faced with family obligations, women are more likely than men to make changes to their careers to accommodate family responsibilities.
 - Many women are not working full time. In Utah, around a third of working women are doing so on a part-time basis. In only New Jersey and the District of Columbia is that rate less than 20 percent.
 - The majority of women who work part time are doing so for non-economic reasons (which could include caregiving responsibilities) in all states but Montana, Missouri and Nevada.
 - According to a Pew Research Center survey from 2013, women were more likely to reduce work hours, take time off, quit their job or turn down a promotion “in order to care for a child or family member.”⁷

In families with young children, women are more likely than men to adjust their career to be a caregiver.⁸ According to a Pew Research Center survey from 2013, 42 percent of mothers reduced work hours and 39 percent took “a significant amount of time off,” to care for a child or family member, compared to fathers’ rates of 28 percent and 24 percent, respectively.

In half of the states, women with young children are participating in the workforce at very similar levels to the overall working-age population.⁹ According to 2014 data, Mississippi is at virtual parity between women with young children and the working-age population solely in terms of workforce participation.¹⁰ In 23 states, the workforce participation of women with young children is 90 to 95 percent of the rate for working-age individuals overall.¹¹

How do women with young children compare to women in general of a working age? Compared to women overall, women with young children are participating in the workforce at higher rates in five states, all of which are in the South—Alabama, Kentucky, Louisiana, Mississippi and South Carolina.¹² Women with children under 6 look very similar to working-age women as a whole in 38 states and the District of Columbia in their decision to pursue work.¹³ In the remaining seven states, six of which are in the West, women with young children are participating in the workforce at rates that are 78.7 percent to almost 90 percent of women overall.¹⁴

The picture is different when comparing women with young children to men of a working age. In six states, women with young children are participating in the workforce at similar rates to men of a working age.¹⁵ However, in 11 states, women with children under 6 are participating in the workforce at less than 80 percent of the rate that working-age men are, and as low as 62.4 percent of men’s participation rates in Utah.¹⁶ In the majority of states, women with young children are participating in the workforce at rates that are between 80 and 90 percent of working-age men.

However, not all women work full time.¹⁷ Up to 34 percent of women in the workforce are working part time in Utah, which represents the highest portion in a given state, compared to 7 percent of working women who work part time in New Jersey. The majority of women who work part time are doing so for non-economic reasons (which could include providing care).¹⁸

There is national variation between mothers of different racial and ethnic groups, according to Pew Research Center. Among Hispanic mothers, 62 percent work, and 38 percent stay at home; most of the non-working moms in this group have a husband who works. For black and white mothers, almost three-quarters work. However, a majority of black stay-at-home mothers in this group are single, while white stay-at-home mothers are more likely to have a husband who works.¹⁹ Across all demographic groupings of mothers, as educational attainment increases so does the employment rate. Seventy-five percent of mothers with some college education are working, while 79 percent of those with at least a bachelor’s degree work. Mothers without a high school diploma or GED are least likely to work—only 49 percent do.

Provision of Child Care— Options Available and Subsidies

Families with children too young to attend school have a couple of options available to them for child care. A parent can stay home, find a relative or friend to provide care, or send a child to a child care facility. Child care outside of the home can take place at a privately run business, a non-profit child care center, a religious institution, a state-funded preschool, Head Start or Early Head Start. Because child care can represent a large expense to families, Congress has authorized the Department of Health and Human Services’ Office of Child Care to administer the Child Care and Development Fund, or CCDF, grants to states to subsidize child care for low-income families while also supporting quality improvement efforts, consumer access to information and child care workforce development.²⁰ Each state defines its own eligibility requirements and can coordinate its block grant with other programs.

RESOURCES

¹ According to calculations done using data from the U.S. Census ACS 2014 estimates for all 50 states and the District of Columbia. Applies to all data discussed for population demographics unless otherwise noted.

² According to calculations done using data from the U.S. Census ACS 2014 estimates for all 50 states and the District of Columbia. Applies to all data discussed for population demographics unless otherwise noted.

³ Ibid.

⁴ Author's analysis of U.S. Census ACS 5-Year Estimates, for 2014. The threshold for "very similar" is a workforce participation rate ratio of 90% or more between women ages 20–64 with children under the age of six and the overall population ages 20–64. Workforce participation indicates individuals either actively looking for work or are employed.

⁵ Ibid.

⁶ Ibid.

⁷ Cohn, D'Vera; Parker, Kim; Livingston, Gretchen; Rohal, Molly. *After Decades of Decline, A Rise in Stay-at-Home Mothers*. Pew Research Center. April 8, 2014. Pg 29, <http://www.pewsocialtrends.org/2014/04/08/after-decades-of-decline-a-rise-in-stay-at-home-mothers/>.

⁸ Ibid.

⁹ Author's analysis of U.S. Census ACS 5-Year Estimates, for 2014. The threshold for "very similar" is a workforce participation rate ratio of 90% or more between women ages 20–64 with children under the age of six and the overall population ages 20–64. Workforce participation indicates individuals either actively looking for work or are employed.

¹⁰ Ibid.

¹¹ Ibid.

¹² Ibid.

¹³ Ibid. Note: Working age women is inclusive of all women, which includes women responsible for dependent children of all ages.

¹⁴ Ibid.

¹⁵ Ibid.

¹⁶ Ibid.

¹⁷ According to Bureau of Labor Statistics 2014 estimates, Table 14 of the Local Area Unemployment Statistics program.

¹⁸ According to definition of terms provided by the Bureau of Labor Statistics data: "At work part time for noneconomic reasons. This group includes those people who usually work part time and were at work 1 to 34 hours during the reference week for a noneconomic reason. Some examples of noneconomic reasons are the following: illness or other medical limitations, childcare problems or other family or personal obligations, school or training, retirement or Social Security limits on earnings, and being in a job in which full-time work is less than 35 hours. The group also includes those who give an economic reason for usually working 1 to 34 hours but say they do not want to work full time or are unavailable for such work."

¹⁹ Cohn, D'Vera; Parker, Kim; Livingston, Gretchen; Rohal, Molly. *After Decades of Decline, A Rise in Stay-at-Home Mothers*. Pew Research Center. April 8, 2014. Pg 17, <http://www.pewsocialtrends.org/2014/04/08/after-decades-of-decline-a-rise-in-stay-at-home-mothers/>.

²⁰ U.S. Department of Health & Human Services Administration for Children & Families Office of Child Care. OCC Fact Sheet, <http://www.acf.hhs.gov/occ/fact-sheet-occ>. U.S. Department of Health & Human Services Administration for Children & Families Office of Child Care. Frequently Asked Questions (FAQs) about the CCDF 2015 NPRM. December 18, 2015, <http://www.acf.hhs.gov/occ/resource/faqs-about-the-ccdf-2015-nprm>.



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