The High Cost of Child Care Puts Quality Care Out of Reach for Many Families

CHILDREN'S DEFENSE FUND

2000

About the Children's Defense Fund

The mission of the Children's Defense Fund is to Leave No Child Behind® and to ensure every child a *Healthy Start*, a *Head Start*, a *Fair Start*, a *Safe Start*, and a *Moral Start* in life and successful passage to adulthood with the help of caring families and communities.

CDF provides a strong, effective voice for *all* the children of America who cannot vote, lobby, or speak for themselves. We pay particular attention to the needs of poor and minority children and those with disabilities. CDF educates the nation about the needs of children and encourages preventive investment before they get sick, into trouble, drop out of school, or suffer family breakdown.

CDF began in 1973 and is a private, nonprofit organization supported by foundation and corporate grants and individual donations. We have never taken government funds.

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ISSUE BRIEF:
THE HIGH COST OF CHILD CARE PUTS QUALITY CARE OUT OF REACH FOR MANY FAMILIES

Highlights

Every day, millions of American parents rely on child care to enable them to work and to provide the early education experiences needed to prepare their children for school. Good early care and education help foster each child's physical well-being and social development and give them opportunities to develop their early learning skills in a safe and secure environment. Yet finding and affording quality child care is a challenge for all families, particularly low-income working parents for whom the cost of quality child care is a real and daily barrier. A recent survey conducted by the Children's Defense Fund (CDF) of child care costs across the country found:

- Child care for a 4-year-old in a child care center averages $4,000 to $6,000 per year in cities and states around the country. Some centers charge $10,000 or more per year. Families with younger children or with more than one child in care face even greater costs.
- The average annual cost of child care for a 4-year-old in an urban area center is more than the average annual cost of public college tuition in all but one state. In some cities, child care costs *twice* as much as college tuition.
- The high cost of child care is difficult for parents to escape. Child care is expensive for families whether they choose to use center care or family child care, whether they live in urban or rural areas, or whether they have infants, preschoolers, or school-age children.
- Low-income families have the fewest choices. They cannot afford not to work, yet even average-priced child care is unaffordable. Non-poor families, on average, spend 7 percent of their income on child care.[1] Even if a two-parent family with both parents working full time at minimum wage ($21,400 a year before taxes) managed to budget 10 percent of their income for child care ($2,140 a year), they would be left several thousand dollars short of what they needed to afford *average-priced* child care, much less the higher prices charged by many better quality centers and family child care homes.
- Many low-income families have no choice but to place their children in lower cost, often lower quality, care. As a result, too many children are cared for in unstimulating or even unsafe settings, depriving them of the opportunity to learn, grow, and thrive. While this is an unacceptable situation under any circumstance, it is particularly alarming given that children from low-income families are at greatest risk for school failure and are most in need of the strong start that high-quality care can provide.

- The dilemma posed for families by high child care costs *cannot* be resolved by asking child care providers to lower their prices. Child care providers operate on extremely tight budgets. A large proportion of a child care program's budget is devoted to staff salaries, which are already unacceptably low. The average salary of a child care worker is under $15,000 a year.[2] Lowering prices would only undermine a child care program's ability to hire a sufficient number of well-trained teachers, purchase adequate materials and equipment, and afford a safe facility.

Neither parents nor child care providers can solve the challenge of high child care costs on their own. Currently, state and federal funds are so insufficient that only one out of 10 children from low-income families who are eligible under federal law receives child care assistance.[3] The federal government, states, local communities, and the private sector must all play a larger role in helping families afford quality child care. This will enable parents to get and keep the jobs they need to support their families and ensure that their children get the strong start they need to succeed in school and in life.

About This Issue Brief

The data in this report were collected from local child care resource and referral agencies (CCR&Rs) through a survey by the Children's Defense Fund. At least one local CCR&R in each state was contacted and asked to provide any available data on child care costs in an urban area, in a rural area, and/or statewide. In 1998, CDF collected similar data from local CCR&Rs. Please note that because the CCR&Rs did not always provide data for the same areas for the two reports and may not have used the same methodology in gathering the information, the 2000 data may not be comparable to the 1998 data.

Issue Brief:

The High Cost of Child Care Puts Quality Care Out of Reach for Many Families

Child Care Is a Fact of Life

Child care is a fact of life for millions of parents working to support their families. In 1998, only 23 percent of all families with children younger than age 6 had one parent working and one who stayed at home.[4] The vast majority of families must rely on child care to help care for their children while the parents go to work.

For many families, having one parent stay home with the children is not a viable alternative. Single parents must work to provide for their families, and two-parent families often need two incomes just to make ends meet. Nationally, the majority (55 percent) of working women provide half or more of their household income,[5] and one out of three children of working mothers is poor even though their mothers work or *would be* poor if their mothers did not work.[6] For these parents, their jobs—and the child care that enables them to keep their jobs—are the difference between climbing out of poverty and falling deeper into it.

Parents rely on child care not only to enable them to work but also to provide the early education experiences that help prepare their children for school. Most children will be enrolled in a center-based program at some point before they enter kindergarten—for example, 65 percent of 4-year-olds and 75 percent of 5-year-olds not yet in kindergarten are cared for in centers on a regular basis.[7]

Child Care Is a Major Financial Burden, Exceeding the Cost of College

A survey of child care costs in the 50 states reveals that child care is one of the biggest expenses families face in raising their children. Child care can easily cost an average of $4,000 to $6,000 per year. In certain areas of the country, families may be spending more than $10,000 a year on child care. Families with infants in care must grapple with particularly high costs. Among the cities surveyed, the average price of center care for infants is generally about $1,100 a year more than the average price of center care for 4-year-olds. These are only costs for one child's care—yet, many families face child care expenses for more than one child.

Given the high cost of child care, parents can easily spend more in a year on child care than they would on public college tuition. The average annual cost of child care for a 4-year-old in an urban area center is more than the average annual cost of public college tuition in *all but one state*. The average cost of child care for *infants* in an urban area center is more than the average cost of public college tuition in *every* state (Appendix, Table A-1).

In a number of states, the average cost of child care not only exceeds the cost of public college tuition but exceeds it by a significant amount. The average cost of center care for a 4-year-old in an urban area is at least *twice* as much as the cost of public college tuition in more than one-quarter of the states (see Table 1 below).

Table 1. States Where the Average Annual Cost of Child Care for a 4-year-old in an Urban Area Center Is at Least Twice the Average Annual Cost of Public College Tuition

State	Urban area	Average annual cost of child care for a 4-year-old in a center	Average annual cost of public college tuition
Alaska	Anchorage	$6,019	$2,769
Arizona	Tucson	4,352	2,158
Florida	Orange County	4,255	2,022
Georgia	Atlanta	4,992	2,442
Idaho	Boise	4,814	2,380
Iowa	Urban areas statewide	6,198	2,869
Kansas	Wichita	4,889	2,392
Massachusetts	Boston	8,121	4,012
Nevada	Reno	4,862	1,956
New Mexico	Albuquerque	4,801	2,180
New York	Rockland County	8,060	3,905
North Carolina	Durham	5,876	1,958
Utah	Salt Lake City	4,550	2,174
Washington	King County (Seattle)	6,604	3,151

See Appendix, Table A-1 for source information and data on child care and public college tuition costs in all states.

The enormous burden that child care costs pose for families is even more striking when the total cost of four years of college is compared to the total cost of child care over the four years before a child enters kindergarten. For instance, in Los Angeles County, California (where college tuition and child care costs are average relative to the other urban areas surveyed), four years of college tuition costs $10,436 whereas four years of child care at an average-priced center costs $23,705 (see the map on the following page for a comparison of costs in other cities around the country).[8]

Four Years of Child Care Costs More Than Four Years of Public College Tuition

As a result, many families across the country find that four years of quality child care is more difficult to afford than four years of college. Parents can find it especially challenging to afford child care because they often need it at a point in their lives when they are just starting out in their jobs and have not had a chance to accumulate much savings. Without some help paying for care, these families will not be able to provide their children with the positive early care and education experiences that will prepare them for school and enable them to succeed.

High Child Care Costs Are Inescapable for Parents Across the Country

The high cost of child care is an inescapable reality for many families, regardless of where they live, what type of care they use, or the age of their children. The average annual cost for a 4-year-old in a child care center exceeds $4,750 in almost two-thirds of the 47 cities surveyed and is more than $5,500 in over one-third of the cities. For example, in Boise, Idaho, the average annual cost of center care for a 4-year-old is $4,814; in Chicago the cost is $5,304; and in Durham, North Carolina, the cost is $5,876 (Appendix, Table A-2).

The cost of care for infants is even higher. The average cost of center care for a 12-month-old is above $5,750 per year in almost two-thirds of the cities surveyed and is more than $6,750 per year in over one-third of the cities surveyed.

But the cost of child care is high not only for families living in urban areas, those using center-based care, or those with younger children—all families face high child care costs. A survey of average child care costs reveals:

- **Child care is costly even in rural areas.** While child care prices are somewhat lower in rural areas, even families in rural communities often cannot escape the high cost of child care. In most of the 43 rural areas for which CDF collected data, the cost of center care for a preschool-age child falls between $3,000 and $6,000 per year. The average annual cost of center care for an infant is over $4,500 in more than half of the rural areas (Appendix, Table A-3).
- **Family child care, while generally less costly than center-based care, is still expensive for many families.** In more than half of the urban areas surveyed, the average cost of family child care for a 4-year-old is over $4,500 per year. Generally, this cost of family child care is even higher for infants, which is particularly significant given that many parents prefer to use family child care when their children are very young (Appendix, Table A-5).
- **Even part-time care for school-age children can total $3,500 per year or more.** School-age children with working parents do not need full-time care, but they often do need care before and after school and during holidays and vacations. The hours spent in care quickly add up, as do the costs. The average cost of school-age care in an urban area center is over $3,000 per year in two-thirds of the states and over $3,500 per year in one-third of the states (Appendix, Table A-8).[9]

- **While some families may be able to avoid these high costs of child care by relying on a relative to provide care, for many families this is not an option.** Many families do not have relatives living close by, or find that their relatives are working to support themselves and their own families. Nearly half of all children under age 5 are cared for by non-relatives on a regular basis.[10] Even when families use relative care, they may still have to pay for it.[11]

Low-Income Families Face Particular Challenges Affording Child Care

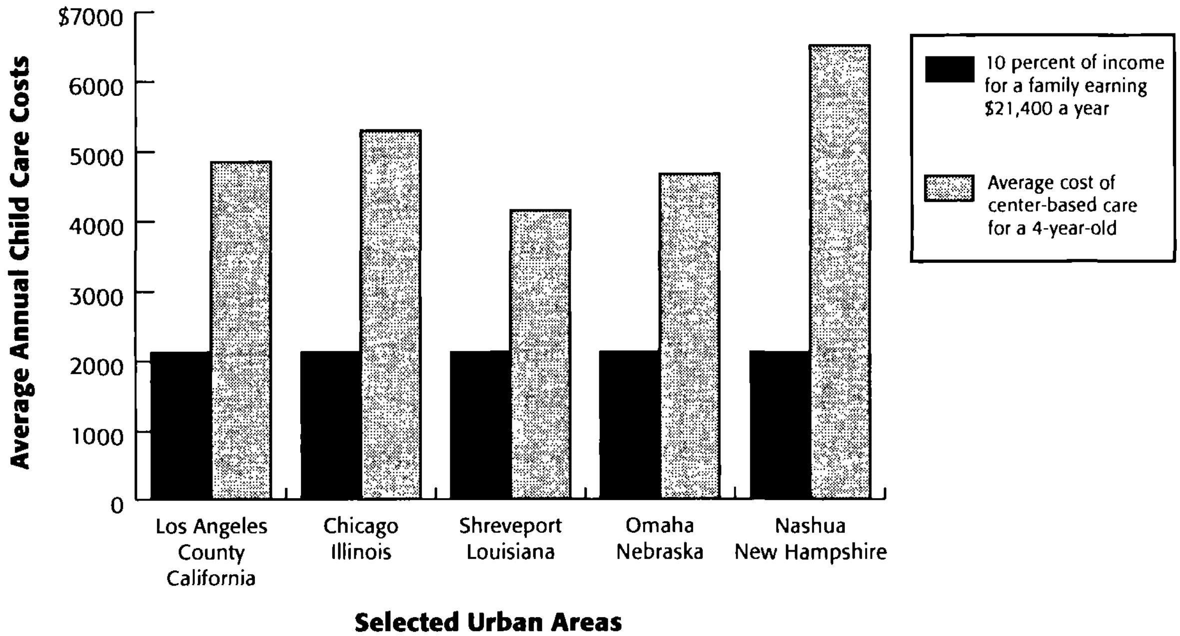
The high cost of care presents a challenge to all families, but it is particularly burdensome for low-income families. These families must have reliable child care so parents can get and keep the jobs they need to lift them out of—and stay out of—poverty. Since the new welfare system no longer assures them a safety net should they lose their jobs, safe and reliable child care has become increasingly important to their families' well-being.

High-quality care is also essential because it can support children's healthy development and can provide low-income children the extra boost they need to enter school ready to succeed. Yet, low-income families, who need child care to keep their jobs and help their children grow and learn, stretch their budgets as much as possible only to find that high-quality care is still out of reach.

If a low-income family with two parents working full time at the federal minimum wage ($21,400 a year before taxes) managed to devote 10 percent of their income to child care—higher than the 7 percent of income that non-poor families spend on average[12]—they would have $2,140 a year available. Given a low-income family's expenses for other essentials such as food, rent, and health care, it would be challenging to find even this much for child care in their budget. Moreover, as shown in the graph on the following page, if this family could budget $1 out of every $10 dollars of their income, they would still be thousands of dollars short of the amount needed to purchase average-priced care for their child in many communities (see Appendix, Table A-11 for data on the shortfall for families living in additional cities). High-quality care, which is often even more expensive, would be, in most cases, impossible to afford.

Low-Income Families Struggle to Afford Child Care

Shortfall Between What 10 Percent of Income Buys for Low-Income Parents and What Average-Price Child Care Costs in Selected Urban Areas



See Appendix, Table A-11 for source information.

Families facing high child care costs have few places to turn for help—only a limited number have access to help paying for child care. State and federal funds are so insufficient that only one out of 10 children in low-income working families who are eligible for this assistance under federal law receives it.[13] Families unable to get the assistance they need must often settle for less expensive, lower-quality care. A survey of parents on waiting lists in Santa Clara County, California, one-third of whom earned less than $10,000 annually, found that 42 percent of parents felt that their children's current child care providers had shortcomings in quality, and 47 percent reported that their child received sporadic individual attention.[14] In Ramsey County, Minnesota, a survey of families on the waiting list found that half would change their child care arrangement if they had assistance.[15]

The Dilemma: Child Care Costs Cannot Go Lower Without Jeopardizing Quality

The problem of high child care costs cannot be remedied by turning to child care providers and asking them to lower their prices, as they already operate on very tight budgets. Just as many working families are squeezing as much out of their limited budgets as possible for child care, child care providers too are tightening their belts as much as possible to limit expenses and have no room to cut costs further. Any additional cuts would lower the quality of care, which is already unacceptable in many programs.

The largest portion of a family child care home or child care center budget is dedicated to staff salaries, which are shockingly low as it is. The average salary of a child care worker is $14,820 per year.[16] Most child care providers also lack benefits such as health insurance or paid sick leave. The low salaries and lack of benefits generate high turnover rates among child care providers. Nationwide, about one-third of child care staff leave their centers each year.[17] This lack of staff continuity is very harmful to children's growth and development, as it breaks the stable relationship they need to have with their caregivers in order to feel safe and secure. Lowering salaries any further would make it even more difficult for child care programs to attract and retain qualified staff and for children to thrive.

Cutting back on the total number of staff in a child care center or family child care home would also diminish the quality of care. Child-staff ratios in many states already allow many child care centers and family child care homes to operate with far too many children per staff member to ensure that children receive adequate supervision and support. A decrease in staff would only make it more difficult for children to receive the one-on-one attention they need to build a strong foundation during their early years.

The remaining costs of operating a child care center or home must go to cover the cost of the facility, equipment, and materials. Children need a safe, roomy facility where they can play; playground equipment that is safe and sturdy; and materials, such as books, crayons, and paper, that allow for learning and creative activities. Yet, far too many programs are unable to invest in these essential components of a quality program. Cutting costs in these areas would further jeopardize children's safety and limit their learning opportunities.

When Quality Child Care Is Unaffordable, Children and Families Pay the Price

Parents shopping for child care find that good quality care cannot be found at a bargain cost—quality care often costs more. Unfortunately, families who are struggling to make ends meet cannot afford these prices, and, in many cases, have no alternative but to choose lower-priced care, which is mediocre at best and at worst could jeopardize a child's health and safety.

Both children and parents suffer from inadequate investments in child care. Parents cannot be reliable, productive workers without dependable child care. If they are dissatisfied with their child care arrangements, they will be distracted at work, worrying whether their children are safe and well cared for. And, worse yet, without a stable child care arrangement that they can count on each day, parents may be unable to keep their jobs and remain independent. A survey of low-income families on the waiting list for child care assistance in North Carolina found that about one out of four lost or had to quit their jobs while waiting.[18]

Child care also shapes the way children learn, think, and grow. The quality of care children receive has a particularly significant impact for children from low-income families who may need an extra boost to start school ready to succeed. If children do not receive the care they need to start them on the path to becoming healthy, productive citizens, it is not only the children and their families who suffer, but all of us as a society.

Addressing the High Cost of Care: A Need for Public Commitment

Neither parents nor child care providers can deal with the challenge of high child care costs on their own. The federal government, states, local communities, and the private sector must all play a stronger role in ensuring that families have access to affordable, quality child care.

Recognizing the link between a strong education and a productive workforce, this country has made a commitment to providing extensive public support for elementary, secondary, and higher education. Yet, the early years before children enter school lay the groundwork for much of their brain development and ability to be successful students. Given this connection, the country must move forward to strengthen our public commitment to early education.

Endnotes

[1] Kristin Smith, *Who's Minding the Kids? Child Care Arrangements, Fall 1995, Current Population Reports, P70-70.* Washington, DC: Census Bureau, October 2000.

[2] U.S. Department of Labor, Bureau of Labor Statistics, *1998 National Occupational Employment and Wage Estimates.* Washington, DC: U.S. Department of Labor, 1999. Available on the Internet at stats.bls.gov/oes/na-tional/oes_nat.htm.

[3] U.S. Department of Health and Human Services, Administration for Children and Families, *Access to Child Care for Low-Income Working Families.* Washington, DC, U.S. Department of Health and Human Services, 1999: i.

[4] U.S. Bureau of the Census, Current Population Reports, P60-206, *Money and Income in the United States: 1998.* Washington, DC: U.S. Government Printing Office, 1999.

[5] Whirlpool Foundation, *Women: The New Providers.* New York: Families and Work Institute, May 1995.

[6] Calculations by the Children's Defense Fund using U.S. Census Bureau 1998 data reported in the *1999 Current Population Survey.*

[7] Census Bureau, *School Enrollment—Social and Economic Characteristics of Students: October 1996 (Update).* Washington, DC: Census Bureau, June 1998.

[8] Child care costs over the four-year period were calculated assuming that two years of care would be purchased at the price of infant care and two years at the price of care for a 4-year-old, since data were only available for children at ages 1 and 4. See Appendix, Table A-1 for more information. Costs over the four-year period were calculated from the raw data, and not the cost data presented in the Appendix, which are rounded to the nearest dollar.

[9] Annual school-age child care costs were calculated from hourly and/or weekly costs reported by resource and referral agencies for a survey by the Children's Defense Fund. The annual costs include costs for before- and after-school care during school days and costs for care during summer vacations and school holidays. In calculating annual school-age costs from hourly cost data, CDF assumed that children of working parents are in before- and after-school care for a total of 3.5 hours per day, 180 days per year, and in full-day care (8 hours per day) during 71 non-school weekdays (the remaining days would be either weekends or the parents' vacation time).

[10] Kristin Smith, *Who's Minding the Kids? Child Care Arrangements, Fall 1995, Current Population Reports, P70-70.* Washington, DC: Census Bureau, October 2000.

