

# North Carolina 2019 Policy Priorities for Infants, Toddlers, and Families

Think Babies™ NC Leadership Team



## *Increase Child Care Subsidy Funding for Infants and Toddlers*

### Introduction

Children's development and learning in the first few years lay the foundation for all of the years that follow. Children who attend high-quality early education programs are better prepared for success in school—academically, socially and emotionally. However, few working poor families can afford the high cost of infant care, which averages \$9,255 annually.<sup>1</sup> Because of this, North Carolina provides child care financial assistance for low-income working families through the Child Care Subsidy Program. This two-generation program is designed to help families earning at or below 200% of the federal poverty level (FPL) pay for child care while they work or attend school and provide their children with access to quality early care and learning programs.

An acute shortage of child care subsidy funding exists, especially for families of infants and toddlers. In North Carolina, an estimated 102,971 infants and toddlers whose parents are working are eligible for child care subsidy.<sup>2</sup> In 2018, 19,842 infants and toddlers received subsidy—only 19% of all eligible babies in North Carolina.<sup>3</sup> Another way to estimate need is by looking at the child care subsidy waiting list. While not all eligible families apply for subsidy, in September 2018, 12,802 infants and toddlers remained on the waitlist. Of the children under age six waiting for subsidy, 56% were infants and toddlers.<sup>4</sup> By any measure, there is a dramatic need to increase access to child care assistance and quality early care and learning programs in North Carolina.

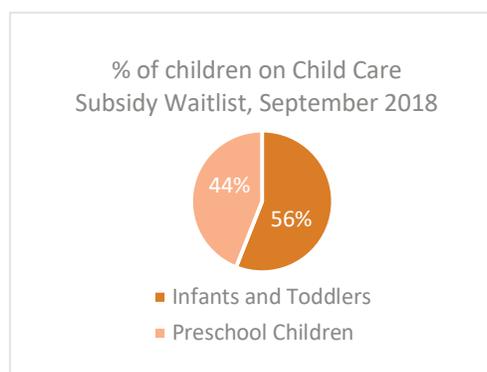
### Why Is This Important to Do Now?

**Infants and toddlers are missing out on opportunities for healthy development and early learning.**

A child's brain grows more quickly during their first three years of life than at any other point. Ensuring that infants and toddlers have access to quality early care and learning programs both lays the foundation for learning and lessens the need for remediation in the future.<sup>5</sup>

**Infants and toddlers wait longer for child care subsidy assistance, missing crucial developmental opportunities.**

Infants and toddlers make up more than half of children under six on the waiting list, but receive subsidy less frequently than preschool children.<sup>6</sup> The lack of supply for subsidy and long waiting lists means that infants and toddlers remain on the wait list longer to receive subsidy, and many don't receive subsidy until their preschool years, missing a critical window in their development.

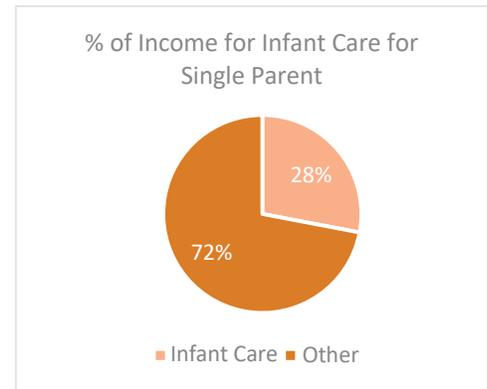


## Quality early care and learning opportunities are critical for family well-being and economic self-sufficiency.

Low-income working families with infants and toddlers need access to child care programs so that they can work and support their own families. Making child care more affordable increases parents' workforce participation, increasing economic self-sufficiency and decreasing the stress caused by economic instability.<sup>7</sup>

## Quality care and learning is out of reach for low-income working families.

Child care is one of the largest expenses families face. The average annual cost of infant care in North Carolina is \$9,255, 40.7% more per year than in-state tuition for a 4-year public college.<sup>8</sup> A single parent with one infant earning about \$32,920, which qualifies for child care subsidy at 200% of the federal poverty level, would need to spend almost one third of their gross income on infant care. A single parent earning minimum wage (\$7.25 per hour) would need to spend 61.4% of their income on care for one infant.<sup>9</sup> Only 26.7% of families can afford child care without going over the federally recommended spending target of no more than 10% of their family income.<sup>10</sup>



