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Contact: Kali Schumitz, kschumitz@mdeconomy.org, 410-412-9105 ext 701

Maryland Ranks 21st in Child Well-Being as Inaccessible, Unaffordable Child Care Pushes Parents to the Breaking Point

50-State Data Show Economy Loses \$122 Billion a Year as Child Care Challenges Cause Parents to Miss, Quit or Scale Back Work, Annie E. Casey Foundation Finds

Baltimore, Md. — Maryland ranks 21st in child well-being, according to the **2023 KIDS COUNT® Data Book**, a 50-state report of recent household data developed by the Annie E. Casey Foundation analyzing how children and families are faring. The report also shows the country's lack of affordable and accessible child care short-changes children and causes parents in Maryland to frequently miss work or even quit their jobs, while those who can find care are paying dearly for it. These child care challenges cost the American economy billions of dollars a year and can hold back women in their careers.

“As a parent, I know firsthand that our child care system today is not working very well for anybody,” said Benjamin Orr, President and CEO of the Maryland Center on Economic Policy, the Maryland member of the KIDS COUNT network. “Parents across the state face difficult choices because of high costs or a lack of providers in their communities. At the same time, child care workers are too often underpaid for the essential work they do. Maryland has taken some positive steps to improve our child care system in the last few years and continuing to build on that progress is essential for families and our state’s economy.”

The *Data Book* reports too many parents cannot secure child care that is compatible with work schedules and commutes. Nearly 12% of Maryland children ages birth to 5 live in families in which someone quit, changed, or refused a job because of problems with child care in 2020-21. This is just below the national average of nearly 13%. In addition, women are five to eight times more likely than men to experience negative employment consequences related to caregiving.

Even if parents can find an opening at a child care provider near their home, they often can't pay for it. Maryland's average cost of center-based child care for a toddler was \$11,090, nearly 8% of the median income of a married couple and 25% of a single mother's income in the state.

While the cost of care burdens families, child care workers are paid worse than 98% of professions. Median national pay for child care workers was \$28,520 per year or \$13.71 an hour in 2022, less than the wage for retail (\$14.26) and customer service (\$18.16) workers.

The failings of the child care market also affect the current and future health of the American economy, costing \$122 billion a year in lost earnings, productivity and tax revenue, according to one study. All of these challenges put parents under tremendous stress to meet the dual responsibilities of providing for their families and ensuring their children are safe and nurtured.

Each year, the *Data Book* presents national and state data from 16 indicators in four domains — economic well-being, education, health, and family and community factors — and ranks the states according to how children are faring overall.

“Child care is just one of the challenges facing Maryland families. Despite our state's relative wealth, the *Data Book* shows that thousands of Marylanders with children are facing unaffordable housing costs,

unstable employment, and a lack of health insurance,” said Nonso Umunna, KIDS COUNT Director for the Maryland Center on Economic Policy.

When children are living in poverty or in a household facing financial difficulties, they are never immune from the stress of their environment, which affects their overall well-being. The report finds that in Maryland in 2021:

- 187,000 or 14% of children lived in households with income below the poverty line (rank: 18th)
- 344,000 or 25% of children lived with parents who lack secure employment (rank: 14th)
- 423,000 or 31% of children lived in households with high housing cost burdens (rank: 39th)
- 62,000 or 4% of children did not have health insurance (rank: 15th)
- Between 2017 and 2021, 43,000 or 3% of children lived in high-poverty areas (rank: 10th)

Transitioning from a faltering child care system to creating a flourishing one will take new thinking and investing at the local, state, and national levels. An executive order issued by President Biden in April is aimed at expanding access, lowering costs, and raising wages. It could prove to be a helpful framework, but more is needed:

- Federal, state, and local governments should invest more in child care. State and local governments should continue to fund needed child care services and increase capacity so that everyone who needs child care can access it. Congress should reauthorize and strengthen the Child Care and Development Block Grant Act, and increase funding for public pre-kindergarten and Head Start.
- Public and private leaders should work together to improve the infrastructure for home-based child care, beginning by lowering the barriers to entry for potential providers by increasing access to start-up and expansion capital.
- To help young parents, Congress should expand the federal Child Care Access Means Parents in School (CCAMPIS) program, which serves student parents.

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RELEASE INFORMATION

The *2023 KIDS COUNT® Data Book* will be available at www.aecf.org. Additional information is available at www.aecf.org/databook. Journalists interested in creating maps, graphs and rankings in stories about the *Data Book* can use the KIDS COUNT Data Center at datacenter.aecf.org.

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ABOUT THE ANNIE E. CASEY FOUNDATION

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