[11] Sandra L. Hofferth, April Brayfield, Sharon Deich, and Pamela Holcomb, *National Child Care Survey, 1990.* Washington, DC: The Urban Institute Press, 1991.

[12] Kristin Smith, *Who's Minding the Kids? Child Care Arrangements, Fall 1995, Current Population Reports, P70-70.* Washington, DC: Census Bureau, October 2000.

[13] U.S. Department of Health and Human Services, Administration for Children and Families, *Access to Child Care for Low-Income Working Families.* Washington, DC: U.S. Department of Health and Human Services, 1999: i.

[14] Casey Coonerty and Tamsin Levy, *Waiting for Child Care: How Do Parents Adjust to Scarce Options in Santa Clara County?* Berkeley, CA: Policy Analysis for California Education, 1998: 10.

[15] Deborah Shlick, Mary Daly, and Lee Bradford, *Faces on the Waiting List: Waiting for Child Care Assistance in Ramsey County.* Ramsey County, MN: Ramsey County Human Services, 1999: ii-iii. Survey conducted by the Minnesota Center for Survey Research at the University of Minnesota.

[16] U.S. Department of Labor, Bureau of Labor Statistics, *1998 National Occupational Employment and Wage Estimates.* Washington, DC: U.S. Department of Labor, 1999. Available on the Internet at stats.bls.gov/oes/na-tional/oes_nat.htm.

[17] Marcy Whitebook, Carollee Howes, and Deborah Phillips, *Worthy Work, Unlivable Wages: The National Child Care Staffing Study, 1988-1997.* Washington, DC: Center for the Child Care Workforce, 1998.

[18] Jeffrey D. Lyons, Susan D. Russell, Christina Gilgor, and Amy H. Staples, *Child Care Subsidy: The Costs of Waiting.* Chapel Hill, NC: Day Care Services Association, September 1998.

APPENDIX: TABLES AND KEY SUMMARY POINTS

Key Findings from Table A-1. Comparison of Child Care Costs to Public College Tuition Costs

- In every state, the cost of child care for an infant in an urban area center is more than the cost of public college tuition.
- In all states but Vermont, the cost of child care for a 4-year-old in an urban area center is more than the cost of public college tuition.
- In more than half of the states (27 of 50), the average cost of child care for an infant in an urban area center is more than twice the cost of public college tuition.
- In over one-quarter of the states (14 of 50), the average cost of child care for a 4-year-old in an urban area center is more than twice the cost of public college tuition.

Table A-1. Comparison of Average Annual Child Care Costs in Urban Area Centers to Average Annual Public College Tuition Costs

State	Urban area	Average annual cost in a child care center: For a 12-month-old	Average annual cost in a child care center: For a 4-year-old	Comparison of average child care costs to the average cost of public college tuition: Average annual cost of public college tuition	As percent of child care costs for a 12-month-old	As percent of child care costs for a 4-year-old
Alabama	Jefferson County (Birmingham)	$4,242	$3,672	$2,621	62%	71%
Alaska	Anchorage	7,176	6,019	2,769	39	46
Arizona	Tucson	4,965	4,352	2,158	43	50
Arkansas	Conway/Springdale	3,900	3,640	2,590	66	71
California	Los Angeles County	6,995	4,858	2,609	37	54
Colorado	Denver	6,760	5,096	2,685	40	53
Connecticut	Hartford	8,086	6,405	4,345	54	68
Delaware	New Castle County	6,297	5,510	4,462	71	81
Florida	Orange County	5,708	4,255	2,022	35	48
Georgia	Atlanta	6,032	4,992	2,442	40	49
Hawaii	Makiki	7,815	5,505	2,880	37	52
Idaho	Boise	5,881	4,814	2,380	40	49
Illinois	Chicago	8,840	5,304	3,845	43	72
Indiana*	Statewide	6,552	4,732	3,490	53	74
Iowa	Urban areas statewide	6,750	6,198	2,869	43	46
Kansas	Wichita	5,824	4,889	2,392	41	49
Kentucky	Louisville	4,992	4,368	2,516	50	58
Louisiana	Shreveport	4,680	4,160	2,379	51	57
Maine	Cumberland County	7,670	5,790	4,058	53	70
Maryland	Baltimore (city)	8,461	4,774	4,359	52	91
Massachusetts	Boston	12,978	8,121	4,012	31	49
Michigan	Detroit	6,268	4,830	4,277	68	89
Minnesota	St. Paul	10,414	7,436	3,866	37	52
Mississippi*	Statewide	3,692	3,380	2,859	77	85
Missouri	Kansas City metro area	6,604	4,784	3,550	54	74
Montana	Billings	5,720	4,680	2,795	49	60
Nebraska*	Omaha	5,720	4,680	2,627	46	56
Nevada	Reno	5,850	4,862	1,956	33	40
New Hampshire	Nashua	9,046	6,520	5,753	64	88
New Jersey	Trenton	6,610	5,252	4,951	75	94
New Mexico	Albuquerque	5,607	4,801	2,180	39	45
New York*	Rockland County	9,048	8,060	3,905	43	48
North Carolina*	Durham	6,968	5,876	1,958	28	33
North Dakota	Bismarck	4,961	4,627	2,686	54	58

(table continues)

Table A-1. Comparison of Average Annual Child Care Costs in Urban Area Centers to Average Annual Public College Tuition Costs (continued)

State	Urban area	Average annual cost in a child care center: For a 12-month-old	Average annual cost in a child care center: For a 4-year-old	Comparison of average child care costs to the average cost of public college tuition: Average annual cost of public college tuition	As percent of child care costs for a 12-month-old	As percent of child care costs for a 4-year-old
Ohio	Cincinnati	$7,240	$5,672	$4,258	59%	75%
Oklahoma	Tulsa, Oklahoma City metro area, Lawton	4,967	4,108	2,068	42	50
Oregon*	Urban areas	7,680	5,580	3,561	46	64
Pennsylvania	Pittsburgh	7,384	6,188	5,327	72	86
Rhode Island*	Statewide	7,752	6,365	4,158	54	65
South Carolina	Columbia	4,004	3,900	3,520	88	90
South Dakota	Brookings, Clay, Lawrence, Lincoln, Minnehaha, Pennington, and Union Counties	4,846	4,243	3,038	63	72
Tennessee	Knoxville	5,200	4,420	2,495	48	56
Texas	Dallas	5,356	4,160	2,432	45	58
Utah	Salt Lake City	5,928	4,550	2,174	37	48
Vermont	Burlington	6,864	5,980	6,751	98	113
Virginia	Roanoke	6,136	4,857	4,160	68	86
Washington	King County (Seattle)	7,696	6,604	3,151	41	48
West Virginia	Urban areas statewide	5,538	4,238	2,337	42	55
Wisconsin*	Urban areas (excluding Dane and Milwaukee)	7,526	6,104	3,113	41	51
Wyoming	Cheyenne	4,160	4,056	2,330	56	57

*NOTES: Indiana, Mississippi and Rhode Island did not provide cost data for an urban area; therefore, statewide data are used instead.
New York did not provide data for an urban area, so data from a suburban area adjacent to New York City are used here.
North Carolina and Oregon provided median annual costs (which is the cost that half of providers charge more than and half charge less than) rather than average costs.
Nebraska and Wisconsin data are combined annual averages for center and family child care costs.

SOURCES: Data on public college tuition costs from U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS), "Fall Enrollment" and "Institutional Characteristics" surveys. As reported in "Table 318.- Average undergraduate tuition and fees and room and board rates paid by full-time-equivalent students in degree-granting institutions, by control of institution and by state: 1997-98 and 1998-99" *Digest of Education Statistics, 1999.* NCES. May 2000. http://nces.ed.gov/pubs2000/digest99/d99t318.html
Data for average tuition costs are preliminary data based on fall 1997 enrollments. Data are for the entire academic year and are average charges. Tuition is weighted by the number of full-time-equivalent undergraduates in 1997, but is not adjusted to reflect student residency.
Data on child care costs collected from local resource and referral agencies in a survey by the Children's Defense Fund, Spring 2000.

Key Findings from Tables A-2 through A-4. Child Care Centers: Average Annual Costs

- The average annual cost of center care for a 4-year-old in an urban area ranges from $3,640 in Arkansas to $8,121 in Massachusetts. In almost two-thirds of the cities for which we have data (30 of 47), the average annual cost is above $4,750. The average annual cost exceeds $5,500 in over one-third of the states (17 of 47, Table A-2).

- The average annual cost of center care for an infant in an urban area ranges from $3,900 in Arkansas to $12,978 in Massachusetts. In almost two-thirds of the states (30 of 47), the average annual cost is over $5,750. The average cost is over $6,750 per year in more than one-third of the states (19 of 47, Table A-2).

- The average annual cost of center care for a 4-year-old in a rural area ranges from $2,556 in Nebraska to $7,150 in Alaska. In almost half of the states for which we have data (20 of 43), the average annual cost exceeds $4,000. In over one-third of rural areas (15 of 43), the average annual cost exceeds $4,500 (Table A-3).

- The average annual cost of center care for an infant in a rural area ranges from $3,380 in Arkansas, North Carolina and South Carolina to $7,475 in Alaska. In more than half of the states (25 of 43), the average annual cost is over $4,500. One-third (15 of 43) have average costs of more than $5,000 per year (Table A-3).

- Center care for a 4-year-old or an infant in an urban area can cost hundreds or thousands of dollars more per year than center care in a rural area, but there are exceptions. For example, the average annual cost of center care for a 12-month-old in Cheyenne, Wyoming is $4,160 per year while the average annual cost in Campbell County is $4,524. Costs of center care for a 4-year-old average $4,858 per year in Los Angeles County, California, while costs average $5,623 per year in Fresno County (Tables A-2 and A-3).

- The statewide average annual cost of center care for a 4-year-old ranges from $3,380 in Mississippi to $7,389 in Alaska. In more than half of the states for which we have data (21 of 37), the average annual cost is over $4,500. About one-quarter of the states (9 of 37) have statewide average costs of more than $5,500 per year (Table A-4).

- The statewide average annual cost of center care for an infant ranges from $3,692 in Mississippi to $9,509 in Minnesota. In more than half of the states (21 of 37), the average cost exceeds $5,500 per year. In nearly one-third of the states (12 of 37), the average statewide cost of center care for an infant is over $6,500. In seven states, the average cost is more than $7,500 per year (Table A-4).

Table A-2. Child Care Centers: Average Annual Costs in Urban Areas

State	Urban area (47 urban areas total)	Average annual cost of center care for a 4-year-old	Average annual cost of center care for a 12-month-old
Alabama	Jefferson County (Birmingham)	$3,672	$4,242
Alaska	Anchorage	6,019	7,176
Arizona	Tucson	4,352	4,965
Arkansas	Conway/Springdale	3,640	3,900
California	Los Angeles County	4,858	6,995
Colorado	Denver	5,096	6,760
Connecticut	Hartford	6,405	8,086
Delaware	New Castle County	5,510	6,297
Florida	Orange County	4,255	5,708
Georgia	Atlanta	4,992	6,032
Hawaii	Makiki	5,505	7,815
Idaho	Boise	4,814	5,881
Illinois	Chicago	5,304	8,840
Indiana		not available	
Iowa	Urban areas statewide	6,198	6,750
Kansas	Wichita	4,889	5,824
Kentucky	Louisville	4,368	4,992
Louisiana	Shreveport	4,160	4,680
Maine	Cumberland County	5,790	7,670
Maryland	Baltimore (city)	4,774	8,461
Massachusetts	Boston	8,121	12,978
Michigan	Detroit	4,830	6,268
Minnesota	St. Paul	7,436	10,414
Mississippi		not available	
Missouri	Kansas City metro area	4,784	6,604
Montana	Billings	4,680	5,720
Nebraska*	Omaha	4,680	5,720
Nevada	Reno	4,862	5,850
New Hampshire	Nashua	6,520	9,046
New Jersey	Trenton	5,252	6,610
New Mexico*	Albuquerque	4,801	5,607
New York*	Rockland County	8,060	9,048
North Carolina*	Durham	5,876	6,968
North Dakota	Bismarck	4,627	4,961
Ohio	Cincinnati	5,672	7,240
Oklahoma	Tulsa, Oklahoma City metro area, Lawton	4,108	4,967
Oregon*	Urban areas	5,580	7,680
Pennsylvania	Pittsburgh	6,188	7,384
Rhode Island		not available	

(table continues)

Table A-2. Child Care Centers: Average Annual Costs in Urban Areas (continued)

State	Urban area (47 urban areas total)	Average annual cost of center care for a 4-year-old	Average annual cost of center care for a 12-month-old
South Carolina	Columbia	$3,900	$4,004
South Dakota	Brookings, Clay, Lawrence, Lincoln, Minnehaha, Pennington, and Union Counties	4,243	4,846
Tennessee	Knoxville	4,420	5,200
Texas	Dallas	4,160	5,356
Utah	Salt Lake City	4,550	5,928
Vermont	Burlington	5,980	6,864
Virginia	Roanoke	4,857	6,136
Washington	King County (Seattle)	6,604	7,696
West Virginia	Huntington, Charleston, Parkersburg	4,238	5,538
Wisconsin*	Urban areas (excluding Dane and Milwaukee)	6,104	7,526
Wyoming	Cheyenne	4,056	4,160

*NOTES: Nebraska and Wisconsin data are combined annual averages for center and family child care costs.
New York data are from a suburban county adjacent to New York City.
North Carolina and Oregon data are median annual costs rather than average annual costs.

SOURCE: Data collected from local resource and referral agencies in a survey by the Children's Defense Fund, Spring 2000.

Table A-3. Child Care Centers: Average Annual Costs in Rural Areas

State	Rural area (43 urban areas total)	Average annual cost of center care for a 4-year-old	Average annual cost of center care for a 12-month-old
Alabama	Walter and Blount Counties	$3,215	$3,549
Alaska	Kodiak	7,150	7,475
Arizona	Cochise County	3,346	4,853
Arkansas	NE and NW Arkansas	3,120	3,380
California	Fresno County	5,623	7,188
Colorado	Washington County	3,380	3,900
Connecticut	Plainfield	5,525	6,240
Delaware	Sussex County	3,815	4,178
Florida	Santa Rosa County	3,662	4,801
Georgia	Tifton	3,536	3,640
Hawaii	Hilo	4,846	5,280
Idaho	SE Idaho Counties	3,316	3,908
Illinois	Sangamon County	4,628	6,032
Indiana		not available	
Iowa	Rural areas statewide	5,018	5,278
Kansas	Finney County-Garden City	4,108	4,680
Kentucky	Shelby County	3,848	4,160
Louisiana	Bienville Parish	3,380	3,900
Maine	Somerset County	3,900	4,680
Maryland	Allegany, Garrett, and Washington Counties	3,894	5,216
Massachusetts		not available	
Michigan	Lake	4,677	5,200
Minnesota	Clay County	4,712	5,850
Mississippi		not available	
Missouri	St. Joseph and SE Missouri	3,016	3,536
Montana	Stillwater County	4,160	4,680
Nebraska*	Kearney	2,556	3,570
Nevada	Fallon	4,862	4,758
New Hampshire	Cheshire County	5,595	6,813
New Jersey		not available	
New Mexico		not available	
New York	Genesee County	5,460	5,720
North Carolina*	Scotland County	3,380	3,380
North Dakota	Linton	3,510	3,510

(table continues)

Table A-3. Child Care Centers: Average Annual Costs in Rural Areas (continued)

State	Rural area (43 urban areas total)	Average annual cost of center care for a 4-year-old	Average annual cost of center care for a 12-month-old
Ohio	Preble County	$4,049	$4,628
Oklahoma	Rural areas statewide	3,057	3,540
Oregon*	Rural areas	4,188	5,280
Pennsylvania	Cumberland County	6,034	6,914
Rhode Island		not available	
South Carolina	Lee County	3,380	3,380
South Dakota	Rural areas statewide	3,536	3,744
Tennessee	Sevierville	3,380	3,900
Texas	Ellis	3,068	4,264
Utah	Six counties	3,474	3,987
Vermont		not available	
Virginia	West Point	4,680	5,980
Washington	Chelan, Douglas, and Okanogan Counties	4,524	4,992
West Virginia	Rural areas statewide	4,056	4,758
Wisconsin*	Rural areas statewide	4,698	5,816
Wyoming	Campbell County	3,276	4,524

*NOTES: Nebraska and Wisconsin data are combined center and family child care costs.
North Carolina and Oregon data are median costs rather than average costs.

SOURCE: Data collected from local resource and referral agencies in a survey by the Children's Defense Fund, Spring 2000.

Table A-4. Child Care Centers: Average Annual Costs Statewide

State (37 states total)	Average annual cost of center care for a 4-year-old	Average annual cost of center care for a 12-month-old
Alabama	not available	
Alaska	$7,389	$7,657
Arizona	not available	
Arkansas	3,900	4,420
California	5,708	8,104
Colorado	5,408	6,760
Connecticut	6,818	8,697
Delaware	4,955	5,522
Florida	4,079	5,133
Georgia	not available	
Hawaii	5,035	6,772
Idaho	3,744	3,951
Illinois	not available	
Indiana	4,732	6,552
Iowa	5,512	5,845
Kansas	5,616	7,696
Kentucky	3,640	4,108
Louisiana	3,900	4,420
Maine	4,899	5,527
Maryland	5,272	8,540
Massachusetts	not available	
Michigan	5,640	7,120
Minnesota	7,055	9,509
Mississippi	3,380	3,692
Missouri	4,118	5,239
Montana	not available	
Nebraska*	3,759	5,722
Nevada	4,862	5,850
New Hampshire	5,765	7,162
New Jersey	not available	
New Mexico	not available	
New York	not available	
North Carolina*	3,900	4,680
North Dakota	4,521	4,521

(table continues)

Table A-4. Child Care Centers: Average Annual Costs Statewide (continued)

State (37 states total)	Average annual cost of center care for a 4-year-old	Average annual cost of center care for a 12-month-old
Ohio	$4,295	$5,373
Oklahoma	3,757	4,374
Oregon*	4,920	6,480
Pennsylvania	not available	
Rhode Island	6,365	7,752
South Carolina	3,744	4,056
South Dakota	4,098	4,368
Tennessee	not available	
Texas	3,796	4,316
Utah	not available	
Vermont	not available	
Virginia	5,200	6,136
Washington	5,408	6,136
West Virginia	3,796	5,148
Wisconsin*	5,081	6,283
Wyoming	4,368	4,680

*NOTES: Nebraska and Wisconsin data are combined center and family child care costs.
North Carolina and Oregon data are median costs rather than average costs.
Wisconsin data do not include data from Dane or Milwaukee.

SOURCE: Data collected from local resource and referral agencies in a survey by the Children's Defense Fund, Spring 2000.

Key Findings from Tables A-5 through A-7. Family Child Care: Average Annual Costs

- In general, family child care is a few hundred dollars less expensive than center care. However, in some instances, family child care is more expensive. For example, in Conway and Springdale, Arkansas, the average annual cost of center care for a 4-year-old is $3,640 while family child care costs an average of $3,900 per year. The average annual cost of center care for an infant in Plainfield, Connecticut is $6,240 while family child care costs there average $6,456 per year (Tables A-2, A-3, A-5, and A-6).

- The average annual cost of family child care for a 4-year-old in an urban area ranges from $3,120 in Idaho to $7,623 in New York. More than half of the states for which we have data (23 of 43) have average annual costs over $4,500, including one-third of the states (14 of 43) with costs over $5,000 (Table A-5).

- The average annual cost of family child care for an infant in an urban area ranges from $3,380 in Idaho to $7,935 in New York. In half of the states (21 of 43), average annual costs exceed $5,000. The average cost is over $5,500 per year in more than one-third of the states (15 of 43, Table A-5).

- The average annual cost of family child care for a 4-year-old in a rural area ranges from $2,556 in Nebraska to $7,475 in Alaska. More than half of the states for which we have data (23 of 40) have average costs of over $3,600 per year. In almost one-third of the states (13 of 40), the average annual costs are over $4,000 (Table A-6).

- The average annual cost of family child care for an infant in a rural area ranges from $2,990 in Missouri to $7,475 in Alaska. In more than half of the states (23 of 40), average annual costs are over $4,000. In one-quarter of the states (11 of 40), average annual costs are above $4,500 (Table A-6).