## Child Care subsidy shortages exist in every county in North Carolina.

Almost all—97 of North Carolina's 100 counties—serve less than one third of infants and toddlers eligible for subsidy. Seventy-one counties serve 20% or fewer eligible infants and toddlers. Sixteen of these counties serve less than 10%, several of which are clustered in the northeast corner of the state. Three counties, Hyde, Currituck, and Yadkin, each serve less than 5% of their eligible infants and toddlers.<sup>11</sup>

There were 12,802 infants and toddlers on the child care subsidy waiting list statewide in September 2018. Nearly half (49) of North Carolina counties have at least 50 infants and toddlers on the waiting list. In 25 counties, there are at least 100 infants and toddlers on the waiting list. Another 22 counties have between 100 and 1000 infants and toddlers on the subsidy wait list. Three counties, Guilford, Wake, and Mecklenburg, have over 1000 infants and toddlers on the waiting list, showing the extensive unmet need for child care assistance among working families.<sup>12</sup>

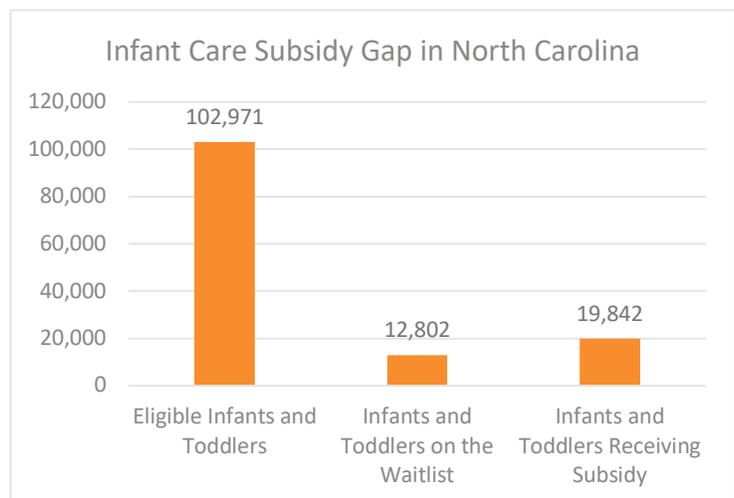
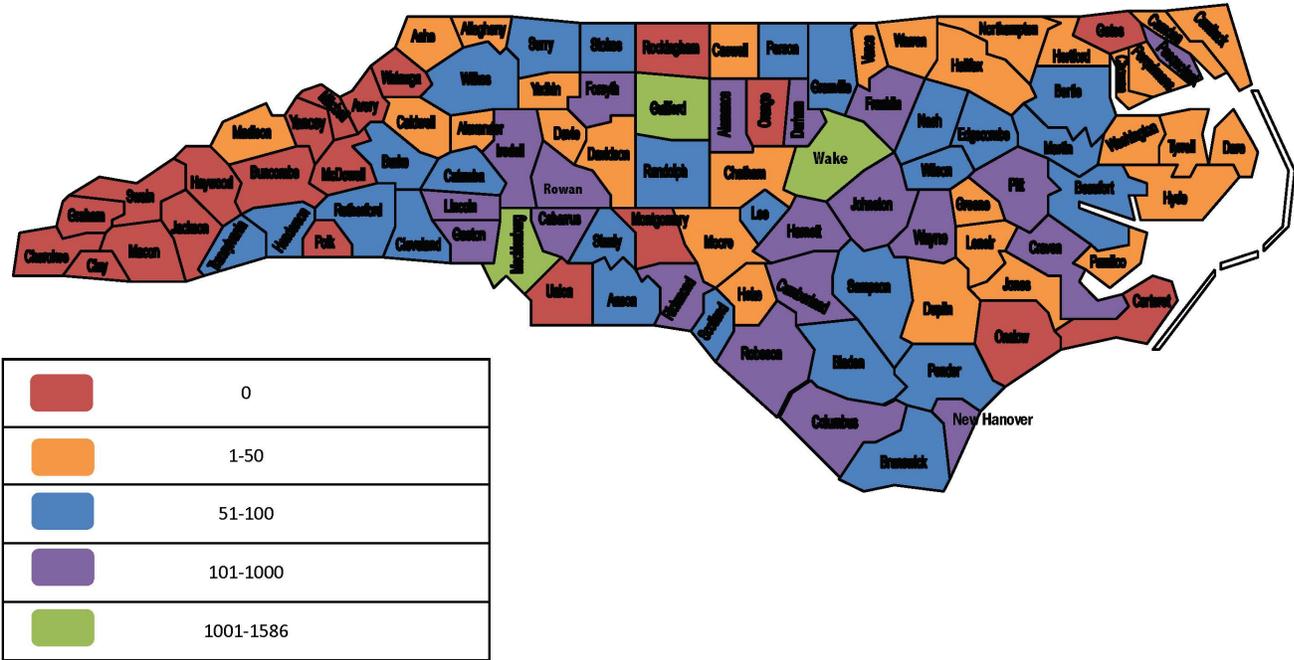


