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Virginia Maintains Child Well-Being Ranking Despite Pandemic Challenges, Proactive Response to Child Care Needs Puts Virginia Near the Top

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

RICHMOND, VIRGINIA — Virginia ranks 14th 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 Virginia to 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.

Across the nation, 13% of children birth to age 5 lived in families in which someone quit, changed, or refused a job because of problems with child care; only 8% of families in Virginia faced the same challenges.

"While the pandemic undeniably rocked the child care sector, Virginia was quick to respond to expand income eligibility and provide child care help while families were looking for employment," said Rachael Deane, CEO of Voices for Virginia's Children. "We can thank Virginia lawmakers for approving these changes and for continued investments."

Over the last two years, Virginia lawmakers have continued to expand access to public preschool programs, shift policies and payment practices for child care programs receiving public funding becoming one of three states that pays based on true costs, including fair compensation, and reducing co-pays for families receiving child care assistance. Despite these efforts, many families still struggle to find and afford child care.

While Virginia families have experienced fewer employment challenges, child care is a significant expense many families struggle to pay. Virginia's average cost of center-based child care for a toddler was \$11,579, 9% of a married couple's median income and nearly one-third of a single mother's income in the state.

While the cost of care burdens families, the true cost of care for programs to remain competitive and create quality learning environments for children is a well-compensated workforce. In fact, 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. In Virginia, early educators earn slightly below the national median pay.

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.

Compared to prior to the pandemic, children in Virginia are doing better on eight indicators and worse in six areas.

“Despite a 14th overall ranking for Virginia, there can be no ‘return to normal’ with 13% of children living in poverty,” said Deane. “We are still recovering from a pandemic that has disrupted education, child care, and health care. Families are feeling more of an impact on their household budgets with the end of enhanced child tax credits, reduced food assistance benefits, and now the concern of losing health insurance coverage.”

A key factor in helping families achieve income stability and helping children succeed in school is investing in our early care system. An executive order issued by President Biden in April is aimed at expanding access, lowering costs, and raising wages. Proposed federal legislation from Rep. Bobby Scott and Sen. Tim Kaine, the Child Care for Working Families Act, would dramatically improve access for young families.

In addition to these federal proposals, Virginia decision-makers can:

- Pass the FY24 state budget that includes expanding our public preschool programs and increases mixed-delivery preschool grants. These resources will expand affordable, high quality preschool options.
- Continue to innovate and lead the way in early care reforms. In the fall of 2022, Virginia became one of three states to pay for child care by cost inputs, factoring in fair wages for early childhood educators. Years of bipartisan support for early education has laid the foundation for these investments.

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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 VOICES FOR VIRGINIA’S CHILDREN

Voices for Virginia’s Children is a nonprofit organization committed to improving and protecting the lives of Virginia’s children, youth, and families. We believe every child should have equitable access to the resources, services and opportunities needed to thrive. For us, that means advocating for sound policies, educating the public, mobilizing communities, utilizing data to determine unmet needs, and leading with compassion. Our aim is to always close the systemic gaps that fail children, prioritize racial justice in policymaking, and ensure every voice has a role in shaping their future. Get involved at vakids.org.

ABOUT THE ANNIE E. CASEY FOUNDATION

The Annie E. Casey Foundation creates a brighter future for the nation’s young people by developing solutions to strengthen families, build paths to economic opportunity and transform struggling

communities into safer and healthier places to live, work and grow. For more information, visit www.aecf.org. KIDS COUNT® is a registered trademark of the Annie E. Casey Foundation.

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