- The statewide average annual cost of family child care for a 4-year-old ranges from $2,340 in Mississippi to $6,694 in Connecticut. In more than half of the states (20 of 35), the average annual cost exceeds $4,000. The statewide average annual cost is over $4,500 in one-third of the states (12 of 35, Table A-7).

- The statewide average annual cost of family child care for an infant ranges from $2,600 in Mississippi to $7,410 in Alaska. More than half of the states (20 of 35) have average costs over $4,500 per year. The statewide average annual cost is over $5,000 in nearly one-third of the states (12 of 35, Table A-7).

Table A-5. Family Child Care: Average Annual Costs in Urban Areas

State	Urban area (43 urban areas total)	Average annual cost of center care for a 4-year-old	Average annual cost of center care for a 12-month-old
Alabama	Jefferson County (Birmingham)	$3,615	$3,742
Alaska	Anchorage	5,788	6,450
Arizona	Tucson	4,144	4,197
Arkansas	Springdale	3,900	4,680
California	Los Angeles County	5,033	5,533
Colorado	Denver County	5,200	5,668
Connecticut	Hartford	5,086	5,557
Delaware	New Castle County	4,903	5,184
Florida	Orange County	4,142	4,549
Georgia		not available	
Hawaii	Makiki	5,113	5,283
Idaho	Boise	3,120	3,380
Illinois	Chicago	5,044	5,616
Indiana		not available	
Iowa	Urban areas statewide	4,716	4,950
Kansas	Wichita	4,140	4,636
Kentucky	Louisville	4,160	4,524
Louisiana	Shreveport	not available	
Maine	Cumberland County	4,909	5,215
Maryland	Baltimore (city)	4,605	5,613
Massachusetts	Boston	7,259	7,726
Michigan	Detroit	4,547	5,355
Minnesota	St. Paul	5,294	6,237
Mississippi		not available	
Missouri	Kansas City metro area	4,732	5,512
Montana	Billings	3,900	4,160
Nebraska*	Omaha	4,680	5,720
Nevada	Reno/Sparks	4,420	4,550
New Hampshire	Nashua	6,058	6,807
New Jersey	Trenton	4,279	4,856
New Mexico	Albuquerque	4,042	4,380
New York*	Rockland County	7,623	7,935
North Carolina*	Durham	5,200	5,980
North Dakota	Bismarck	4,161	4,175

(table continues)

Table A-5. Family Child Care: Average Annual Costs in Urban Areas (continued)

State	Urban area (43 urban areas total)	Average annual cost of center care for a 4-year-old	Average annual cost of center care for a 12-month-old
Ohio	Cincinnati	$4,605	$5,115
Oklahoma	Tulsa, Oklahoma City metro area, and Lawton	3,445	3,973
Oregon*	Urban areas	4,560	4,800
Pennsylvania		not available	
Rhode Island		not available	
South Carolina	Columbia	3,588	3,640
South Dakota	Brookings, Clay, Lawrence, Minnehaha, Pennington, and Union Counties	3,640	3,952
Tennessee	Knoxville	3,900	4,420
Texas	Dallas County	4,160	4,784
Utah	Salt Lake City	4,290	4,810
Vermont	Burlington	5,096	5,304
Virginia	Roanoke	3,740	3,755
Washington	King County (Seattle)	5,356	6,344
West Virginia		not available	
Wisconsin*	Urban areas (excluding Dane and Milwaukee)	6,104	7,526
Wyoming	Cheyenne	4,090	4,224

*NOTES: Nebraska and Wisconsin data are combined center and family child care costs.
New York data are from a suburban county adjacent to New York City.
North Carolina and Oregon data are median costs, rather than average costs.

SOURCE: Data collected from local resource and referral agencies in a survey by the Children's Defense Fund, Spring 2000.

Table A-6. Family Child Care: Average Annual Costs in Rural Areas

State	Rural area (40 rural areas total)	Average annual cost of center care for a 4-year-old	Average annual cost of center care for a 12-month-old
Alabama	Walter and Blount Counties	$3,239	$3,246
Alaska	Kodiak	7,475	7,475
Arizona	Cochise County	3,914	4,043
Arkansas	NE and NW Arkansas	2,860	3,380
California	Fresno County	4,819	4,993
Colorado	Yuma County	3,536	3,536
Connecticut	Plainfield	6,292	6,456
Delaware	Sussex County	3,527	3,685
Florida	Santa Rosa County	3,807	4,085
Georgia		not available	
Hawaii	Hilo	3,907	3,932
Idaho	Rural SE Idaho Counties	3,475	4,142
Illinois	Sangamon County	3,952	4,316
Indiana		not available	
Iowa	Rural areas statewide	4,233	4,248
Kansas	Finney County-Garden City	3,380	4,160
Kentucky	Shelby County	3,692	4,160
Louisiana	Bienville Parish	not available	
Maine	Somerset County	3,120	3,692
Maryland	Allegany, Garrett, Washington Counties	3,943	4,423
Massachusetts		not available	
Michigan	Lake	4,459	4,681
Minnesota	Clay County	4,219	4,519
Mississippi		not available	
Missouri	St. Joseph and SE Missouri	2,626	2,990
Montana	Stillwater County	3,640	3,900
Nebraska*	Kearney	2,556	3,570
Nevada	Carson City	4,550	4,550
New Hampshire	Cheshire County	4,374	4,562
New Jersey		not available	
New Mexico		not available	
New York	Genesee County	4,680	4,940
North Carolina*	Scotland County	3,380	3,380

(table continues)

Table A-6. Family Child Care: Average Annual Costs in Rural Areas (continued)

State	Rural area (40 rural areas total)	Average annual cost of center care for a 4-year-old	Average annual cost of center care for a 12-month-old
Ohio	Preble County	$4,056	$3,640
Oklahoma	Rural areas statewide	2,933	3,315
Oregon*	Rural areas	4,020	4,380
Pennsylvania		not available	
Rhode Island		not available	
South Carolina	Lee County	3,120	3,120
South Dakota	Rural areas statewide	3,120	3,245
Tennessee	Sevierville	3,380	3,640
Texas	Ellis County	3,276	3,588
Utah	Six counties	3,648	4,019
Vermont	Hinesburg and Chittenden	4,680	4,732
Virginia	West Point	3,120	4,160
Washington	Chelan, Douglas, and Okanogan Counties	3,692	4,420
West Virginia		not available	
Wisconsin*	Rural areas statewide	4,698	5,816
Wyoming	Campbell County	3,992	4,517

*NOTES: Nebraska and Wisconsin data are combined center and family child care costs.
North Carolina and Oregon data are median costs, rather than average costs.

SOURCE: Data collected from local resource and referral agencies in a survey by the Children's Defense Fund, Spring 2000.

Table A-7. Family Child Care: Average Annual Costs Statewide

State (35 states total)	Average annual cost of family child care for a 4-year-old	Average annual cost of family child care for a 12-month-old
Alabama	not available	
Alaska	$6,344	$7,410
Arizona	not available	
Arkansas	3,380	3,900
California	5,318	5,787
Colorado	4,524	4,888
Connecticut	6,694	7,022
Delaware	4,398	4,645
Florida	4,193	4,627
Georgia	not available	
Hawaii	4,713	4,741
Idaho	3,474	3,658
Illinois	not available	
Indiana	3,900	4,316
Iowa	4,467	4,592
Kansas	3,900	4,420
Kentucky	3,432	3,588
Louisiana	not available	
Maine	3,982	4,340
Maryland	4,799	5,787
Massachusetts	not available	
Michigan	5,248	5,505
Minnesota	5,046	5,828
Mississippi	2,340	2,600
Missouri	3,666	4,108
Montana	not available	
Nebraska*	3,759	5,722
Nevada	4,680	4,940
New Hampshire	5,381	5,866
New Jersey	not available	
New Mexico	not available	
New York	not available	
North Carolina*	3,380	3,640
North Dakota	4,108	4,114

(table continues)

Table A-7. Family Child Care: Average Annual Costs Statewide (continued)

State (35 states total)	Average annual cost of family child care for a 4-year-old	Average annual cost of family child care for a 12-month-old
Ohio	$4,423	$4,702
Oklahoma	3,201	3,708
Oregon*	4,200	4,680
Pennsylvania	not available	
Rhode Island	5,377	5,854
South Carolina	3,380	3,432
South Dakota	3,390	3,598
Tennessee	not available	
Texas	3,640	3,900
Utah	not available	
Vermont	not available	
Virginia	3,900	5,200
Washington	4,420	5,148
West Virginia	not available	
Wisconsin*	5,081	6,283
Wyoming	4,154	4,390

*NOTES: Nebraska and Wisconsin data are combined center and family child care costs.
North Carolina and Oregon data are median costs, rather than average costs.
Wisconsin data do not include data from Dane or Milwaukee.

SOURCE: Data collected from local resource and referral agencies in a survey by the Children's Defense Fund, Spring 2000.

Key Findings from Tables A-8 through A-10. School-Age Care: Average Annual Costs

- The average annual cost of care for a school-age child in an urban area center is over $3,000 in two-thirds of the states for which we have data (29 of 44) and over $3,500 in one-third of the states (15 of 44, Table A-8).

- The average annual cost of family child care for a school-age child in an urban area is over $3,000 in half of the states for which we have data (20 of 40). In one-quarter of the states (10 of 40), average costs exceed $4,000 per year (Table A-8).

- In half of the rural areas for which we have data (19 of 39), the average annual cost of care for a school-age child in a center is more than $2,500 and in nearly one-third of the states (12 of 39), average annual costs are above $3,000 (Table A-9).

- The average annual cost of family child care for a school-age child in a rural area is over $2,500 in almost half of the states (17 of 37, Table A-9).

Table A-8. School-Age Care: Average Annual Costs in Urban Areas

State	Urban area (45 urban areas total)	Average annual cost for center care for a school-age child	Average annual cost for family child care for a school-age child
Alabama	Jefferson County (Birmingham)	$3,033	$3,541
Alaska	Anchorage	not available	2,300
Arizona	Tucson	2,444	not available
Arkansas	Conway/Springdale	2,396	2,995
California	Los Angeles County	4,086	3,568
Colorado	Denver	4,940	3,120
Connecticut	Hartford	4,493	4,181
Delaware	New Castle County	3,145	2,740
Florida	Pinellas County	2,345	2,860
Georgia	Atlanta	3,834	not available
Hawaii*		not available	
Idaho	Boise	4,445	3,247
Illinois	Chicago	3,328	5,092
Indiana		not available	
Iowa	Urban areas statewide	2,288	2,108
Kansas	Wichita	2,612	2,444
Kentucky	Louisville	3,295	3,402
Louisiana	Shreveport	2,791	not available
Maine	Cumberland County	3,172	2,582
Maryland	Baltimore (city)	3,618	4,121
Massachusetts	Boston	4,895	4,875
Michigan	Detroit	2,192	2,516
Minnesota	St. Paul	6,433	4,073
Mississippi		not available	
Missouri	Kansas City Metro Area	3,588	3,172
Montana	Billings	3,295	2,995
Nebraska*	Omaha	3,295	3,295
Nevada	Reno	2,492	2,576
New Hampshire	Nashua	4,193	4,624
New Jersey	Trenton	2,444	3,594
New Mexico		not available	
New York*	Rockland County	3,917	5,990
North Carolina*	Durham	2,860	2,652
North Dakota	Bismarck	3,211	4,152
Ohio	Cincinnati	5,463	3,199
Oklahoma	Tulsa, Oklahoma City metro area, Lawton	3,311	2,863
Oregon*	Urban areas	2,995	2,660
Pennsylvania	Pittsburgh	3,380	not available
Rhode Island		not available	

(table continues)

Table A-8. School-Age Care: Average Annual Costs in Urban Areas (continued)

State	Urban area (45 urban areas total)	Average annual cost for center care for a school-age child	Average annual cost for family child care for a school-age child
South Carolina	Columbia	$3,594	$2,995
South Dakota	Brookings, Clay, Lawrence, Lincoln, Minnehaha, Pennington, and Union Counties	1,869	2,097
Tennessee	Knoxville	3,423	3,765
Texas	Dallas	3,055	2,995
Utah	Salt Lake City	2,396	2,396
Vermont	Burlington	3,081	4,193
Virginia	Roanoke	2,971	2,396
Washington	King County (Seattle)	3,965	2,995
West Virginia	Huntington, Charleston, Parkersburg	3,432	not available
Wisconsin*	Urban areas (excluding Dane and Milwaukee)	4,289	4,289
Wyoming	Cheyenne	1,905	1,881

*NOTES: Hawaii's Department of Education funds the "A+" After-School Program in every school in the state. The program is available to all parents on a sliding fee scale basis.
Nebraska and Wisconsin data are combined center and family child care costs.
New York data are from a suburban county adjacent to New York City.
North Carolina and Oregon data are median costs, rather than average costs.

SOURCE: Annual costs were calculated from hourly and/or weekly costs reported by local resource and referral agencies in a survey by the Children's Defense Fund, Spring 2000. The annual costs include costs for before- and after-school care during school days and costs for care during summer vacations and school holidays. In converting hourly school-age costs to annual costs, CDF assumed that children of working parents are in before- and after-school care for a total of 3.5 hours per day, 180 days per year and in full-day care (8 hours per day) during 71 non-school weekdays. (The remaining days would be either weekends or the parents' vacation time.)

Table A-9. School-Age Care: Average Annual Costs in Rural Areas

State	Rural area (41 rural areas total)	Average annual cost for center care for a school-age child	Average annual cost for family child care for a school-age child
Alabama	Walter and Blount Counties	$3,214	$3,116
Alaska	Kodiak	3,534	3,977
Arizona	Cochise County	2,276	not available
Arkansas	NE and NW Arkansas	2,396	1,198
California	Fresno County	2,286	3,091
Colorado	Washington County	not available	1,976
Connecticut	Plainfield	2,468	3,354
Delaware	Sussex County	2,122	2,325
Florida	Highlands County	1,769	2,165
Georgia	Tifton	2,396	not available
Hawaii*		not available	
Idaho	SE Idaho Counties	3,989	1,498
Illinois	Sangamon County	4,193	3,091
Indiana		not available	
Iowa	Rural areas statewide	2,300	2,204
Kansas	Finney County-Garden City	2,276	2,097
Kentucky	Shelby County	3,043	2,743
Louisiana		not available	
Maine	Somerset County	1,430	1,716
Maryland	Allegany, Garrett, and Washington Counties	3,019	2,875
Massachusetts		not available	
Michigan	Lake	1,198	1,665
Minnesota	Clay County	2,995	2,240
Mississippi		not available	
Missouri	St. Joseph and SE Missouri	2,228	1,917
Montana	Stillwater County	2,995	2,696
Nebraska*	Kearney	1,857	1,857
Nevada	Fallon (centers)/Carson City (family child care)	2,037	1,797
New Hampshire	Cheshire County	3,654	3,199
New Jersey		not available	
New Mexico		not available	
New York	Genesee County	3,091	2,696
North Carolina*	Scotland County	1,820	not available
North Dakota	Linton	3,510	3,488

(table continues)

Table A-9. School-Age Care: Average Annual Costs in Rural Areas (continued)

State	Rural area (41 rural areas total)	Average annual cost for center care for a school-age child	Average annual cost for family child care for a school-age child
Ohio	Preble County	$3,438	$1,917
Oklahoma	Rural areas statewide	2,773	2,699
Oregon*	Rural areas	2,396	2,097
Pennsylvania	Cumberland County	3,048	not available
Rhode Island		not available	
South Carolina	Lee County	2,396	2,396
South Dakota	Rural areas statewide	1,797	1,797
Tennessee	Sevierville	2,738	3,423
Texas	Ellis	2,576	2,696
Utah	Six counties	2,504	2,168
Vermont	Hinesburg and Chittenden	not available	3,055
Virginia	West Point	2,860	2,600
Washington	Chelan, Douglas, and Okanogan Counties	2,097	2,061
West Virginia		not available	
Wisconsin*	Rural areas statewide	3,127	3,127
Wyoming	Campbell County	1,701	1,869

*NOTES: Hawaii's Department of Education funds the "A+" After-School Program in every school in the state. The program is available to all parents on a sliding fee scale basis.
Nebraska and Wisconsin data are combined center and family child care costs.
North Carolina and Oregon data are median costs, rather than average costs.

SOURCE: Annual costs were calculated from hourly and/or weekly costs reported by local resource and referral agencies in a survey by the Children's Defense Fund, Spring 2000. The annual costs include costs for before- and after-school care during school days and costs for care during summer vacations and school holidays. In converting hourly school-age costs to annual costs, CDF assumed that children of working parents are in before- and after-school care for a total of 3.5 hours per day, 180 days per year and in full-day care (8 hours per day) during 71 non-school weekdays. (The remaining days would be either weekends or the parents' vacation time.)

Table A-10. School-Age Care: Average Annual Costs Statewide

State (35 states total)	Average annual cost of center care for a school-age child	Average annual cost of family child care for a school-age child
Alabama	not available	
Alaska	$4,481	$2,348
Arizona	not available	
Arkansas	2,396	2,396
California	3,729	3,238
Colorado	4,420	not available
Connecticut	4,792	4,528
Delaware	2,783	2,614
Florida	1,936	2,084
Georgia	not available	
Hawaii*	not available	
Idaho	4,576	2,396
Illinois	not available	
Indiana	2,912	2,496
Iowa	2,300	2,156
Kansas	2,696	2,276
Kentucky	not available	
Louisiana	2,791	not available
Maine	2,597	2,495
Maryland	4,253	4,025
Massachusetts	not available	
Michigan	2,600	2,576
Minnesota	5,738	3,594
Mississippi	2,132	1,404
Missouri	3,139	2,887
Montana	not available	
Nebraska*	2,707	2,707
Nevada	2,396	2,097
New Hampshire	4,313	3,774
New Jersey	not available	
New Mexico	not available	
New York	not available	
North Carolina*	2,080	1,820
North Dakota	3,640	3,295

(table continues)

Table A-10. School-Age Care: Average Annual Costs Statewide (continued)

State (35 states total)	Average annual cost of center care for a school-age child	Average annual cost of family child care for a school-age child
Ohio	$4,013	$3,019
Oklahoma	3,086	2,795
Oregon*	2,396	2,097
Pennsylvania	not available	
Rhode Island	4,176	3,143
South Carolina	3,594	3,594
South Dakota	2,360	1,953
Tennessee	not available	
Texas	2,875	2,396
Utah	not available	
Vermont	not available	
Virginia	2,971	2,396
Washington	3,402	2,456
West Virginia	3,432	not available
Wisconsin*	3,438	3,438
Wyoming	1,965	1,941

*NOTES: Hawaii's Department of Education funds the "A+" After-School Program in every school in the state. The program is available to all parents on a sliding fee scale basis.
Nebraska and Wisconsin data are combined center and family child care costs.
North Carolina and Oregon data are median costs, rather than average annual costs.
Wisconsin data do not include data from Dane or Milwaukee.

SOURCE: Annual costs were calculated from hourly and/or weekly costs reported by local resource and referral agencies in a survey by the Children's Defense Fund, Spring 2000. The annual costs include costs for before- and after-school care during school days and costs for care during summer vacations and school holidays. In converting hourly school-age costs to annual costs, CDF assumed that children of working parents are in before- and after-school care for a total of 3.5 hours per day, 180 days per year and in full-day care (8 hours per day) during 71 non-school weekdays. (The remaining days would be either weekends or the parents' vacation time.)

Key Findings from Table A-11. Shortfall Between What 10 Percent of Income Buys for Low-Income Parents and What Average-Priced Child Care Costs in Urban Areas

- In all states but one, the average annual cost of care for a 4-year-old child in an urban area center would be at least $1,500 more than a two-parent family with both parents working full-time at minimum wage ($21,400 per year before taxes) could afford if they spent 10 percent of their income ($2,140 per year) on child care.

- In every state but one, the average annual cost of care for two children (a 4-year-old and a 12-month-old) in an urban area center would be over $5,000 more than a two-parent family with both parents working full-time at minimum wage ($21,400 per year before taxes) could afford if they spent 10 percent of their income ($2,140 per year) on child care.