Figure 1: 12,802 Infants and Toddlers on the Subsidy Waiting List, September 2018



County	Number of Infants and Toddlers on the Wait List	County	Number of Infants and Toddlers on the Wait List	County	Number of Infants and Toddlers on the Wait List	County	Number of Infants and Toddlers on the Wait List
Alamance	453	Cumberland	811	Johnston	195	Randolph	71
Alexander	14	Currituck	22	Jones	6	Richmond	132
Alleghany	3	Dare	34	Lee	65	Robeson	661
Anson	63	Davidson	12	Lenoir	11	Rockingham	0
Ashe	3	Davie	39	Lincoln	116	Rowan	125
Avery	0	Duplin	27	Macon	0	Rutherford	74
Beaufort	83	Durham	116	Madison	38	Sampson	65
Bertie	71	Edgecombe	72	Martin	63	Scotland	98
Bladen	90	Forsyth	464	McDowell	0	Stanly	92
Brunswick	88	Franklin	206	Mecklenburg	1586	Stokes	86
Buncombe	0	Gaston	396	Mitchell	0	Surry	100
Burke	51	Gates	0	Montgomery	0	Swain	0
Cabarrus	293	Graham	0	Moore	6	Transylvania	57
Caldwell	48	Granville	93	Nash	56	Tyrrell	2
Camden	9	Greene	5	New Hanover	332	Union	0
Carteret	0	Guilford	1194	Northampton	49	Vance	49
Caswell	1	Halifax	19	Onslow	0	Wake	1299
Catawba	64	Harnett	254	Orange	0	Warren	34
Chatham	7	Haywood	0	Pamlico	27	Washington	40
Cherokee	0	Henderson	56	Pasquotank	124	Watauga	0
Chowan	12	Hertford	1	Pender	93	Wayne	251
Clay	0	Hoke	19	Perquimans	32	Wilkes	70
Cleveland	100	Hyde	1	Person	65	Wilson	90
Columbus	220	Iredell	121	Pitt	623	Yadkin	38
Craven	246	Jackson	0	Polk	0	Yancey	0

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- <sup>1</sup> Economic Policy Institute. (2016). "The Cost of Child Care in North Carolina."
- <sup>2</sup> DCDEE determines the number of infants and toddlers eligible for subsidy by calculating the number of children under age 3 in families under 200% of the FPL with all available parents working, using census data. The number of children currently receiving subsidy is then subtracted from the total to determine the gap in each county.
- <sup>3</sup> DCDEEE. (2018a). "0-2 Subsidy Estimates."
- <sup>4</sup> DCDEE. (2018b). "Waiting List Data by Age and County."
- <sup>5</sup> Center on the Developing Child at Harvard University. (2016). 8 Things to Remember about Child Development.
- <sup>6</sup> Child Care Service Association (CCSA). (2017). "Who's Caring for Our Babies.;" DCDEE, 2018b
- <sup>7</sup> Child Care Aware of America. (2018). "The US and the High Cost of Child Care: A Review of Prices and Proposed Solutions in a Broken System."
- <sup>8</sup> Economic Policy Institute, 2016
- <sup>9</sup> Ibid.
- <sup>10</sup> Ibid.
- <sup>11</sup> DCDEE, 2018a
- <sup>12</sup> DCDEE, 2018b

#### About Think Babies™ NC:

Think Babies™ NC seeks to advance policies that support the healthy development of North Carolina's babies and toddlers. It is aligned with the NC Pathways to Grade-Level Reading initiative and the NC Early Childhood Action Plan. Think Babies™ NC is led by the NC Early Education Coalition with support from the NC Early Childhood Foundation and a Leadership Team of state and local organizations focused on advancing public awareness and policy solutions for infants, toddlers, and their families.