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Contact Katherine Linwood
Communications Manager
kchu@rikidscount.org
401.351.9400, Ext. 22

Inaccessible and Unaffordable: Lack of Child Care, High Cost Hurt Families, Workers, Economy

*50-State Data Show Every State Lacks Essential Child Care for Working Parents;
Annie E. Casey Foundation Urges Investments so Children Can Thrive,
Parents Can Work, Providers Can Receive Fair Pay*

Providence, RI: — Rhode Island ranks 20th overall 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. However, our country's lack of affordable and accessible child care short-changes children and causes parents in Rhode Island 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 stymie women professionally.

The Data Book reports that too many parents cannot secure child care that is compatible with work schedules and commutes. The Data Book reports that from 2020—21, more than one in ten (11%) of children under age 6 in Rhode Island lived in families in which someone quit, changed, or refused a job because of problems with child care. And 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 child care near their home, they often can't pay for it. In Rhode Island, the average cost of center-based child care for a toddler was \$13,462, 12% of the median income of a married couple and 38% of a single mother's income in the state.

While the cost of care burdens families, child care educators are paid worse than 98% of professions. Median national pay for child care educators 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.

Rhode Island KIDS COUNT and The Right from the Start Campaign (<http://www.RightfromtheStartRI.org>) are focused on advancing critical policies in 2023 to help families with children.

"Families need access to affordable, high-quality child care so parents can work and children can grow, learn, and thrive," said Paige Clausius-Parks, Rhode Island KIDS COUNT Executive Director. "Child care is essential to Rhode Island families and our economy. Nine out of 10 families in Rhode Island cannot afford child care. Rhode Island has pulled \$48 million in state funding out of the RI Child Care Assistance Program since 2005 and the program is helping less than half of the number of families that were helped in 2003. Rhode Island's child care and early learning system is in crisis due to underfunding, the impacts of the COVID-19 pandemic, and a severe staffing shortage that is forcing many early educators to leave for higher paying jobs. That means

closed classrooms and long waiting lists for parents who depend on quality, affordable, reliable child care and early learning programs so they can get to work and their kids can learn and grow. It's time to pass the *Rhode Island Child Care is Essential Act and the Early Educator Investment Act!*"

The *Rhode Island Child Care is Essential Act* (H-5193 (Diaz) & S-522 (Cano)):

- Allows more families to qualify for the RI Child Care Assistance Program by raising the family income limits to qualify for the Child Care Assistance Program to the federal Child Care and Development Block Grant benchmark, 85% of the state median family income (\$77,897 for a family of three)
 - The Rhode Island Child Care Assistance Program (CCAP) is managed by the Rhode Island Department of Human Services (DHS) and helps families pay for child care. Eligible low-income families are approved for a certificate they can use to enroll their children (birth – age 12) at a child care program that accepts the certificate. DHS pays child care programs based on rates that are set in statute. Some families are assessed a copayment that they pay directly to the child care program.
- Makes child support participation voluntary.
- Increases rates for the RI Child Care Assistance Program to meet or exceed the federal equal access standard (75th percentile of the 2021 RI Child Care Market Rate Survey) for all ages and settings.
- Adds a differential bonus rate for infants under the age of 18 months to help address staffing and operating challenges in programs serving babies.

RI Early Educator Investment Act (Casimiro H-5983/Cano S-523)

- Establishes statewide compensation goals for early educators.
- Funds the new Child Care WAGE\$ program in RI to increase compensation and reduce turnover of skilled child care educators.
- Establishes the early educator registry in statute to meet national benchmarks and require annual reports.

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. Rhode Island ranks:

- Economic well-being: 24th
- Education: 33rd
- Health: 8th
- Family and community: 27th

"A good child care system is essential for kids to thrive and our economy to prosper. But our current approach fails kids, parents, and child care workers by every measure," said Lisa Hamilton, president and CEO of the Annie E. Casey Foundation. "Without safe child care they can afford and get to, working parents face impossible choices, affecting not only their families, but their employers as well."

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 maximize remaining pandemic recovery act dollars to fund needed child care services and capacity. 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.

About Rhode Island KIDS COUNT

Rhode Island KIDS COUNT is a statewide children's policy organization that works to improve the health, economic well-being, safety, education, and development of Rhode Island children with a core focus on equity. Please visit rikidscount.org.

ABOUT THE ANNIE E. CASEY FOUNDATION

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