- In two-thirds of the states (34 of 50), the average annual cost of care for a 4-year-old child in an urban area center would be over $2,500 more than a two-parent family with both parents working full-time at minimum wage ($21,400 per year before taxes) could afford if they spent 10 percent of their income ($2,140) on child care.

- In two-thirds of the states (35 of 50), the average annual cost of center care for two children (a 4-year-old and a 12-month-old) in an urban area would be over $8,000 more than a two-parent family with both parents working full-time at minimum wage ($21,400 per year before taxes) could afford if they spent 10 percent of their income ($2,140 per year) on child care. In over one-third of the states (19 of 50), center care for two children would be at least $10,000 above the amount that two working parents could afford.

Table A-11. Shortfall Between What 10 Percent of Income Buys for Low-Income Parents and What Average-Priced Child Care Costs in Urban Areas

State	Urban area	Average annual cost in a child care center: For a 4-year-old	Average annual cost in a child care center: For a 12-month-old and a 4-year-old	10 percent of income for a two-parent family with both parents working full time at minimum wage ($21,400/yr)	Shortfall between what 10 percent of income buys for a low-income parent and the average annual cost of child care in a center: For one child	Shortfall between what 10 percent of income buys for a low-income parent and the average annual cost of child care in a center: For two children
Alabama	Jefferson County (Birmingham)	$3,672	$7,914	$2,140	-$1,532	-$5,774
Alaska	Anchorage	6,019	13,195	2,140	-3,879	-11,055
Arizona	Tucson	4,352	9,317	2,140	-2,212	-7,177
Arkansas	Conway/Springdale	3,640	7,540	2,140	-1,500	-5,400
California	Los Angeles County	4,858	11,852	2,140	-2,718	-9,712
Colorado	Denver	5,096	11,856	2,140	-2,956	-9,716
Connecticut	Hartford	6,405	14,491	2,140	-4,265	-12,351
Delaware	New Castle County	5,510	11,807	2,140	-3,370	-9,667
Florida	Orange County	4,255	9,963	2,140	-2,115	-7,823
Georgia	Atlanta	4,992	11,024	2,140	-2,852	-8,884
Hawaii	Makiki	5,505	13,320	2,140	-3,365	-11,180
Idaho	Boise	4,814	10,695	2,140	-2,674	-8,555
Illinois	Chicago	5,304	14,144	2,140	-3,164	-12,004
Indiana*	Statewide	4,732	11,284	2,140	-2,592	-9,144
Iowa	Urban areas statewide	6,198	12,948	2,140	-4,058	-10,808
Kansas	Wichita	4,889	10,713	2,140	-2,749	-8,573
Kentucky	Louisville	4,368	9,360	2,140	-2,228	-7,220
Louisiana	Shreveport	4,160	8,840	2,140	-2,020	-6,700
Maine	Cumberland County	5,790	13,460	2,140	-3,650	-11,320
Maryland	Baltimore	4,774	13,235	2,140	-2,634	-11,095
Massachusetts	Boston	8,121	21,100	2,140	-5,981	-18,960
Michigan	Detroit	4,830	11,098	2,140	-2,690	-8,958
Minnesota	St. Paul	7,436	17,850	2,140	-5,296	-15,710
Mississippi*	Statewide	3,380	7,072	2,140	-1,240	-4,932
Missouri	Kansas City metro area	4,784	11,388	2,140	-2,644	-9,248
Montana	Billings	4,680	10,400	2,140	-2,540	-8,260
Nebraska	Omaha	4,680	10,400	2,140	-2,540	-8,260
Nevada	Reno	4,862	10,712	2,140	-2,722	-8,572
New Hampshire	Nashua	6,520	15,566	2,140	-4,380	-13,426
New Jersey	Trenton	5,252	11,862	2,140	-3,112	-9,722
New Mexico	Albuquerque	4,801	10,408	2,140	-2,661	-8,268
New York*	Rockland County	8,060	17,108	2,140	-5,920	-14,968

(table continues)

Table A-11. Shortfall Between What 10 Percent of Income Buys for Low-Income Parents and What Average-Priced Child Care Costs in Urban Areas (continued)

State	Urban area	Average annual cost in a child care center: For a 4-year-old	Average annual cost in a child care center: For a 12-month-old and a 4-year-old	10 percent of income for a two-parent family with both parents working full time at minimum wage ($21,400/yr)	Shortfall between what 10 percent of income buys for a low-income parent and the average annual cost of child care in a center: For one child	Shortfall: For two children
North Carolina*	Durham	$5,876	$12,844	$2,140	-$3,736	-$10,704
North Dakota	Bismarck	4,627	9,588	2,140	-2,487	-7,448
Ohio	Cincinnati	5,672	12,913	2,140	-3,532	-10,773
Oklahoma	Tulsa, Oklahoma City metro area, Lawton	4,108	9,075	2,140	-1,968	-6,935
Oregon*	Urban areas	5,580	13,260	2,140	-3,440	-11,120
Pennsylvania	Pittsburgh	6,188	13,572	2,140	-4,048	-11,432
Rhode Island*	Statewide	6,365	14,116	2,140	-4,225	-11,976
South Carolina	Columbia	3,900	7,904	2,140	-1,760	-5,764
South Dakota	Brookings, Clay, Lawrence, Lincoln, Minnehaha, Pennington, and Union Counties	4,243	9,090	2,140	-2,103	-6,950
Tennessee	Knoxville	4,420	9,620	2,140	-2,280	-7,480
Texas	Dallas	4,160	9,516	2,140	-2,020	-7,376
Utah	Salt Lake City	4,550	10,478	2,140	-2,410	-8,338
Vermont	Burlington	5,980	12,844	2,140	-3,840	-10,704
Virginia	Roanoke	4,857	10,993	2,140	-2,717	-8,853
Washington	King County (Seattle)	6,604	14,300	2,140	-4,464	-12,160
West Virginia	Huntington, Charleston, Parkersburg	4,238	9,776	2,140	-2,098	-7,636
Wisconsin	Urban areas (excluding Dane and Milwaukee)	6,104	13,630	2,140	-3,964	-11,490
Wyoming	Cheyenne	4,056	8,216	2,140	-1,916	-6,076

*NOTES: Indiana, Mississippi and Rhode Island did not provide cost data for an urban area; therefore, statewide data are used instead. New York did not provide data for an urban area; data for a suburban area adjacent to New York City are used here.
North Carolina and Oregon provided median annual costs, rather than average annual costs.
The income level for this hypothetical family was calculated using the federal minimum wage of $5.15 per hour. Ten states have a higher hourly minimum wage (Alaska [$5.65]; California [$5.75]; Connecticut [$6.15]; Delaware [$5.65, rising to $6.15 October 1, 2000]; Hawaii [$5.25]; Massachusetts [$6.00, rising to $6.75 January 1, 2001]; Oregon [$6.50]; Rhode Island [$5.65]; Vermont [$5.75]; and Washington [$6.50, to be indexed to CPI January 1, 2001]).
In many of the states, families earning $21,400 a year would be eligible for child care assistance. However, due to insufficient funding, eligible families may not always receive help.

SOURCE: Data collected from local resource and referral agencies in a survey by the Children's Defense Fund, Spring 2000.

CDF Board of Directors

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ADMINISTRATION FOR CHILDREN AND FAMILI
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Washington, D.C. 20447

November 17, 2000

TO: The Secretary
Through: DS_____
COS___
ES_____

FROM: Assistant Secretary
for Children and Families

SUBJECT: Release of the State and Community Report of the National Study of Child Care for Low-Income Families -- INFORMATION

Purpose

To brief you on the key findings from the State and Community Report of the National Study of Child Care for Low-Income Families. Attached is a copy of the executive summary.

Background

The current robust economy is providing employment opportunities for low-income parents, even those just entering the job market for the first time. It is important for these families that they have affordable and reliable child care so that they can get and maintain employment. Yet, little is known about how the child care market works for low-income families, how they make choices about child care, and how State child care subsidy policies affect those choices.

Additionally, while welfare reform brought with it increased investment in child care to serve the needs of families leaving the welfare rolls as well as other low-income families--many of whom may never have received cash assistance--the Administration for Children and Families (ACF) did not know what pressures these changes would have on States' decision-making around the provision of child care subsidies.

In response to these concerns, ACF funded the National Study of Child Care for Low-Income Families. The study is being conducted by Abt Associates Inc., in conjunction with the National Center for Children in Poverty at Columbia University, and is a five-year research effort in 17 States and 25 communities. The study is designed to examine: how States and communities implement policies and programs to meet the child care needs of families moving from welfare to work, as well as those of other low-income families; how policies change over time; and how the relationships between these policies and other factors affect the type, amount, and cost of care in communities. In addition, the study is investigating the factors that shape the child care decisions of low-income families, and the role that child care subsidies play in those decisions. Finally, the study is examining, in-depth and over a period of two and a half years, a group of families that use various kinds of family child care and their child care providers, to develop a better understanding of the family child care environment and to what extent the care provided in that environment meets parents' needs for care that supports their work-related needs and meets children's needs for a safe, healthy and nurturing environment.

This report presents findings from the initial data collection for the State and Community Substudy. It addresses the following questions:

- How did State spending on child care change in the first three years of the Child Care and Development Fund (CCDF)?
- How did States allocate child care subsidy funds to meet the needs of low-income families?
- How are States implementing ~~subsidy policies and what are the challenges they face?~~
- What types of child care are being purchased with subsidies?
- How has growth in the use of subsidies affected the supply of child care?
- How are States using their quality improvement funds?

This report is the first of a series of reports on study findings. Reports detailing the findings from the Community Survey and the In-Depth Study of Family Child Care will be available in 2001. A final report will be available in 2002.

Key Findings

The key findings are as follows:

Child care subsidy spending by most States in the study grew dramatically during the Child Care and Development Fund's (the major Federal child care subsidy program subject to the Child Care and Development Block Grant Act, as amended under PRWORA) first three-years. In response to mounting demand for child care subsidies, expenditures grew in every study State between Federal fiscal years 1997 and 1999. The median increase in child care spending in the study States over the three-year period was 78 percent. When differences in the costs of child care and the number of low-income children in the States are accounted for, the ~~median~~ adjusted spending per Federally-eligible child nearly doubled in the study States.

In the three-year period after the Personal Responsibility and Work Opportunity Reconciliation Act, States provided child care subsidies to many more children. Twelve of the 15 States that reported data for both 1997 and 1999 experienced over 30 percent growth in the number of children receiving subsidies. Despite the great increase in the number of children receiving subsidies, States in the study served only 15 to 20 percent of Federally-eligible children in 1999, and no State served more than 25 percent, with funds from all Federal and State sources. (The numbers of children served differ from those reported in the recent DHHS report, "Access to Subsidized Care for Low-Income Families" because that report was based on 1998 data, and because the figures included in this report are based on children served by all subsidies, from all sources of funding used by the States.) There were waiting lists of families who requested, but did not receive subsidies in 12 of the 17 States.

Implications of the Findings

While there was dramatic growth in the use of child care subsidies over the three-year period, the evidence suggests that there remains a significant unmet demand for subsidies. In those States that made a commitment, either formal or informal to serve every eligible family that requested subsidies, the rate of growth in the use of subsidies did not suggest that demand was leveling off. In other States that had no such commitment, waiting lists indicated that more families applied for subsidies than could be served. There is still a very large gap in income-eligible children who are not receiving subsidies, as evidenced not only by the numbers defining total subsidy need, but also by States' experiences with waiting lists.

Olivia A Golden
Olivia A. Golden

Attachment

National Study of Child Care for Low Income Families

State and Community Substudy

Final Report Executive Summary

November 2, 2000

Prepared for
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The National Study of Child Care for Low-Income Families

The National Study of Child Care for Low-Income Families, conducted by Abt Associates Inc. of Cambridge, Massachusetts, and the National Center for Children in Poverty at Columbia University's Joseph Mailman School of Public Health in New York City, is a five-year research effort in 17 states and 25 communities. The study is designed to examine: how states and communities implement policies and programs to meet the child care needs of families moving from welfare to work, as well as those of other low-income families; how policies change over time; and how the relationships between these policies and other factors, affect the type, amount, and cost of care in communities. In addition, the study is investigating the factors that shape the child care decisions of low-income families, and the role that child care subsidies play in those decisions. Finally, the study is examining, in depth and over a period of two and a half years, a group of families that use various kinds of family child care and their child care providers, to develop a better understanding of the family child care environment and to what extent the care provided in that environment meets parents' needs for care that supports their work-related needs and meets children's needs for a safe, healthy and nurturing environment.

Information for the study is collected at three levels, with nested samples of communities within states and families and providers within communities. The first level is a sample of 25 communities in 17 states. The communities were selected to be a nationally representative sample of counties with child poverty rates above 14 percent. At the family level, the study includes several samples: a random sample of 2,500 low-income families (under 200% of poverty) with working parents and at least one child under age thirteen for whom they use non-parental child care in the 25 communities (100 per community); a sample of 650 low-income parents who are receiving, or are eligible for, child care subsidies, and who are using family child care at the start of the study and a sample of the 650 family child care providers linked to these 650 families.

Background

The strong US economy provides employment opportunities for low-income parents, even those with few job skills who may be new to the labor market. For these parents, reliable and affordable child care is an essential support if they are to obtain and hold onto a job. Little is known about how the child care market works for low-income families, how they make choices about child care, and how state child care subsidy policies affect those choices.

The welfare reform legislation enacted in 1996 brought with it increased investment in child care to serve the needs of families leaving the welfare rolls as well as other low-income families, many of whom may never have received cash assistance. The Personal Responsibility and Work Opportunities Reconciliation Act (PRWORA) replaced AFDC's cash assistance entitlement with benefits and services contingent upon meeting a work requirement. It replaced the AFDC matching grant with a block grant program called Temporary Assistance to Needy Families (TANF). Under this program, states are given a fixed amount of money, determined by funding levels prior to 1996, regardless of the number of families who need assistance, and also a great deal of flexibility in determining how the money is spent.

The PRWORA also made dramatic changes in the structure of federal child care assistance programs. It combined the four major federal child care programs into a single block grant to states. The new

Child Care and Development Fund requires states to contribute funding in order to draw down a proportion of their federal allotment; an additional proportion goes to states with no accompanying requirement for a state contribution. The legislation substantially increased the level of federal funding and gave states more flexibility to decide how the funds should be spent. To encourage states to pay attention to the quality of the child care being provided, they were required to set aside a minimum of 4 percent of the grant for quality improvement. While this set-aside is a smaller percentage than that required under the Child Care and Development Block Grant, because of the substantial increase in overall funding, dollars for quality initiatives were substantially increased. In addition, in subsequent actions, the Congress earmarked funds to increase the supply of specific types of care.

The work requirements imposed by the PRWORA raised a number of policy issues related to child care, including the following:

- While the legislation allowed states the flexibility to redress the shift of subsidies from the working poor to welfare recipients that occurred during the early years of the decade, child care advocates feared that, under the pressure of the work requirements, states might allocate all or most of their child care funds to welfare families.

- Under pressure to provide assistance to an increasing number of poor families, states might change their subsidy policies in ways that would constrain parents' choice of child care to less-expensive, less-regulated care.

- Increased demand for child care might create shortages in some types of care, particularly infant and school-age care or care for parents with atypical work schedules.

To address these and other policy issues, the federal government funded a five-year study of child care for low-income families that would examine the impact of federal and state welfare and child care policies on communities and on low-income parents and children in those communities.

The State and Community Substudy

This report presents findings from the first year of data collection for the State and Community Substudy. It addresses the following questions:

- How did state spending on child care change in the first three years of the CCDF?

- How did states allocate child care subsidy funds to meet the needs of low-income families?

- How are states implementing subsidy policies and what are the challenges they face?

- What types of child care are being purchased with subsidies?

- How has growth in the use of subsidies affected the supply of child care?

- How are states using their quality improvement funds?

Sources of information for the report included: state planning documents, budgets and administrative data; Census and Current Population Survey (CPS) data; and interviews with 8 to 15 key informants at state and community levels. In the summer and fall of 1999, after reviewing state plans and other documents, two-person teams of Abt and NCCP study staff visited the 17 states and 25 communities to conduct interviews with agency staff and other key informants. After the site visits, states were asked to review, correct and complete financial and administrative data on child care subsidy use. State staff reviewed the draft report and were given the opportunity to correct factual errors and to register their disagreement with our interpretation of the information.

State Spending on Child Care after PRWORA

Spending by most states in the study grew dramatically during the Child Care and Development Fund's first three years. In response to mounting demand for child care subsidies, expenditures grew in every study state between federal fiscal years 1997 and 1999. The median increase in child care spending in the study states over the three-year period was 78 percent. When differences in the costs of child care and the number of low-income children in the states, are accounted for, ***the median adjusted spending per federally-eligible child nearly doubled in the study states.***

Putting to rest initial fears that many states would not take advantage of all available CCDF funding, ***the majority of the study states spent sufficient state dollars to draw down virtually their full allocations of federal CCDF dollars. Beyond the dedicated child care funds from the CCDF, states made increasing use of optional federal and state funds not earmarked for child care.*** Median child care spending from all federal and state optional sources as a percentage of total expenditures for child care more than doubled between 1997 and 1999, going from 16 to 40 percent of total expenditures.

States' willingness to expend their own optional funds on child care was unaffected by the influx of additional federal funds. Of the 11 states that reported using optional general revenue for child care in 1997, ten reported continued and increased use of optional state funds in 1999. On the other hand, the five states that spent no optional state money in 1997 also spent none in 1999.

The federal TANF block grants became the prime new source of optional child care funding during these years. In 1997, only three of the 16 reporting states used TANF funds for child care; all 16 did so in 1999. In 1997 just one state drew more than 20 percent of child care expenditures from its TANF Block Grant; in 1999, 12 states did so.[1]

Growth in state spending on quality activities kept pace with growth in total child care spending. The median increase in spending on quality activities was 85 percent, slightly higher than the median increase in overall spending. Between 1997 and 1999, the median adjusted quality spending per child of employed parents more than doubled in the study states. Of the 16 states reporting, 11 in 1997 and 14 in 1999 exceeded the 4 percent quality spending required.

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1 It is important to note that during this period, states had a unique opportunity to transfer prior-year TANF funds to the CCDF. Transfers after FY 1999 may not equal these earlier one-time transfers.

Meeting the Demand for Child Care Subsidies

In the three-year period after the PRWORA, states provided child care subsidies to many more children. Twelve of the 15 states that reported data for both 1997 and 1999 experienced over 30 percent growth in the number of children receiving subsidies. *Despite the great increase in the number of children receiving subsidies, states in the study served only 15 to 20 percent of federally-eligible children in 1999, and no state served more than 25 percent, with funds from all federal and state sources.* There were waiting lists of families who requested but did not receive subsidies in 12 of the 17 states.

States were able to meet the demand for child care for families who were receiving TANF. Over the three-year period following welfare reform, an increased proportion of children receiving TANF received child care subsidies.[2] Additionally, in all 17 states, TANF families were either guaranteed subsidies or had a high priority for them after they left TANF, if their incomes remained low enough to make them eligible.

Most of the growth in child care subsidies was accounted for by children in families who had left TANF or who had never received it. While it is impossible to differentiate between families who had received cash assistance in the past and those who never received it, it is clear that, in 1999, a larger proportion of families that were not current TANF recipients used subsidies than in 1997.

Administering Child Care Subsidy Systems after PRWORA

By 1999, almost all of the study states had consolidated the administration of child care subsidies into one state agency. Only California maintained separate systems within two state agencies.

In the majority of study counties, access to the subsidy system was through a single agency. In 11 of the 25 counties, families not on TANF as well as TANF families were required to apply for subsidies at the TANF agency. Of those 11 counties, a small number made the process easier for non-TANF families by allowing application and reapplication by mail, rather than in person at the TANF agency. In ten other counties with a unified local system, access to subsidies for all families was through a private organization, a choice that reduced potential barriers for non-TANF families but that may have added complexity to the lives of TANF families, who would have to deal with the TANF office for benefits other than child care. In the remaining four counties, access to child care subsidies was divided according to TANF status, posing challenges for families moving from one eligibility status to another.

In most counties, staff responsible for determining eligibility for subsidies were child care specialists rather than social workers. Ideally, this should mean that staff have the skills and knowledge necessary to help low-income families make informed child care choices. However, these specialists were not equally knowledgeable about child care, especially in some TANF offices where social service staff were simply reassigned as child care specialists.

