

Child Care: Research-Based Policy Recommendations for Executive and Legislative Officials in 2017

President-elect Trump's [proposal to improve child care](#) includes plans to assist families with the cost of child care through a tax exclusion; the creation of child care savings accounts; relaxing regulations on child care providers in an effort to reduce costs to families; incentivizing employers to provide child care at the workplace; and providing 6 weeks of paid leave to new mothers when this benefit is not provided by their employer.

State of the research

According to the most recent Census data, approximately 11 million children under age 5 are in a [non-parental care arrangement](#). About one third attend a center-based child care center, another third are cared for by a grandparent, and the remaining third are cared for by another family member, friend, nanny, or at a family child care home. Yet [not all families have equal choices](#) when it comes to selecting a care arrangement for their children. In low-income and rural communities, there is simply not enough access to high-quality learning environments to accommodate the needs of all children. The quality of care is important as the experiences children have early in life [set the foundation for all future learning, behavior, and health](#).

State of the field

Cost of care. Labor constitutes the bulk [of operating costs](#) associated with running a child care facility, which in turn influences the cost of care. Currently the majority of the child care workforce does not earn a livable wage, which makes it difficult to recruit and retain qualified professionals. According to the U.S. Bureau of Labor Statistics, the [average hourly wage](#) of a child care worker is \$9.77. [A few innovative state and local initiatives](#) to address compensation challenges include using local public

dollars to [raise base pay and increase benefit packages](#) to providers who meet specified criteria. Another strategy includes offering stipends that serve as bonuses or supplements to teachers' pay. For example, [Teacher Education and Compensation Helps \(T.E.A.C.H\) Early Childhood®](#) and [Child Care WAGES](#) offer salary stipends to teachers once they have reached clearly defined educational benchmarks.

Child care regulations. Because children under the age of 5 are still in the early stages of developing their verbal and motor skills and cannot advocate or attend to their own self-care needs (i.e., eating, dressing, toileting), states have regulations that outline health and safety requirements for all licensed child care facilities. [Most states](#) commonly set a child-to-teacher ratio at 4 to 1 for infants



(children up to 18 months old); 7 to 1 for toddlers (18 months to age 3); and 10 to 1 for preschool-aged children (ages 3 to 4) so that care providers are able to attend to young children's health, safety, and developmental needs. Furthermore, [federally funded national studies](#) indicate that lower staff-to-child ratios and low group sizes are related to: higher cognitive development and pre-literacy scores; decreased behavioral problems and signs of social withdrawal; and increased positive verbal and nonverbal interaction between children and adults.

For a list of sources used to develop this brief, go to <http://www.childtrends.org/research-based-policy-recommendations-2017/>

Our recommendations

President-elect Trump's plan outlines an opportunity to support families in making choices about the care of their children and provides an opportunity to support small business owners across the nation who operate child care centers or licensed care out of their homes. To capitalize on this opportunity, we recommend that federal officials consider the following:

- 1. Use regional market rate survey data to inform a tax credit formula that will provide a true benefit to families.** Child care costs vary significantly by geographic location, age of care, type of setting and quality of program. Market rate surveys, which are required of all states under the federal Child Care and Development Block Grant, can help inform an accurate assessment of the cost of care. Consider designing the deduction to incentivize families to choose higher quality care and rewarding these choices with a higher benefit.
- 2. Support a highly effective child care workforce with scholarships for training and education.** To ensure the quality of care available to all children regardless of setting (center- or home-based care), consider supporting public-private scholarship programs that support the training and retention of the workforce through increased compensation.
- 3. Use caution when amending child care regulations, specifically child-teacher ratios and group size requirements.** Maintaining lower ratios and group sizes makes it easier for adults to provide quality care to young children and can prevent unintended health and safety consequences.