The rapid expansion of child care subsidies initially made it difficult for states (or counties) to predict demand accurately and to allocate funds appropriately. In states that maintained separate

[2] Declines in the overall TANF caseloads meant that, in many states, the *absolute number* of children on TANF who received subsidies was less than expected.

budgets for families in different eligibility categories, the inability to transfer funds across program categories exacerbated the problem. In some states with a unified budget, after two years of experience with the new welfare law, key informants reported increasing ability to distribute funds to counties in ways that reflected more accurately the pattern of demand for subsidies.

At both state and community levels, the growth in subsidy programs has greatly strained administrative capacity to administer them. Some states and communities experienced severe staffing cuts just as subsidy programs expanded, which impeded their ability to administer subsidies efficiently. The effects of insufficient staff were sometimes compounded by systems that were inadequately automated.

Providers and Subsidies

The types of care purchased with subsidies differed across the states. In 1999, in some states, less than 5 percent of children who received subsidies were in relative care compared with more than 30 percent in other states. The proportion of subsidized children in center care ranged from 70 percent in five states to less than 40 percent in five other states.

In the period following the passage of the PRWORA, there was no substantial increase in the use of informal care. Changes in the proportions of subsidized children in different types of care did not occur in a uniform pattern across states. For instance, five of the 13 states that reported sufficient data experienced a decrease in the proportion of subsidized children cared for by relatives, five experienced increases and three experienced no change. In many of these states, the proportion of subsidized children in center care remained the same over the three-year period.

Although families have legal access to virtually all types of child care, the extent of the requirements imposed on providers differs by state and community. Many states placed significant restrictions on access to non-relative child care in the child's own home. As a result, in half of the states in the study, less than 1 percent of subsidized care occurred in the child's home. Requirements for small family child care homes, relative caregivers, and in-home care (where it is allowed) vary in stringency.

In 11 of the 17 states, payment rates for child care were last adjusted in 1998 or between January and June 1999; these rate changes were often, but not always, based on market rate surveys that took place within 12 months of the rate change. Payment rates for relative care, which are more difficult to set because such care is not part of the market in the same way as other child care, were at least 80 percent of the full-time family child care rate in 10 of the 17 states.

Child Care Supply and Quality

While state and community informants believed that parents entering the workforce were generally able to find child care and did not see the anticipated effects of welfare reform on the supply of regulated care, in many instances they reported long-standing shortages in supply. Reported shortages were often in low-income neighborhoods or in types of care used more heavily by low-income families. Informants adduced indirect evidence (e.g., that TANF clients were not being exempted from work requirements because of inability to find child care), rather than direct evidence gathered from parents, to support their conclusion that the supply of child care had been adequate to meet the increased demand. Shortages in the supply of regulated care were reported, especially in low-income neighborhoods, for specific populations (e.g., infants and toddlers, children with special needs), and to accommodate unorthodox work schedules.

Pressures created by a strong economy, rather than those exerted by welfare reform, were blamed for shortages in the supply of child care. In at least four major urban counties, jobs created by a strong economy placed dual pressures on supply, by drawing child care providers into better-paying jobs while simultaneously increasing the demand for child care on the part of families at all income levels.

While there is wide variation in states' investments in child care, those investments, and states' discretionary spending on quality and supply enhancement, increased substantially over the last two years. While states with the highest per child spending spent five times as much as states with the lowest, even those states with the lowest per child spending had more than doubled their investment in quality enhancement initiatives over the period 1997–1999.

In most states, funds for quality initiatives are allocated at the state level, and are used for a wide variety of programs and activities, most of them small in scope. With the exception of some statewide efforts to improve licensing and monitoring activities, or to support the work of CCR&Rs, quality enhancement funds are used to address a variety of needs identified by specific communities, and often fund quite small efforts. There was little evidence of their use to put into effect a centralized strategy to attack problems of supply and quality.

Few initiatives were identified that targeted child care used by low-income families. Quality monies are broadly rather than narrowly-targeted and only occasionally aimed at increasing supply in low-income communities specifically, or targeting the license-exempt providers used disproportionately by low-income families[3].

Efforts to stimulate supply may not result in increased supply, but may simply counterbalance attrition cause by strong market forces, particularly among family child care providers. It was unusual for states or communities to have evidence of an increase in supply that took into account the corresponding attrition. Where this evidence was available, it suggested that efforts to increase supply may simply succeed in maintaining constant the number of child care slots available.

Implications of the Findings

Use of TANF Funds to Support Subsidy Growth

The study documented dramatic growth in funding for child care subsidies over the first three years of the Personal Responsibility and Work Opportunity Reconciliation Act. Increases in state child care spending came, primarily, from two sources: expanded funding available through the Child Care and Development Fund and from states' TANF block grant funds that were not spent on direct cash assistance. As TANF caseloads fell much faster than was anticipated, study states looked to unspent TANF funds as a means to expand their child care subsidy spending and to help meet additional

[3] This is in keeping with federal law, in that the quality set-aside funds are intended to increase the supply and improve the quality of care in general and not specifically directed toward care for low-income families.

demand from low-income working families—those who had never received TANF, as well as former recipients.

Although TANF funds have contributed significantly to states' expansion in child care spending, reliance on them to sustain this growth creates potential problems. Future TANF funding levels may be lower than the current levels. Even a mild recession could result in higher TANF caseloads. Singly, or in combination, these events are likely to reduce the amount of TANF funds available for child care. States would be faced with the choice of replacing federal dollars with state dollars to maintain the current high spending levels, or of cutting subsidies for many low-income families.

During this period, nearly two-thirds of the study states tapped a third source of funds i.e., optional state funding to expand child care spending. The general expansion in spending supported by CCDF and TANF funds did not fundamentally change study states' inclinations to spend or not to spend optional state funds. States that, in earlier years, allocated state money in addition to the amounts required to draw down their federal allocations typically increased their optional child care spending. States without such a history, however, did not start spending additional state dollars. In a period of continuing prosperity, states that historically supported subsidies with their own money might be disposed to make up a reduction in federal funds. However, this does not afford us insight into states' likely response to a reduction in federal support, if it is accompanied by an economic downturn that reduces state revenues and creates additional pressure on state support for needy families.

Growth in the Use of Child Care Subsidies

While there was dramatic growth in the use of child care subsidies over the three-year period, the evidence suggests that there remains a significant unmet demand for subsidies. In those states that made a commitment, either formal or informal, to serve every eligible family that requested subsidies, the rate of growth in the use of subsidies did not suggest that demand was leveling off. In other states that had no such commitment, waiting lists indicated that more families applied for subsidies than could be served. In no state did more than 25 percent of eligible children receive child care subsidies, and, in most states, the percentage of eligible children served by subsidies was less than 20 percent.

Administrative Pressures

Our site visits took place after two years of unprecedented growth in funding for and use of subsidies. In nearly every state where there was significant growth in subsidies, there was also evidence of great pressure on states' administrative and automated systems to meet the needs of families demanding subsidies. The administrative pressure that accompanies expansion in services appeared to be exacerbated by the fact that, in most cases, there was no concomitant expansion of state or local government staffs. Indeed, several states and communities had experienced significant staffing reductions just before the expansion. In many states, child care administrators were making the needed "fixes" to the system to accommodate current and future levels of subsidy use.

In addition to the administrative challenges, child care administrators had many additional demands placed upon them. They were required to be responsive to community representatives and the general public, as well as to governors' offices and state legislative bodies, both of which have, in the past few years, showed greater interest in subsidy administration and a desire for more influence on related policy decisions.

At the local level, growth in child care subsidy staffs did not always keep pace with the growth in numbers served in many communities. There were two solutions used to meet the additional demand.

In those states and communities where subsidies were delivered through the TANF agency, there was a tendency to reassign TANF staff who were no longer needed in that role because of TANF caseload declines. In other states, subsidy administration was privatized, in part to allow more freedom to increase staffing to more appropriate levels.

Staffing issues were not the only problems. Many states found that existing systems, adequate for subsidy administration when there were fewer cases to manage, were inadequate to cope with a much larger caseload and expanded federal reporting requirements. This seemed to be especially true in states that had a longer tradition of providing subsidies, and, as a consequence, older computer systems. Many states, in the spring of 1999, were in the midst of implementing new administrative and computer systems to help deal with the expansion in subsidies.

The pressure to accommodate quick growth seemed to be a factor in states' decisions about the privatization of subsidy administration. Growth also influenced states and communities to re-evaluate the balance between local flexibility and state control, particularly in those places where subsidies were administered by a private agency. With the additional freedom that resulted from the consolidation of previous subsidy programs, states and communities made differing decisions about ways to serve families who were receiving TANF general assistance and those who were not receiving TANF. No one model of subsidy delivery seemed to work equally well for all families; some models made application and eligibility determination more convenient for TANF families, others made application easier for non-TANF families but added complexity for TANF families.

Pressures on the Supply of Child Care

Almost universally, key informants[4] reported that the growth in subsidies did not put the expected pressures on the supply of child care, and did not, by itself, cause or exacerbate scarcities in regulated care. For many of the states in the study, the data on the proportions of types of care purchased with child care subsidies supports these perceptions. If there were a general scarcity of regulated care, one might expect that a greater number of families would turn to unregulated forms, such as care by relatives and license-exempt family child care providers. The data, however, do not reveal such a pattern. In the three-year period 1997-1999, the proportion of subsidized children in relative care rose in approximately one-third of the states, but in the same number of states the proportion dropped. Overall, in most of the states, there were few shifts in the proportions of the types of care purchased with subsidies during the period of growth.

While key informants almost uniformly reported that the growth in child care subsidies did not have the anticipated effect of squeezing the supply of care, some were still very concerned about supply, particularly in those areas of the country where the level of regulation meant that new regulated child care providers could not enter the market easily. There were also rising concerns in large urban areas that the economic boom and tight labor markets were drawing providers away from child care and into better-paying jobs, as well as creating increasing demand. Eventually, these pressures may draw away many of the relatives who currently meet parents' needs for off-hours care and care for infants. Throughout virtually all 25 communities, there were also concerns about specific types of care - including care for infants and toddlers, children with special needs, families working non-traditional hours, and, in some locations, school-age child care. These concerns were rarely based on information gathered about demand and did not always take into account some parents' preferences for relative and in-home care in some circumstances, such as for very young children, and for non-traditional hours.

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[4] These included staff involved in the administration of subsidies, CCR and R agency staff, and welfare agency staff.

Efforts to Increase the Supply and Quality of Child Care

Many key informants in areas where there were tight labor markets and relatively high levels of regulation felt that efforts to increase the supply of care were fighting against a tide of larger market forces. Their efforts sometimes meant that they were able to slow or stave off the shrinkage in supply rather than increase the quantity of regulated care. While there were some success stories, there were no clearly successful strategies that would lead states and communities to concentrate their efforts rather than trying many different approaches.

For the most part, the use of quality set-aside funds reflected no clear strategy. With few exceptions, quality monies funded many small, local projects, none of them large enough, by themselves, to make a noticeable difference in the amount and quality of child care available in the community, although they may make a significant difference to individual providers. While this funding strategy reflects a respect for the ability of communities to define their own needs, it makes it almost impossible to evaluate whether the considerable increase in the amount of funds devoted to quality improvement has had any measurable impact and on whom.

Quality initiatives only occasionally targeted caregivers in low-income communities or the informal care arrangements that many low-income families use. This is in accordance with the intent of the quality set-aside, which is directed at the improvement of child care generally. However, if we believe, as research suggests, that the quality of the early childhood experience is most likely to affect children living in or close to poverty, the result of this dispersion of effort is that some of those most likely to benefit from improved quality may not experience it.

DRAFT November 3, 2000

ISSUE BRIEF:

THE HIGH COST OF CHILD CARE PUTS QUALITY CARE OUT OF REACH FOR MANY FAMILIES

Highlights

Every day, millions of American parents rely on child care to enable them to work and to provide the early education experiences needed to prepare their children for school. Good early care and education help foster each child's physical well-being and social development and give them opportunities to develop their early learning skills in a safe and secure environment. Yet finding and affording quality child care is a challenge for all families, particularly low-income working parents for whom the cost of quality child care is a real and daily barrier. A recent survey conducted by the Children's Defense Fund (CDF) of child care costs across the country found:

- Child care for a 4-year-old in a child care center averages $4,000 to $6,000 per year in cities and states around the country. Some centers charge $10,000 or more per year. Families with younger children or with more than one child in care face even greater costs.

- The average annual cost of child care for a 4-year-old in an urban area center is more than the average annual cost of public college tuition in all but one state. In some cities, child care costs *twice* as much as college tuition.

- The high cost of child care is difficult for parents to escape. Child care is expensive for families whether they choose to use center care or family child care, whether they live in urban or rural areas, or whether they have infants, preschoolers, or school-age children.

- Low-income families have the fewest choices. They cannot afford not to work, yet even average-priced child care is unaffordable. Non-poor families, on average, spend 7 percent of their income on child care.[1] Even if a two-parent family with both parents working full time at minimum wage ($21,400 a year before taxes) managed to budget 10 percent of their income for child care ($2,140 a year), they would be left several thousand dollars short of what they needed to afford *average-priced* child care, much less the higher prices charged by many better quality centers and family child care homes.

- Many low-income families have no choice but to place their children in lower cost, often lower quality, care. As a result, too many children are cared for in unstimulating or even unsafe settings, depriving them of the opportunity to learn, grow, and thrive. While this is an unacceptable situation under any circumstance, it is particularly alarming given that children from low-income families are at greatest risk for school failure and are most in need of the strong start that high-quality care can provide.

- The dilemma posed for families by high child care costs *cannot* be resolved by asking child care providers to lower their prices. Child care providers operate on extremely tight budgets. A large proportion of a child care program's budget is devoted to staff salaries, which are already unacceptably low. The average salary of a child care worker is under $15,000 a year.[2] Lowering prices would only undermine a child care program's ability to hire a sufficient number of well-trained teachers, purchase adequate materials and equipment, and afford a safe facility.

Neither parents nor child care providers can solve the challenge of high child care costs on their own. Currently, state and federal funds are so insufficient that only one out of 10 children from low-income families who are eligible under federal law receives child care assistance.[3] The federal government, states, local communities, and the private sector must all play a larger role in helping families afford quality child care. This will enable parents to get and keep the jobs they need to support their families and ensure that their children get the strong start they need to succeed in school and in life.

About This Issue Brief

The data in this report were collected from local child care resource and referral agencies (CCR&Rs) through a survey by the Children's Defense Fund. At least one local CCR&R in each state was contacted and asked to provide any available data on child care costs in an urban area, in a rural area, and/or statewide. In 1998, CDF collected similar data from local CCR&Rs. Please note that because the CCR&Rs did not always provide data for the same areas for the two reports and may not have used the same methodology in gathering the information, the 2000 data may not be comparable to the 1998 data.

Issue Brief:

The High Cost of Child Care Puts Quality Care Out of Reach for Many Families

Child Care Is a Fact of Life

Child care is a fact of life for millions of parents working to support their families. In 1998, only 23 percent of all families with children younger than age 6 had one parent working and one who stayed at home.[4] The vast majority of families must rely on child care to help care for their children while the parents go to work.

For many families, having one parent stay home with the children is not a viable alternative. Single parents must work to provide for their families, and two-parent families often need two incomes just to make ends meet. Nationally, the majority (55 percent) of working women provide half or more of their household income,[5] and one out of three children of working mothers is poor even though their mothers work or *would be* poor if their mothers did not work.[6] For these parents, their jobs — and the child care that enables them to keep their jobs — are the difference between climbing out of poverty and falling deeper into it.

Parents rely on child care not only to enable them to work but also to provide the early education experiences that help prepare their children for school. Most children will be enrolled in a center-based program at some point before they enter kindergarten — for example, 65 percent of 4-year-olds and 75 percent of 5-year-olds not yet in kindergarten are cared for in centers on a regular basis.[7]

Child Care Is a Major Financial Burden, Exceeding the Cost of College

A survey of child care costs in the 50 states reveals that child care is one of the biggest expenses families face in raising their children. Child care can easily cost an average of $4,000 to $6,000 per year. In certain areas of the country, families may be spending more than $10,000 a year on child care. Families with infants in care must grapple with particularly high costs. Among the cities surveyed, the average price of center care for infants is generally about $1,100 a year more than the average price of center care for 4-year-olds. These are only costs for one child's care — yet, many families face child care expenses for more than one child.

Given the high cost of child care, parents can easily spend more in a year on child care than they would on public college tuition. The average annual cost of child care for a 4-year-old in an urban area center is more than the average annual cost of public college tuition in *all but one state*. The average cost of child care for *infants* in an urban area center is more than the average cost of public college tuition in *every* state (Appendix, Table A-1).

In a number of states, the average cost of child care not only exceeds the cost of public college tuition but exceeds it by a significant amount. The average cost of center care for a 4-year-old in an urban area is at least *twice* as much as the cost of public college tuition in more than one-quarter of the states (see Table 1 below).

Table 1. States Where the Average Annual Cost of Child Care for a 4-year-old in an Urban Area Center Is at Least Twice the Average Annual Cost of Public College Tuition

Location State	Urban area	Average annual cost of child care for a 4-year-old in a center	Average annual cost of public college tuition
Alaska	Anchorage	$6,019	$2,769
Arizona	Tucson	4,352	2,158
Florida	Orange County	4,255	2,022
Georgia	Atlanta	4,992	2,442
Idaho	Boise	4,814	2,380
Iowa	Urban areas statewide	6,198	2,869
Kansas	Wichita	4,889	2,392
Massachusetts	Boston	8,121	4,012
Nevada	Reno	4,862	1,956
New Mexico	Albuquerque	4,801	2,180
New York	Rockland County	8,060	3,905
North Carolina	Durham	5,876	1,958
Utah	Salt Lake City	4,550	2,174
Washington	King County (Seattle)	6,604	3,151

See Appendix, Table A-1 for source information and data on child care and public college tuition costs in all states.

The enormous burden that child care costs pose for families is even more striking when the total cost of four years of college is compared to the total cost of child care over the four years before a child enters kindergarten. For instance, in Los Angeles County, California (where college tuition and child care costs are average relative to the other urban areas surveyed), four years of college tuition costs $10,436 whereas four years of child care at an average-priced center costs $23,705 (see the map on the following page for a comparison of costs in other cities around the country).[8]

****MAP****

Four Years of Child Care Costs More Than Four Years of Public College Tuition		
Location	**Average Cost of Four Years of Child Care in a Center**	**Average Cost of Four Years of Public College Tuition**
Jefferson County (Birmingham), AL	$15,828	$10,484
Tucson, AZ	18,634	$8,632
Los Angeles County, CA	23,705	$10,436
Denver, CO	23,712	$10,740
Orange County, FL	19,925	$8,088
Cumberland County, ME	26,919	$16,232
Boston, MA	42,199	$16,048
St. Paul, MN	35,699	$15,464
Kansas City metro area, MO	22,776	$14,200
Dallas, TX	19,032	$9,728
King County (Seattle), WA	28,600	$12,604
West Virginia's urban areas	19,552	$9,348

As a result, many families across the country find that four years of quality child care is more difficult to afford than four years of college. Parents can find it especially challenging to afford child care because they often need it at a point in their lives when they are just starting out in their jobs and have not had a chance to accumulate much savings. Without some help paying for care, these families will not be able to provide their children with the positive early care and education experiences that will prepare them for school and enable them to succeed.

High Child Care Costs Are Inescapable for Parents Across the Country

The high cost of child care is an inescapable reality for many families, regardless of where they live, what type of care they use, or the age of their children. The average annual cost for a 4-year-old in a child care center exceeds $4,750 in almost two-thirds of the 47 cities surveyed and is more than $5,500 in over one-third of the cities. For example, in Boise, Idaho, the average annual cost of center care for a 4-year-old is $4,814; in Chicago the cost is $5,304; and in Durham, North Carolina, the cost is $5,876 (Appendix, Table A-2).

The cost of care for infants is even higher. The average cost of center care for a 12-month-old is above $5,750 per year in almost two-thirds of the cities surveyed and is more than $6,750 per year in over one-third of the cities surveyed.

But the cost of child care is high not only for families living in urban areas, those using center-based care, or those with younger children — all families face high child care costs. A survey of average child care costs reveals:

- **Child care is costly even in rural areas.** While child care prices are somewhat lower in rural areas, even families in rural communities often cannot escape the high cost of child care. In most of the 43 rural areas for which CDF collected data, the cost of center care for a preschool-age child falls between $3,000 and $5,000 per year. The average annual cost of center care for an infant is over $4,500 in more than half of the rural areas (Appendix, Table A-3).

- **Family child care, while generally less costly than center-based care, is still expensive for many families.** In more than half of the urban areas surveyed, the average cost of family child care for a 4-year-old is over $4,500 per year. Generally, this cost of family child care is even higher for infants, which is particularly significant given that many parents prefer to use family child care when their children are very young (Appendix, Table A-5).

- **Even part-time care for school-age children can total $3,500 per year or more.** School-age children with working parents do not need full-time care, but they often do need care before and after school and during holidays and vacations. The hours spent in care quickly add up, as do the costs. The average cost of school-age care in an urban area center is over $3,000 per year in two-thirds of the states and over $3,500 per year in one-third of the states.[9]

- **While some families may be able to avoid these high costs of child care by relying on a relative to provide care, for many families this is not an option.** Many families do not have relatives living close by, or find that their relatives are working to support themselves and their own families. Nearly half of all children under age 5 are cared for by non-relatives on a regular basis.[10] Even when families use relative care, they may still have to pay for it.[11]

Low-Income Families Face Particular Challenges Affording Child Care

The high cost of care presents a challenge to all families, but it is particularly burdensome for low-income families. These families must have reliable child care so parents can get and keep the jobs they need to lift them out of — and stay out of — poverty. Since the new welfare system no longer assures them a safety net should they lose their jobs, safe and reliable child care has become even more important to their families' well-being.

High-quality care is also essential because it can support children's healthy development and can provide low-income children the extra boost they need to enter school ready to succeed. Yet, low-income families, who need child care to keep their jobs and help their children grow and learn, stretch their budgets as much as possible only to find that high-quality care is still out of reach.

If a low-income family with two parents working full time at the federal minimum wage ($21,400 a year before taxes) managed to devote 10 percent of their income to child care—higher than the 7 percent of income that non-poor families spend on average[12]—they would have $2,140 available. Given a low-income family's expenses for other essentials such as food, rent, and health care, it would be challenging to find even this much for child care in their budget. Moreover, as shown in the graph on the following page, if this family could budget $1 out of every $10 dollars of their income, they would still be thousands of dollars short of the amount needed to purchase average-priced care for their child in many communities (see Appendix, Table A-11 for data on the shortfall for families living in additional cities). High-quality care, which is often even more expensive, would be, in most cases, impossible to afford.

Families facing high child care costs have few places to turn for help — only a limited number have access to help paying for child care. State and federal funds are so insufficient that only one out of 10 children in low-income working families who are eligible for this assistance under federal law receives it.[13] Families unable to get the assistance they need must often settle for less expensive, lower-quality care. A survey of parents on waiting lists in Santa Clara County, California, one-third of whom earned less than $10,000 annually, found that 42 percent of parents felt that their children's current child care providers had shortcomings in quality, and 47 percent reported that their child receives sporadic individual attention.[14] In Ramsey County, Minnesota, a survey of families on the waiting list found that half would change their child care arrangement if they had assistance.[15]

The Dilemma: Child Care Costs Cannot Go Lower Without Jeopardizing Quality

The problem of high child care costs cannot be remedied by turning to child care providers and asking them to lower their prices, as they already operate on very tight budgets. Just as many working families are already squeezing as much out of their limited budgets as possible for child care, child care providers too are already tightening their belts as much as possible to limit expenses and have no room to cut costs further. Any additional cuts would lower the quality of care, which is already unacceptable in many programs.

The largest portion of a family child care home or child care center budget is dedicated to staff salaries, which are already shockingly low. The average salary of a child care worker is $14,820 per year.[16] Most child care providers also lack benefits such as health insurance or paid sick leave. The low salaries and lack of benefits generate high turnover rates among child care providers. Nationwide, about one-third of child care staff leave their centers each year.[17] This lack of staff continuity is very harmful to children's growth and development, as it breaks the stable relationship they need to have with their caregivers in order to feel safe and secure. Lowering salaries any further would make it even more difficult for child care programs to attract and retain qualified staff and for children to thrive.

Cutting back on the total number of staff in a child care center or family child care home would also diminish the quality of care. Child-staff ratios in many states already allow many child care centers and family child care homes to operate with far too many children per staff member to ensure that children receive adequate supervision and support. A decrease in staff would make it even more difficult for children to receive the one-on-one attention they need to build a strong foundation during their early years.

The remaining costs of operating a child care center or home must go to cover the cost of the facility, equipment, and materials. Children need a safe, roomy facility where they can play; playground equipment that is safe and sturdy; and materials, such as books, crayons, and paper, that allow for learning and creative activities. Yet, far too many programs are unable to invest in these essential components of a quality program. Cutting costs in these areas would further jeopardize children's safety and limit their learning opportunities.

When Quality Child Care Is Unaffordable, Children and Families Pay the Price

Parents shopping for child care find that good quality care cannot be found at a bargain cost — quality care often costs more. Unfortunately, families who are struggling to make ends meet cannot afford these prices, and, in many cases, have no alternative but to choose lower-priced care, which is mediocre at best and at worst could jeopardize a child's health and safety.

Both children and parents suffer from inadequate investments in child care. Parents cannot be reliable, productive workers without dependable child care. If they are dissatisfied with their child care arrangements, they will be distracted at work, worrying whether their children are safe and well cared for. And, worse yet, without a stable child care arrangement that they can count on each day, parents may be unable to keep their jobs and remain independent. A survey of low-income families on the waiting list for child care assistance in North Carolina found that about one out of four lost or had to quit their jobs while waiting.[18]

Child care also shapes the way children learn, think, and grow. The quality of care children receive has a particularly significant impact for children from low-income families who may need an extra boost to start school ready to succeed. If children do not receive the care they need to start them on the path to becoming healthy, productive citizens, it is not only the children and their families who suffer, but all of us as a society.

Addressing the High Cost of Care: A Need for Public Commitment

Neither parents nor child care providers can deal with the challenge of high child care costs on their own. The federal government, states, local communities, and the private sector must all play a stronger role in ensuring that families have access to affordable, quality child care.

Recognizing the link between a strong education and a productive workforce, this country has made a commitment to providing extensive public support for elementary, secondary, and higher education. Yet, the early years before children enter school lay the groundwork for much of their brain development and ability to be successful students. Given this connection, the country we must move forward to strengthen our public commitment to early education.

Endnotes

[1] Kristin Smith, *Who's Minding the Kids? Child Care Arrangements, Fall 1995, Current Population Reports, P70-70.* Washington, DC: Census Bureau, October 2000.
[2] U.S. Department of Labor, Bureau of Labor Statistics, *1998 National Occupational Employment and Wage Estimates.* Washington, DC: U.S. Department of Labor, 1999. Available on the Internet at stats.bls.gov/oes/national/oes_nat.htm.
[3] U.S. Department of Health and Human Services, Administration for Children and Families, *Access to Child Care for Low-Income Working Families.* Washington, D.C., U.S. Department of Health and Human Services, 1999: i.
[4] U.S. Bureau of the Census, Current Population Reports, P60-206, *Money and Income in the United States: 1998.* Washington, DC: U.S. Government Printing Office, 1999.
[5] Whirlpool Foundation, *Women: The New Providers.* New York: Families and Work Institute, May 1995.
[6] Calculations by the Children's Defense Fund using U.S. Census Bureau 1998 data reported in the *1999 Current Population Survey.*
[7] Census Bureau, *School Enrollment — Social and Economic Characteristics of Students: October 1996 (Update).* Washington, DC: Census Bureau, June 1998.
[8] Child care costs over the four-year period were calculated assuming that two years of care would be purchased at the price of infant care and two years at the price of care for a 4-year-old, since data were only available for children at ages 1 and 4. See Appendix, Table A-1 for more information. Costs over the four-year period were calculated from the raw data, and not the cost data presented in the Appendix, which are rounded to the nearest dollar.
[9] Annual school-age child care costs were calculated from hourly and/or weekly costs reported by resource and referral agencies for a survey by the Children's Defense Fund. The annual costs include costs for before- and after-school care during school days and costs for care during summer vacations and school holidays. In calculating annual school-age costs from hourly cost data, CDF assumed that children of working parents are in before- and after-school care for a total of 3.5 hours per day, 180 days per year, and in full-day care (8 hours per day) during 71 non-school weekdays (the remaining days would be either weekends or the parents' vacation time).
[10] Kristin Smith, *Who's Minding the Kids? Child Care Arrangements, Fall 1995, Current Population Reports, P70-70.* Washington, DC: Census Bureau, October 2000.
[11] Sandra L. Hofferth, April Brayfield, Sharon Deich, and Pamela Holcomb, *National Child Care Survey, 1990.* Washington, DC: The Urban Institute Press, 1991.
[12] Kristin Smith, *Who's Minding the Kids? Child Care Arrangements, Fall 1995, Current Population Reports, P70-70.* Washington, DC: Census Bureau, October 2000.
[13] U.S. Department of Health and Human Services, Administration for Children and Families, *Access to Child Care for Low-Income Working Families.* Washington, DC: U.S. Department of Health and Human Services, 1999: i.
[14] Casey Coonerty and Tamsin Levy, *Waiting for Child Care: How Do Parents Adjust to Scarce Options in Santa Clara County?* Berkeley, CA: Policy Analysis for California Education, 1998: 10.
[15] Deborah Shlick, Mary Daly, and Lee Bradford, *Faces on the Waiting List: Waiting for Child Care Assistance in Ramsey County.* Ramsey County, MN: Ramsey County Human Services, 1999: ii-iii. Survey conducted by the Minnesota Center for Survey Research at the University of Minnesota.
[16] U.S. Department of Labor, Bureau of Labor Statistics, *1998 National Occupational Employment and Wage Estimates.* Washington, DC: U.S. Department of Labor, 1999. Available on the Internet at stats.bls.gov/oes/national/oes_nat.htm.
[17] Marcy Whitebook, Carollee Howes, and Deborah Phillips, *Worthy Work, Unlivable Wages: The National Child Care Staffing Study, 1988-1997.* Washington, DC: Center for the Child Care Workforce, 1998.
[18] Jeffrey D. Lyons, Susan D. Russell, Christina Gilgor, and Amy H. Staples, *Child Care Subsidy: The Costs of Waiting.* Chapel Hill, NC: Day Care Services Association, September 1998.

APPENDIX: TABLES AND KEY SUMMARY POINTS

Draft November 3, 2000

Key Findings from Table A-1.
Comparison of Child Care Costs to Public College Tuition Costs

- In every state, the cost of child care for an infant in an urban area center is more than the cost of public college tuition.

- In all states but Vermont, the cost of child care for a 4-year-old in an urban area center is more than the cost of public college tuition.

- In more than half of the states (27 of 50), the average cost of child care for an infant in an urban area center is more than twice the cost of public college tuition.

- In over one-quarter of the states (14 of 50), the average cost of child care for a 4-year-old in an urban area center is more than twice the cost of public college tuition.

Table A-1. Comparison of Average Annual Child Care Costs in Urban Area Centers to Average Annual Public College Tuition Costs

Location		Average annual cost in a child care center		Comparison of average child care costs to the average cost of public college tuition		
State	Urban area	For a 12-month-old	For a 4-year-old	Average annual cost of public college tuition	As percent of child care costs for a 12-month-old	As percent of child care costs for a 4-year-old
Alabama	Jefferson County (Birmingham)	$4,242	$3,672	$2,621	62%	71%
Alaska	Anchorage	7,176	6,019	2,769	39	46
Arizona	Tucson	4,965	4,352	2,158	43	50
Arkansas	Conway/Springdale	3,900	3,640	2,590	66	71
California	Los Angeles County	6,995	4,858	2,609	37	54
Colorado	Denver	6,760	5,096	2,685	40	53
Connecticut	Hartford	8,086	6,405	4,345	54	68
Delaware	New Castle County	6,297	5,510	4,462	71	81
Florida	Orange County	5,708	4,255	2,022	35	48
Georgia	Atlanta	6,032	4,992	2,442	40	49
Hawaii	Makiki	7,815	5,505	2,880	37	52
Idaho	Boise	5,881	4,814	2,380	40	49
Illinois	Chicago	8,840	5,304	3,845	43	72
Indiana*	Statewide	6,552	4,732	3,490	53	74
Iowa	Urban areas statewide	6,750	6,198	2,869	43	46
Kansas	Wichita	5,824	4,889	2,392	41	49
Kentucky	Louisville	4,992	4,368	2,516	50	58
Louisiana	Shreveport	4,680	4,160	2,379	51	57
Maine	Cumberland County	7,670	5,790	4,058	53	70
Maryland	Baltimore (city)	8,461	4,774	4,359	52	91
Massachusetts	Boston	12,978	8,121	4,012	31	49
Michigan	Detroit	6,268	4,830	4,277	68	89
Minnesota	St. Paul	10,414	7,436	3,866	37	52
Mississippi*	Statewide	3,692	3,380	2,859	77	85
Missouri	Kansas City metro area	6,604	4,784	3,550	54	74
Montana	Billings	5,720	4,680	2,795	49	60
Nebraska*	Omaha	5,720	4,680	2,627	46	56
Nevada	Reno	5,850	4,862	1,956	33	40
New Hampshire	Nashua	9,046	6,520	5,753	64	88
New Jersey	Trenton	6,610	5,252	4,951	75	94
New Mexico	Albuquerque	5,607	4,801	2,180	39	45
New York*	Rockland County	9,048	8,060	3,905	43	48
North Carolina*	Durham	6,968	5,876	1,958	28	33
North Dakota	Bismarck	4,961	4,627	2,686	54	58

(table continues)

Table A-1 (continued). Comparison of Average Annual Child Care Costs in Urban Area Centers to Average Annual Public College Tuition Costs

Location		Average annual cost in a child care center		Comparison of average child care costs to the average cost of public college tuition		
State	Urban area	For a 12-month-old	For a 4-year-old	Average annual cost of public college tuition	As percent of child care costs for a 12-month-old	As percent of child care costs for a 4-year-old
Ohio	Cincinnati	$7,240	$5,672	$4,258	59%	75%
Oklahoma	Tulsa, Oklahoma City metro area, Lawton	4,967	4,108	2,068	42	50
Oregon*	Urban areas	7,680	5,580	3,561	46	64
Pennsylvania	Pittsburgh	7,384	6,188	5,327	72	86
Rhode Island*	Statewide	7,752	6,365	4,158	54	65
South Carolina	Columbia	4,004	3,900	3,520	88	90
South Dakota	Brookings, Clay, Lawrence, Lincoln, Minnehaha, Pennington, and Union Counties	4,846	4,243	3,038	63	72
Tennessee	Knoxville	5,200	4,420	2,495	48	56
Texas	Dallas	5,356	4,160	2,432	45	58
Utah	Salt Lake City	5,928	4,550	2,174	37	48
Vermont	Burlington	6,864	5,980	6,751	98	113
Virginia	Roanoke	6,136	4,857	4,160	68	86
Washington	King County (Seattle)	7,696	6,604	3,151	41	48
West Virginia	Urban areas statewide	5,538	4,238	2,337	42	55
Wisconsin*	Urban areas (excluding Dane and Milwaukee)	7,526	6,104	3,113	41	51
Wyoming	Cheyenne	4,160	4,056	2,330	56	57

*NOTES: Indiana, Mississippi and Rhode Island did not provide cost data for an urban area; therefore, statewide data are used instead.
New York did not provide data for an urban area, so data from a suburban area adjacent to New York City are used here.
North Carolina and Oregon provided median annual costs (which is the cost that half of providers charge more than and half charge less than) rather than average costs.
Nebraska and Wisconsin data are combined annual averages for center and family child care costs.

SOURCES: Data on public college tuition costs from U.S. Department of Education, National Center for Education Statistics, Integrated Postsecondary Education Data System (IPEDS), "Fall Enrollment" and "Institutional Characteristics" surveys. As reported in "Table 318.-Average undergraduate tuition and fees and room and board rates paid by full-time-equivalent students in degree-granting institutions, by control of institution and by state: 1997-98 and 1998-99" *Digest of Education Statistics, 1999*. NCES. May 2000. http://nces.ed.gov/pubs2000/digest99/d99t318.html

Data for average tuition costs are preliminary data based on fall 1997 enrollments. Data are for the entire academic year and are average charges. Tuition is weighted by the number of full-time-equivalent undergraduates in 1997, but is not adjusted to reflect student residency.

Data on child care costs collected from local resource and referral agencies in a survey by the Children's Defense Fund, Spring 2000.

Key Findings from Tables A-2–A-4. Child Care Centers: Average Annual Costs

- The average annual cost of center care for a 4-year-old in an urban area ranges from $3,640 in Arkansas to $8,121 in Massachusetts. In almost two-thirds of the cities we have data (30 of 47), the average annual cost is above $4,750. The average annual cost exceeds $5,500 in over one-third of the states (17 of 47, Table A-2).

- The average annual cost of center care for an infant in an urban area ranges from $3,900 in Arkansas to $12,978 in Massachusetts. In almost two-thirds of the states (30 of 47), the average annual cost is over $5,750. The average cost is over $6,750 per year in more than one-third of the states (19 of 47, Table A-2).

- The average annual cost of center care for a 4-year-old in a rural area ranges from $2,556 in Nebraska to $7,150 in Alaska. In almost half of the states for which we have data (20 of 43), the average annual cost exceeds $4,000. In over one-third of rural areas (15 of 43), the average annual cost exceeds $4,500 (Table A-3).

- The average annual cost of center care for an infant in a rural area ranges from $3,380 in Arkansas, North Carolina and South Carolina to $7,475 in Alaska. In more than half of the states (25 of 43), the average annual cost is over $4,500. One-third (15 of 43) have average costs of more than $5,000 per year (Table A-3).

- Center care for a 4-year-old or an infant in urban areas can cost hundreds or thousands of dollars more per year than center care in a rural area, but there are exceptions. For example, the average annual cost of center care for a 12-month-old in Cheyenne, Wyoming is $4,160 per year while the average annual cost in Campbell County is $4,524. Costs of center care for a 4-year-old average $4,858 per year in Los Angeles County, California, while costs average $5,623 per year in Fresno County (Tables A-2 and A-3).

- The statewide average annual cost of center care for a 4-year-old ranges from $3,380 in Mississippi to $7,389 in Alaska. In more than half of the states for which we have data (21 of 37), the average annual cost is over $4,500. About one-quarter of the states (9 of 37) have statewide average costs of more than $5,500 per year (Table A-4).

- The statewide average annual cost of center care for an infant ranges from $3,692 in Mississippi to $9,509 in Minnesota. In more than half of the states (21 of 37), the average cost exceeds $5,500 per year. In nearly one-third of the states (12 of 37), the average statewide cost of center care for an infant is over $6,500. In seven states, the average cost is more than $7,500 per year (Table A-4).

Table A-2. Child Care Centers: Average Annual Costs in Urban Areas

State	Urban area (47 urban areas total)	Average annual cost of center care for a 4-year-old	Average annual cost of center care for a 12-month-old
Alabama	Jefferson County (Birmingham)	$3,672	$4,242
Alaska	Anchorage	6,019	7,176
Arizona	Tucson	4,352	4,965
Arkansas	Conway/Springdale	3,640	3,900
California	Los Angeles County	4,858	6,995
Colorado	Denver	5,096	6,760
Connecticut	Hartford	6,405	8,086
Delaware	New Castle County	5,510	6,297
Florida	Orange County	4,255	5,708
Georgia	Atlanta	4,992	6,032
Hawaii	Makiki	5,505	7,815
Idaho	Boise	4,814	5,881
Illinois	Chicago	5,304	8,840
Indiana		not available	
Iowa	Urban areas statewide	6,198	6,750
Kansas	Wichita	4,889	5,824
Kentucky	Louisville	4,368	4,992
Louisiana	Shreveport	4,160	4,680
Maine	Cumberland County	5,790	7,670
Maryland	Baltimore (city)	4,774	8,461
Massachusetts	Boston	8,121	12,978
Michigan	Detroit	4,830	6,268
Minnesota	St. Paul	7,436	10,414
Mississippi		not available	
Missouri	Kansas City metro area	4,784	6,604
Montana	Billings	4,680	5,720
Nebraska*	Omaha	4,680	5,720
Nevada	Reno	4,862	5,850
New Hampshire	Nashua	6,520	9,046
New Jersey	Trenton	5,252	6,610
New Mexico*	Albuquerque	4,801	5,607
New York*	Rockland County	8,060	9,048
North Carolina*	Durham	5,876	6,968
North Dakota	Bismarck	4,627	4,961
Ohio	Cincinnati	5,672	7,240
Oklahoma	Tulsa, Oklahoma City metro area, Lawton	4,108	4,967
Oregon*	Urban areas	5,580	7,680
Pennsylvania	Pittsburgh	6,188	7,384
Rhode Island		not available	
South Carolina	Columbia	3,900	4,004

(table continues)

Table A-2 (continued). Child Care Centers: Average Annual Costs in Urban Areas

State	Urban area	Average annual cost of center care for a 4-year-old	Average annual cost of center care for a 12-month-old
South Dakota	Brookings, Clay, Lawrence, Lincoln, Minnehaha, Pennington, and Union Counties	$4,243	$4,846
Tennessee	Knoxville	4,420	5,200
Texas	Dallas	4,160	5,356
Utah	Salt Lake City	4,550	5,928
Vermont	Burlington	5,980	6,864
Virginia	Roanoke	4,857	6,136
Washington	King County (Seattle)	6,604	7,696
West Virginia	Huntington, Charleston, Parkersburg	4,238	5,538
Wisconsin*	Urban areas (excluding Dane and Milwaukee)	6,104	7,526
Wyoming	Cheyenne	4,056	4,160

*NOTES: Nebraska and Wisconsin data are combined annual averages for center and family child care costs.
New York data are from a suburban county adjacent to New York City.
North Carolina and Oregon data are median annual costs rather than average annual costs.

SOURCE: Data collected from local resource and referral agencies in a survey by the Children's Defense Fund, Spring 2000.

Table A-3. Child Care Centers: Average Annual Costs in Rural Areas

State	Rural area (43 rural areas total)	Average annual cost of center care for a 4-year-old	Average annual cost of center care for a 12-month-old
Alabama	Walter and Blount Counties	$3,215	$3,549
Alaska	Kodiak	7,150	7,475
Arizona	Cochise County	3,346	4,853
Arkansas	NE and NW Arkansas	3,120	3,380
California	Fresno County	5,623	7,188
Colorado	Washington County	3,380	3,900
Connecticut	Plainfield	5,525	6,240
Delaware	Sussex County	3,815	4,178
Florida	Santa Rosa County	3,662	4,801
Georgia	Tifton	3,536	3,640
Hawaii	Hilo	4,846	5,280
Idaho	SE Idaho Counties	3,316	3,908
Illinois	Sangamon County	4,628	6,032
Indiana		not available	
Iowa	Rural areas statewide	5,018	5,278
Kansas	Finney County-Garden City	4,108	4,680
Kentucky	Shelby County	3,848	4,160
Louisiana	Bienville Parish	3,380	3,900
Maine	Somerset County	3,900	4,680
Maryland	Allegany, Garrett, and Washington Counties	3,894	5,216
Massachusetts		not available	
Michigan	Lake	4,677	5,200
Minnesota	Clay County	4,712	5,850
Mississippi		not available	
Missouri	St. Joseph and SE Missouri	3,016	3,536
Montana	Stillwater County	4,160	4,680
Nebraska*	Kearney	2,556	3,570
Nevada	Fallon	4,862	4,758
New Hampshire	Cheshire County	5,595	6,813
New Jersey		not available	
New Mexico		not available	
New York	Genesee County	5,460	5,720
North Carolina*	Scotland County	3,380	3,380
North Dakota	Linton	3,510	3,510

(table continues)

Table A-3 (continued). Child Care Centers: Average Annual Costs in Rural Areas

State	Rural area	Average annual cost of center care for a 4-year-old	Average annual cost of center care for a 12-month-old
Ohio	Preble County	$4,049	$4,628
Oklahoma	Rural areas statewide	3,057	3,540
Oregon*	Rural areas	4,188	5,280
Pennsylvania	Cumberland County	6,034	6,914
Rhode Island		not available	
South Carolina	Lee County	3,380	3,380
South Dakota	Rural areas statewide	3,536	3,744
Tennessee	Sevierville	3,380	3,900
Texas	Ellis	3,068	4,264
Utah	Six counties	3,474	3,987
Vermont		not available	
Virginia	West Point	4,680	5,980
Washington	Chelan, Douglas, and Okanogan Counties	4,524	4,992
West Virginia	Rural areas statewide	4,056	4,758
Wisconsin*	Rural areas statewide	4,698	5,816
Wyoming	Campbell County	3,276	4,524

*NOTES: Nebraska and Wisconsin data are combined center and family child care costs.
North Carolina and Oregon data are median costs rather than average costs.

SOURCE: Data collected from local resource and referral agencies in a survey by the Children's Defense Fund, Spring 2000.

Table A-4. Child Care Centers: Average Annual Costs Statewide

State (37 states total)	Average annual cost of center care for a 4-year-old	Average annual cost of center care for a 12-month-old
Alabama	not available	
Alaska	$7,389	$7,657
Arizona	not available	
Arkansas	3,900	4,420
California	5,708	8,104
Colorado	5,408	6,760
Connecticut	6,818	8,697
Delaware	4,955	5,522
Florida	4,079	5,133
Georgia	not available	
Hawaii	5,035	6,772
Idaho	3,744	3,951
Illinois	not available	
Indiana	4,732	6,552
Iowa	5,512	5,845
Kansas	5,616	7,696
Kentucky	3,640	4,108
Louisiana	3,900	4,420
Maine	4,899	5,527
Maryland	5,272	8,540
Massachusetts	not available	
Michigan	5,640	7,120
Minnesota	7,055	9,509
Mississippi	3,380	3,692
Missouri	4,118	5,239
Montana	not available	
Nebraska*	3,759	5,722
Nevada	4,862	5,850
New Hampshire	5,765	7,162
New Jersey	not available	
New Mexico	not available	
New York	not available	
North Carolina*	3,900	4,680
North Dakota	4,521	4,521

(table continues)

Table A-4 (continued). Child Care Centers: Average Annual Costs Statewide

State	Average annual cost of center care for a 4-year-old	Average annual cost of center care for a 12-month-old
Ohio	$4,295	$5,373
Oklahoma	3,757	4,374
Oregon*	4,920	6,480
Pennsylvania	not available	
Rhode Island	6,365	7,752
South Carolina	3,744	4,056
South Dakota	4,098	4,368
Tennessee	not available	
Texas	3,796	4,316
Utah	not available	
Vermont	not available	
Virginia	5,200	6,136
Washington	5,408	6,136
West Virginia	3,796	5,148
Wisconsin*	5,081	6,283
Wyoming	4,368	4,680

*NOTES: Nebraska and Wisconsin data are combined center and family child care costs.
North Carolina and Oregon data are median costs rather than average costs.
Wisconsin data do not include data from Dane or Milwaukee.

SOURCE: Data collected from local resource and referral agencies in a survey by the Children's Defense Fund, Spring 2000.

Key Findings from Tables A-5–A-7.
Family Child Care: Average Annual Costs

- In general, family child care is a few hundred dollars less expensive than center care. However, in some instances, family child care is more expensive. For example, in Conway and Springdale, Arkansas, the average annual cost of center care for a 4-year-old is $3,640 while family child care costs an average of $3,900 per year. The average annual cost of center care for an infant in Plainfield, Connecticut is $6,240 while family child care costs there average $6,456 per year (Tables A-2, A-3, A-5, and A-6).

- The average annual cost of family child care for a 4-year-old in an urban area ranges from $3,120 in Idaho to $7,623 in New York. More than half of the states for which we have data (23 of 43) have average annual costs over $4,500, including one-third of the states (14 of 43) with costs over $5,000 (Table A-5).

- The average annual cost of family care for an infant in an urban area ranges from $3,380 in Idaho to $7,935 in New York. In half of the states (21 of 43), average annual costs exceed $5,000. The average cost is over $5,500 per year in more than one-third of the states (15 of 43, Table A-5).

- The average annual cost of family child care for a 4-year-old in a rural area ranges from $2,556 in Nebraska to $7,475 in Alaska. More than half of the states for which we have data (23 of 40) have average costs of over $3,600 per year. In almost one-third of the states (13 of 40), the average annual costs are over $4,000 (Table A-6).

- The average annual cost of family child care for an infant in a rural area ranges from $2,990 in Missouri to $7,475 in Alaska. In more than half of the states (23 of 40), average annual costs are over $4,000. In one-quarter of the states (11 of 40), average annual costs are above $4,500 (Table A-6).

- The statewide average annual cost of family child care for a 4-year-old ranges from $2,340 in Mississippi to $6,694 in Connecticut. In more than half of the states (20 of 35), the average annual cost exceeds $4,000. The statewide average annual cost is over $4,500 in one-third of the states (12 of 35, Table A-7).

- The statewide average annual cost of family child care for an infant ranges from $2,600 in Mississippi to $7,410 in Alaska. More than half of the states (20 of 35) have average costs over $4,500 per year. The statewide average annual cost is over $5,000 in one-third of the states (12 of 35, Table A-7).

Table A-5. Family Child Care: Average Annual Costs in Urban Areas

State	Urban area (43 urban areas total)	Average annual cost of family child care for a 4-year-old	Average annual cost of family child care for a 12-month-old
Alabama	Jefferson County (Birmingham)	$3,615	$3,742
Alaska	Anchorage	5,788	6,450
Arizona	Tucson	4,144	4,197
Arkansas	Springdale	3,900	4,680
California	Los Angeles County	5,033	5,533
Colorado	Denver County	5,200	5,668
Connecticut	Hartford	5,086	5,557
Delaware	New Castle County	4,903	5,184
Florida	Orange County	4,142	4,549
Georgia		not available	
Hawaii	Makiki	5,113	5,283
Idaho	Boise	3,120	3,380
Illinois	Chicago	5,044	5,616
Indiana		not available	
Iowa	Urban areas statewide	4,716	4,950
Kansas	Wichita	4,140	4,636
Kentucky	Louisville	4,160	4,524
Louisiana	Shreveport	not available	
Maine	Cumberland County	4,909	5,215
Maryland	Baltimore (city)	4,605	5,613
Massachusetts	Boston	7,259	7,726
Michigan	Detroit	4,547	5,355
Minnesota	St. Paul	5,294	6,237
Mississippi		not available	
Missouri	Kansas City metro area	4,732	5,512
Montana	Billings	3,900	4,160
Nebraska*	Omaha	4,680	5,720
Nevada	Reno/Sparks	4,420	4,550
New Hampshire	Nashua	6,058	6,807
New Jersey	Trenton	4,279	4,856
New Mexico	Albuquerque	4,042	4,380
New York*	Rockland County	7,623	7,935
North Carolina*	Durham	5,200	5,980
North Dakota	Bismarck	4,161	4,175

(table continues)

Table A-5 (continued). Family Child Care: Average Annual Costs in Urban Areas

State	Urban area	Average annual cost of family child care for a 4-year-old	Average annual cost of family child care for a 12-month-old
Ohio	Cincinnati	$4,605	$5,115
Oklahoma	Tulsa, Oklahoma City metro area, and Lawton	3,445	3,973
Oregon*	Urban areas	4,560	4,800
Pennsylvania		not available	
Rhode Island		not available	
South Carolina	Columbia	3,588	3,640
South Dakota	Brookings, Clay, Lawrence, Minnehaha, Pennington, and Union Counties	3,640	3,952
Tennessee	Knoxville	3,900	4,420
Texas	Dallas County	4,160	4,784
Utah	Salt Lake City	4,290	4,810
Vermont	Burlington	5,096	5,304
Virginia	Roanoke	3,740	3,755
Washington	King County (Seattle)	5,356	6,344
West Virginia		not available	
Wisconsin*	Urban areas (excluding Dane and Milwaukee)	6,104	7,526
Wyoming	Cheyenne	4,090	4,224

*NOTES: Nebraska and Wisconsin data are combined center and family child care costs.
New York data are from a suburban county adjacent to New York City.
North Carolina and Oregon data are median costs, rather than average costs.

SOURCE: Data collected from local resource and referral agencies in a survey by the Children's Defense Fund, Spring 2000.

Table A-6. Family Child Care: Average Annual Costs in Rural Areas

State	Rural area (40 rural areas total)	Average annual cost of family child care for a 4-year-old	Average annual cost of family child care for a 12-month-old
Alabama	Walter and Blount Counties	$3,239	$3,246
Alaska	Kodiak	7,475	7,475
Arizona	Cochise County	3,914	4,043
Arkansas	NE and NW Arkansas	2,860	3,380
California	Fresno County	4,819	4,993
Colorado	Yuma County	3,536	3,536
Connecticut	Plainfield	6,292	6,456
Delaware	Sussex County	3,527	3,685
Florida	Santa Rosa County	3,807	4,085
Georgia		not available	
Hawaii	Hilo	3,907	3,932
Idaho	Rural SE Idaho Counties	3,475	4,142
Illinois	Sangamon County	3,952	4,316
Indiana		not available	
Iowa	Rural areas statewide	4,233	4,248
Kansas	Finney County-Garden City	3,380	4,160
Kentucky	Shelby County	3,692	4,160
Louisiana	Bienville Parish	not available	
Maine	Somerset County	3,120	3,692
Maryland	Allegany, Garrett, Washington Counties	3,943	4,423
Massachusetts		not available	
Michigan	Lake	4,459	4,681
Minnesota	Clay County	4,219	4,519
Mississippi		not available	
Missouri	St. Joseph and SE Missouri	2,626	2,990
Montana	Stillwater County	3,640	3,900
Nebraska*	Kearney	2,556	3,570
Nevada	Carson City	4,550	4,550
New Hampshire	Cheshire County	4,374	4,562
New Jersey		not available	
New Mexico		not available	
New York	Genesee County	4,680	4,940
North Carolina*	Scotland County	3,380	3,380
North Dakota	Linton	3,488	3,488

(table continues)

Table A-6 (continued). Family Child Care: Average Annual Costs in Rural Areas

State	Rural area	Average annual cost of family child care for a 4-year-old	Average annual cost of family child care for a 12-month-old
Ohio	Preble County	$4,056	$3,640
Oklahoma	Rural areas statewide	2,933	3,315
Oregon*	Rural areas	4,020	4,380
Pennsylvania		not available	
Rhode Island		not available	
South Carolina	Lee County	3,120	3,120
South Dakota	Rural areas statewide	3,120	3,245
Tennessee	Sevierville	3,380	3,640
Texas	Ellis County	3,276	3,588
Utah	Six counties	3,648	4,019
Vermont	Hinesburg and Chittenden	4,680	4,732
Virginia	West Point	3,120	4,160
Washington	Chelan, Douglas, and Okanogan Counties	3,692	4,420
West Virginia		not available	
Wisconsin*	Rural areas statewide	4,698	5,816
Wyoming	Campbell County	3,992	4,517

*NOTES: Nebraska and Wisconsin data are combined center and family child care costs.
North Carolina and Oregon data are median costs, rather than average costs.

SOURCE: Data collected from local resource and referral agencies in a survey by the Children's Defense Fund, Spring 2000.

Table A-7. Family Child Care: Average Annual Costs Statewide		
State (35 states total)	Average annual cost of family child care for a 4-year-old	Average annual cost of family child care for a 12-month-old
Alabama	not available	
Alaska	$6,344	$7,410
Arizona	not available	
Arkansas	3,380	3,900
California	5,318	5,787
Colorado	4,524	4.888
Connecticut	6,694	7,022
Delaware	4,398	4,645
Florida	4,193	4,627
Georgia	not available	
Hawaii	4,713	4,741
Idaho	3,474	3,658
Illinois	not available	
Indiana	3,900	4,316
Iowa	4,467	4,592
Kansas	3,900	4,420
Kentucky	3,432	3,588
Louisiana	not available	
Maine	3,982	4,340
Maryland	4,799	5,787
Massachusetts	not available	
Michigan	5.248	5,505
Minnesota	5,046	5,828
Mississippi	2,340	2,600
Missouri	3.666	4,108
Montana	not available	
Nebraska*	3,759	5,722
Nevada	4.680	4,940
New Hampshire	5,381	5,866
New Jersey	not available	
New Mexico	not available	
New York	not available	
North Carolina*	3,380	3,640
North Dakota	4,108	4,114

(table continues)

Table A-7 (continued). Family Child Care: Average Annual Costs Statewide

State	Average annual cost of family child care for a 4-year-old	Average annual cost of family child care for a 12-month-old
Ohio	$4,423	$4,702
Oklahoma	3,201	3,708
Oregon*	4,200	4,680
Pennsylvania	not available	
Rhode Island	5,377	5,854
South Carolina	3,380	3,432
South Dakota	3,390	3,598
Tennessee	not available	
Texas	3,640	3,900
Utah	not available	
Vermont	not available	
Virginia	3,900	5,200
Washington	4,420	5,148
West Virginia	not available	
Wisconsin*	5,081	6,283
Wyoming	4,154	4,390

*NOTES: Nebraska and Wisconsin data are combined center and family child care costs.
North Carolina and Oregon data are median costs, rather than average costs.
Wisconsin data do not include data from Dane or Milwaukee.

SOURCE: Data collected from local resource and referral agencies in a survey by the Children's Defense Fund, Spring 2000.

Key Findings from Tables A-8–A-10.
School-Age Care: Average Annual Costs

- The average annual cost of care for school-age children in an urban area center is over $3,000 in two-thirds of the states for which we have data (29 of 44) and over $3,500 in one-third of the states (15 of 44, Table A-8).

- The average annual cost of family child care for school-age children in an urban area is over $3,000 in half of the states for which we have data (20 of 40). In one-quarter of the states (10 of 40), average costs exceed $4,000 per year (Table A-8).

- In half of the rural areas for which we have data (19 of 39), the average annual cost of care for school-age children in a center is more than $2,500 and in nearly one-third of the states (12 of 39), average annual costs are above $3,000 (Table A-9).

- The average annual cost of family child care for a school-age child in a rural area is over $2,500 in almost half of the states (17 of 37, Table A-9).

Table A-8. School-Age Care: Average Annual Costs in Urban Areas

State	Urban area (45 urban areas total)	Average annual cost for center care for a school-age child	Average annual cost for family child care for a school-age child
Alabama	Jefferson County (Birmingham)	$3,033	$3,541
Alaska	Anchorage	not available	2,300
Arizona	Tucson	2,444	not available
Arkansas	Conway/Springdale	2,396	2,995
California	Los Angeles County	4,086	3,568
Colorado	Denver	4,940	3,120
Connecticut	Hartford	4,493	4,181
Delaware	New Castle County	3,145	2,740
Florida	Pinellas County	2,345	2,860
Georgia	Atlanta	3,834	not available
Hawaii*		not available	
Idaho	Boise	4,445	3,247
Illinois	Chicago	3,328	5,092
Indiana		not available	
Iowa	Urban areas statewide	2,288	2,108
Kansas	Wichita	2,612	2,444
Kentucky	Louisville	3,295	3,402
Louisiana	Shreveport	2,791	not available
Maine	Cumberland County	3,172	2,582
Maryland	Baltimore (city)	3,618	4,121
Massachusetts	Boston	4,895	4,875
Michigan	Detroit	2,192	2,516
Minnesota	St. Paul	6,433	4,073
Mississippi		not available	
Missouri	Kansas City Metro Area	3,588	3,172
Montana	Billings	3,295	2,995
Nebraska*	Omaha	3,295	3,295
Nevada	Reno	2,492	2,576
New Hampshire	Nashua	4,193	4,624
New Jersey	Trenton	2,444	3,594
New Mexico		not available	
New York*	Rockland County	3,917	5,990
North Carolina*	Durham	2,860	2,652
North Dakota	Bismarck	3,211	4,152
Ohio	Cincinnati	5,463	3,199
Oklahoma	Tulsa, Oklahoma City metro area, Lawton	3,311	2,863
Oregon*	Urban areas	2,995	2,660
Pennsylvania	Pittsburgh	3,380	not available
Rhode Island		not available	

(table continues)

Table A-8 (continued). School-Age Care: Average Annual Costs in Urban Areas

State	Urban area	Average annual cost for center care for a school-age child	Average annual cost for family child care for a school-age child
South Carolina	Columbia	$3,594	$2,995
South Dakota	Brookings, Clay, Lawrence, Lincoln, Minnehaha, Pennington, and Union Counties	1,869	2,097
Tennessee	Knoxville	3,423	3,765
Texas	Dallas	3,055	2,995
Utah	Salt Lake City	2,396	2,396
Vermont	Burlington	3,081	4,193
Virginia	Roanoke	2,971	2,396
Washington	King County (Seattle)	3,965	2,995
West Virginia	Huntington, Charleston, Parkersburg	3,432	not available
Wisconsin*	Urban areas (excluding Dane and Milwaukee)	4,289	4,289
Wyoming	Cheyenne	1,905	1,881

*NOTES: Hawaii's Department of Education funds the "A+" After-School Program in every school in the state, which is available to all parents on a sliding fee scale basis.
Nebraska and Wisconsin data are combined center and family child care costs.
New York data are from a suburban county adjacent to New York City.
North Carolina and Oregon data are median costs, rather than average costs.

SOURCE: Annual costs were calculated from hourly and/or weekly costs reported by local resource and referral agencies in a survey by the Children's Defense Fund, Spring 2000. The annual costs include costs for before- and after-school care during school days and costs for care during summer vacations and school holidays. In converting hourly school-age costs to annual costs, CDF assumed that children of working parents in before- and after-school care for a total of 3.5 hours per day, 180 days per year and in full-day care (8 hours per day) during 71 non-school weekdays. (The remaining days would be either weekends or the parents' vacation time.)

Table A-9. School-Age Care: Average Annual Costs in Rural Areas			
State	**Rural area (41 rural areas total)**	**Average annual cost for center care for a school-age child**	**Average annual cost for family child care for a school-age child**
Alabama	Walter and Blount Counties	$3,214	$3,116
Alaska	Kodiak	3,534	3,977
Arizona	Cochise County	2,276	not available
Arkansas	NE and NW Arkansas	2,396	1,198
California	Fresno County	2,286	3,091
Colorado	Washington County	not available	1,976
Connecticut	Plainfield	2,468	3,354
Delaware	Sussex County	2,122	2,325
Florida	Highlands County	1,769	2,165
Georgia	Tifton	2,396	not available
Hawaii*		not available	
Idaho	SE Idaho Counties	3,989	1,498
Illinois	Sangamon County	4,193	3,091
Indiana		not available	
Iowa	Rural areas statewide	2,300	2,204
Kansas	Finney County-Garden City	2,276	2,097
Kentucky	Shelby County	3,043	2,743
Louisiana		not available	
Maine	Somerset County	1,430	1,716
Maryland	Allegany, Garrett, and Washington Counties	3,019	2,875
Massachusetts		not available	
Michigan	Lake	1,198	1,665
Minnesota	Clay County	2,995	2,240
Mississippi		not available	
Missouri	St. Joseph and SE Missouri	2,228	1,917
Montana	Stillwater County	2,995	2,696
Nebraska*	Kearney	1,857	1,857
Nevada	Fallon (centers)/Carson City (family child care)	2,037	1,797
New Hampshire	Cheshire County	3,654	3,199
New Jersey		not available	
New Mexico		not available	
New York	Genesee County	3,091	2,696
North Carolina*	Scotland County	1,820	not available
North Dakota	Linton	3,510	3,488

(table continues)

Table A-9 (continued). School-Age Care: Average Annual Costs in Rural Areas

State	Rural area	Average annual cost for center care for a school-age child	Average annual cost for family child care for a school-age child
Ohio	Preble County	$3,438	$1,917
Oklahoma	Rural areas statewide	2,773	2,699
Oregon*	Rural areas	2,396	2,097
Pennsylvania	Cumberland County	3,048	not available
Rhode Island		not available	
South Carolina	Lee County	2,396	2,396
South Dakota	Rural areas statewide	1,797	1,797
Tennessee	Sevierville	2,738	3,423
Texas	Ellis	2,576	2,696
Utah	Six counties	2,504	2,168
Vermont	Hinesburg and Chittenden	not available	3,055
Virginia	West Point	2,860	2,600
Washington	Chelan, Douglas, and Okanogan Counties	2,097	2,061
West Virginia		not available	
Wisconsin*	Rural areas statewide	3,127	3,127
Wyoming	Campbell County	1,701	1,869

*NOTES: Hawaii's Department of Education funds the "A+" After-School Program in every school in the state on a sliding fee scale basis.
Nebraska and Wisconsin data are combined center and family child care costs.
North Carolina and Oregon data are median costs, rather than average costs.

SOURCE: Annual costs were calculated from hourly and/or weekly costs reported by local resource and referral agencies in a survey by the Children's Defense Fund, Spring 2000. The annual costs include costs for before- and after-school care during school days and costs for care during summer vacations and school holidays. In converting hourly school-age costs to annual costs, CDF assumed that children of working parents in before- and after-school care for a total of 3.5 hours per day, 180 days per year and in full-day care (8 hours per day) during 71 non-school weekdays. (The remaining days would be either weekends or the parents' vacation time.)

Table A-10. School-Age Care: Average Annual Costs Statewide		
State (35 states total)	**Average annual cost of center care for a school-age child**	**Average annual cost of family child care for a school-age child**
Alabama	not available	
Alaska	$4,481	$2,348
Arizona	not available	
Arkansas	2,396	2,396
California	3,729	3,238
Colorado	4,420	not available
Connecticut	4,792	4,528
Delaware	2,783	2,614
Florida	1,936	2,084
Georgia	not available	
Hawaii*	not available	
Idaho	4,576	2,396
Illinois	not available	
Indiana	2,912	2,496
Iowa	2,300	2,156
Kansas	2,696	2,276
Kentucky	not available	
Louisiana	2,791	not available
Maine	2,597	2,495
Maryland	4,253	4,025
Massachusetts	not available	
Michigan	2,600	2,576
Minnesota	5,738	3,594
Mississippi	2,132	1,404
Missouri	3,139	2,887
Montana	not available	
Nebraska*	2,707	2,707
Nevada	2,396	2,097
New Hampshire	4,313	3,774
New Jersey	not available	
New Mexico	not available	
New York	not available	
North Carolina*	2,080	1,820
North Dakota	3,640	3,295

(table continues)

Table A-10 (continued). School-Age Care: Average Annual Costs Statewide

State	Average annual cost of center care for a school-age child	Average annual cost of family child care for a school-age child
Ohio	$4,013	$3,019
Oklahoma	3,086	2,795
Oregon*	2,396	2,097
Pennsylvania	not available	
Rhode Island	4,176	3,143
South Carolina	3,594	3,594
South Dakota	2,360	1,953
Tennessee	not available	
Texas	2,875	2,396
Utah	not available	
Vermont	not available	
Virginia	2,971	2,396
Washington	3,402	2,456
West Virginia	3,432	not available
Wisconsin*	3,438	3,438
Wyoming	1,965	1,941

*NOTES: Hawaii's Department of Education funds the "A+" After-School Program in every school in the state on a sliding fee scale basis.
Nebraska and Wisconsin data are combined center and family child care costs.
North Carolina and Oregon data are median costs, rather than average annual costs.
Wisconsin data do not include data from Dane or Milwaukee.

SOURCE: Annual costs were calculated from hourly and/or weekly costs reported by local resource and referral agencies in a survey by the Children's Defense Fund, Spring 2000. The annual costs include costs for before- and after-school care during school days and costs for care during summer vacations and school holidays. In converting hourly school-age costs to annual costs, CDF assumed that children of working parents in before- and after-school care for a total of 3.5 hours per day, 180 days per year and in full-day care (8 hours per day) during 71 non-school weekdays. (The remaining days would be either weekends or the parents' vacation time.)

Key Findings from Table A-11.
Shortfall Between What 10 Percent of Income Buys for Low-Income Parents and What Average-Priced Child Care Costs in Urban Area Centers

- In all states but one, the average annual cost of care for a 4-year-old child in an urban area center would be at least $1,500 more than a two-parent family with both parents working full-time at minimum wage ($21,400 per year before taxes) could afford if they spent 10 percent of their income ($2,140 per year) on child care.

- In every state but one, the average annual cost of care for two children (a 4-year-old and a 12-month-old) in an urban area center would be over $5,000 more than a two-parent family with both parents working full-time at minimum wage ($21,400 per year before taxes) could afford if they spent 10 percent of their income ($2,140 per year) on child care.

- In two-thirds of the states (34 of 50), the average annual cost of care for a 4-year-old child in an urban area center would be over $2,500 more than a two-parent family with both parents working full-time at minimum wage ($21,400 per year before taxes) could afford if they spent 10 percent of their income ($2,140) on child care.

- In two-thirds of the states (35 of 50), the average annual cost of center care for two children (a 4-year-old and a 12-month-old) in an urban area would be over $8,000 more than a two-parent family with both parents working full-time at minimum wage ($21,400 per year before taxes) could afford if they spent 10 percent of their income ($2,140 per year) on child care. In over one-third of the states (19 of 50), center care for two children would be at least $10,000 above the amount that two working parents could afford.

Table A-11. Shortfall Between What 10 Percent of Income Buys for Low-Income Parents and What Average-Priced Child Care Costs in Urban Area Centers

Location		Average annual costs in a child care center		10 percent of income for a two-parent family with both parents working full time at minimum wage ($21,400/yr)*	Shortfall between what 10 percent of income buys for a low-income parent and the average annual cost of child care in a center	
State	Urban area	For a 4-year-old	For a 12-month-old and a 4-year-old		For one child	For two children
Alabama	Jefferson County (Birmingham)	$3,672	$7,914	$2,140	-$1,532	-$5,774
Alaska	Anchorage	6,019	13,195	2,140	-3,879	-11,055
Arizona	Tucson	4,352	9,317	2,140	-2,212	-7,177
Arkansas	Conway/Springdale	3,640	7,540	2,140	-1,500	-5,400
California	Los Angeles County	4,858	11,852	2,140	-2,718	-9,712
Colorado	Denver	5,096	11,856	2,140	-2,956	-9,716
Connecticut	Hartford	6,405	14,491	2,140	-4,265	-12,351
Delaware	New Castle County	5,510	11,807	2,140	-3,370	-9,667
Florida	Orange County	4,255	9,963	2,140	-2,115	-7,823
Georgia	Atlanta	4,992	11,024	2,140	-2,852	-8,884
Hawaii	Makiki	5,505	13,320	2,140	-3,365	-11,180
Idaho	Boise	4,814	10,695	2,140	-2,674	-8,555
Illinois	Chicago	5,304	14,144	2,140	-3,164	-12,004
Indiana*	Statewide	4,732	11,284	2,140	-2,592	-9,144
Iowa	Urban areas statewide	6,198	12,948	2,140	-4,058	-10,808
Kansas	Wichita	4,889	10,713	2,140	-2,749	-8,573
Kentucky	Louisville	4,368	9,360	2,140	-2,228	-7,220
Louisiana	Shreveport	4,160	8,840	2,140	-2,020	-6,700
Maine	Cumberland County	5,790	13,460	2,140	-3,650	-11,320
Maryland	Baltimore	4,774	13,235	2,140	-2,634	-11,095
Massachusetts	Boston	8,121	21,100	2,140	-5,981	-18,960
Michigan	Detroit	4,830	11,098	2,140	-2,690	-8,958
Minnesota	St. Paul	7,436	17,850	2,140	-5,296	-15,710
Mississippi*	Statewide	3,380	7,072	2,140	-1,240	-4,932
Missouri	Kansas City metro area	4,784	11,388	2,140	-2,644	-9,248
Montana	Billings	4,680	10,400	2,140	-2,540	-8,260
Nebraska	Omaha	4,680	10,400	2,140	-2,540	-8,260
Nevada	Reno	4,862	10,712	2,140	-2,722	-8,572
New Hampshire	Nashua	6,520	15,566	2,140	-4,380	-13,426
New Jersey	Trenton	5,252	11,862	2,140	-3,112	-9,722
New Mexico	Albuquerque	4,801	10,408	2,140	-2,661	-8,268
New York*	Rockland County	8,060	17,108	2,140	-5,920	-14,968

(table continues)

Table A-11 (continued). Shortfall Between What 10 Percent of Income Buys for Low-Income Parents and What Average-Priced Child Care Costs in Urban Area Centers

Location State	Urban area	Average annual costs in a child care center: For a 4-year-old	Average annual costs in a child care center: For a 12-month-old and a 4-year-old	10 percent of income for a two-parent family with both parents working full time at minimum wage ($21,400/yr)	Shortfall between what 10 percent of income buys for a low-income parent and the average annual cost of child care in a center: For one child	Shortfall: For two children
North Carolina*	Durham	$5,876	$12,844	$2,140	-$3,736	-$10,704
North Dakota	Bismarck	4,627	9,588	2,140	-2,487	-7,448
Ohio	Cincinnati	5,672	12,913	2,140	-3,532	-10,773
Oklahoma	Tulsa, Oklahoma City metro area, Lawton	4,108	9,075	2,140	-1,968	-6,935
Oregon*	Urban areas	5,580	13,260	2,140	-3,440	-11,120
Pennsylvania	Pittsburgh	6,188	13,572	2,140	-4,048	-11,432
Rhode Island*	Statewide	6,365	14,116	2,140	-4,225	-11,976
South Carolina	Columbia	3,900	7,904	2,140	-1,760	-5,764
South Dakota	Brookings, Clay, Lawrence, Lincoln, Minnehaha, Pennington, and Union Counties	4,243	9,090	2,140	-2,103	-6,950
Tennessee	Knoxville	4,420	9,620	2,140	-2,280	-7,480
Texas	Dallas	4,160	9,516	2,140	-2,020	-7,376
Utah	Salt Lake City	4,550	10,478	2,140	-2,410	-8,338
Vermont	Burlington	5,980	12,844	2,140	-3,840	-10,704
Virginia	Roanoke	4,857	10,993	2,140	-2,717	-8,853
Washington	King County (Seattle)	6,604	14,300	2,140	-4,464	-12,160
West Virginia	Huntington, Charleston, Parkersburg	4,238	9,776	2,140	-2,098	-7,636
Wisconsin	Urban areas (excluding Dane and Milwaukee)	6,104	13,630	2,140	-3,964	-11,490
Wyoming	Cheyenne	4,056	8,216	2,140	-1,916	-6,076

*NOTES: Indiana, Mississippi and Rhode Island did not provide cost data for an urban area; therefore, statewide data are used instead.

New York did not provide data for an urban area; data for a suburban area adjacent to New York City are used here.

North Carolina and Oregon provided median annual costs, rather than average annual costs.

The income level for this hypothetical family was calculated using the federal minimum wage of $5.15 per hour. Ten states have a higher hourly minimum wage (Alaska [$5.65]; California [$5.75]; Connecticut [$6.15]; Delaware [$5.65, rising to $6.15 October 1, 2000]; Hawaii [$5.25]; Massachusetts [$6.00, rising to $6.75 January 1, 2001]; Oregon [$6.50]; Rhode Island [$5.65]; Vermont [$5.75]; and Washington [$6.50, to be indexed to CPI January 1, 2001]).

In many of the states, families earning $21,400 a year would be eligible for child care assistance.

However, due to insufficient funding, eligible families may not always receive help.

SOURCE: Data collected from local resource and referral agencies in a survey by the Children's Defense Fund, Spring 2000.

THE WASHINGTON POST

TUESDAY, AUGUST 1, 2000

EXTRA CREDIT

MELANNE VERVEER

Ann —
I just got this from Pat Schroeder to bolster "the events."

■ KEYS TO SUCCESS
All states aren't equal

States that have focused on lowering class size in the early grades, expanding pre-kindergarten programs and giving teachers more resources show the greatest improvement in student math and reading achievement in the last decade, according to a new study by the Rand research organization.

The report looked at state-by-state performance on the National Assessment of Educational Progress tests given from 1990 to 1996. It found that the rate of improvement varied greatly from one state to another.

"One group of states—led by North Carolina and Texas and including Michigan, Indiana and Maryland—boasts gains about twice as great as the national average," the report concluded. "Another group—including Wyoming, Georgia, Delaware and Utah—shows minuscule gains or none at all."

The states posting the bigger gains were those that focused on extra help for younger students, the study found.

The study is available at *www.rand.org/HOT/index.html*.

■ SKIN-DEEP
Low marks for biology books

Open today's high school biology textbooks and you will find pages filled with fancy technical terms and lots of scientific details. But what you often will not find, according to a new study, is adequate treatment of basic scientific concepts.

The study was conducted by Project 2061, the long-term science and math education reform initiative of the American Association for the Advancement of Science. It says many biology textbooks, while heavy on trivial details that are easy to test, fail to make important ideas comprehensible.

For example, information about the molecular basis of heredity is presented piecemeal in the typical textbook, the study found. The books describe DNA in great detail, as well as changes in genes and their consequences. But seldom are those ideas tied together to convey a coherent story, the study says.

The report is available at *www.project2061.org*.

■ CHILDREN'S STATUS
More day care, less reading

The Department of Education's fourth annual report to the nation on the condition of children shows a decline in the number of young children who have a family member read to them every day.

The study, called "America's Children: Key National Indicators of Well-Being," offers 23 measures of well-being in the areas of economic security, health, behavior and social environment and education.

Among the educational findings:

■ In 1999, 53 percent of children ages 3 to 5 were read to daily by a family member. In 1996, the total was 57 percent.

■ From 1996 to 1999, the percentage of children ages 3 to 5 not yet in kindergarten who were enrolled in early childhood centers rose from 55 to 59 percent. The largest increases were among children living in poverty, children with mothers who were not in the labor force, and minority children.

■ The high school completion rate for young adults ages 18 to 24 declined from 86 percent in 1997 to 85 percent in 1998. Among Hispanics, the rate dropped from 67 percent to 63 percent.

■ Fifty-five percent of high school students participated in volunteer activities in 1999, up from 50 percent in 1996.

The report can be found at *www.nces.ed.gov*.

■ SCHOOL REPAIRS
A $127 billion job

A new report by the National Center for Education Statistics concludes that the total amount of money needed to put America's schools in good physical condition is $127 billion.

On average, each of the schools that requires upgrading needs about $2.2 million, the report said.

One in four schools reported that at least one of its buildings was in less than adequate condition.

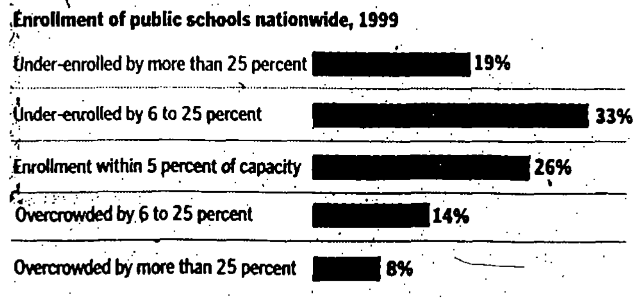
The main instructional buildings at public schools are 40 years old on average, and schools that have undergone renovation had the work done 11 years ago on average.

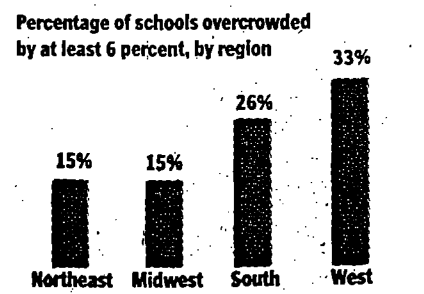
The report can be found at *www.nces.ed.gov*.

Compiled from reports by staff writers Jay Mathews and Valerie Strauss.

Statistics 101

Twenty-two percent of the nation's public schools are overcrowded, with an enrollment at least 6 percent greater than their building's capacity, according to a report issued in June by the U.S. Department of Education. But 52 percent of schools are under-enrolled, with an enrollment at least 6 percent below their building's capacity.





SOURCE: U.S. Department of Education