CLASP
The Center for Law and Social Policy

Fact Sheet

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School-Age Child Care: Overlooked and Under-resourced

The COVID-19 pandemic has demonstrated how critical child care is for families while also highlighting and exacerbating the existing inequities in the sector. The economic stability that child care provides families with school-aged children has been shaken. By the fall of 2020, there were roughly **1.2 million** fewer parents of school-age children in the workforce than the prior February. Throughout these challenges, child care providers caring for school-age children have adapted their operations to accommodate remote and hybrid k-12 learning options so parents can continue working while children are learning. But this is not a pandemic problem alone—the need for care for school-age children existed long before the pandemic. Even as schools are beginning to reopen, continued investment in school-age care is essential to meet families' needs and address the long-standing inequities that children, families, and providers have faced. To ensure that parents—especially mothers—who wish to work can remain or return to the workforce, our nation must strengthen the infrastructure of the child care sector, including school-age child care, through public investment.

Inequities in Child Care

Since the start of the pandemic, **one in six jobs** have been lost in the sector, and **thousands of providers** are on the brink of shutting down. **Women of color and immigrant women** disproportionately make up the early education workforce and the effects of COVID-19 have heavily compounded the existing inequities early educators of color experience. In November 2020, **51 percent** of providers of color said that they would have to shut down their program within three months if Congress did not pass additional relief funding. Since then, the **Coronavirus Response and Relief Supplemental Appropriations Act, 2021** and the **American Rescue Plan Act** have provided critical relief. However, policymakers must target funds in a way that centers equity to address the underlying systemic issues that increased the likelihood that providers of color would have to shut down because of the impacts of COVID-19.

School-aged child care investments are essential to creating an aligned and accessible child care system. Stable, affordable, quality school-age care provides economic stability for families by allowing parents to have fewer work interruptions due to a lack of before-school, afterschool, summer, and non-traditional evening and weekend care. It also provides safe, healthy environments for children as they grow older and their needs change. These investments can also support higher wages, increased benefits, and greater professional development opportunities for providers.

New CLASP analysis suggests it would cost between **$48.4 billion and $79.6 billion** to reach all school-age children through the current child care subsidy system, the **Child Care Development Block Grant (CCDBG)**. Even more is needed, however, to provide equitable access to stable, affordable, sustainable, and quality child care programs to meet the urgent child care needs of families from birth through school-age. Fortunately, Congress and the administration are beginning to address these significant, long-overlooked needs with numerous viable and meaningful proposals now on the table including options that would have a tremendous, positive impact on school-age children's access to care.

School-Age Child Care

While children of all ages need child care, one often-overlooked population when considering public investment is care for school-aged children, defined here as children ages 6 to 13. For many families, child care for school-age children is a necessity. While they may have occupations, educational obligations, or other responsibilities, parents can tackle these priorities while their children are in a safe and enriching environment before school, after school, and during summer break. Many families also have multiple children of different ages and need care that meets their work and educational needs seamlessly. Some families, particularly those working jobs that pay low wages, need child care during non-traditional hours. During COVID-19, this also may include all-day care while schools are closed.

Benefits

School-age child care programs support child development in many ways. Children spend around **80 percent** of their time awake outside of school. In addition, **one in five youth** spend their after-school hours alone. School-age child care programs can offer a **safe and supportive environment**. They support positive **social, emotional, and academic development**; promote physical health; and often provide nutritious food for participants. In addition, researchers have found that afterschool programs **reduce the rate** at which youth may engage is risky behaviors. Summer care programs also help combat **loss of learning** while schools are out of session. Overall, school-age child care programs broaden educational opportunities, provide social and emotional learning, and create a safe space for children.

Challenges

Families, especially families of color, face many barriers that prohibit them from using school-age child care programs. School-age child care and care for younger children look different, but they share many of the same barriers, including affordability, supply, and equity. Families also struggle with overcoming the challenges of finding quality care, and providers are often negatively impacted by inadequate workforce supports. School-age care providers are often less experienced compared to others in the child care sector, and qualifications vary. Depending on individual states' rules, before-school, afterschool, and summer care programs may **not require licensing**. While licensing does not automatically mean high-quality, it does set minimum standards and establishes monitoring on whether providers are meeting these standards.

In 2020, an all-time high of **87 percent of parents** supported public funding for afterschool programs. According to Afterschool Alliance, the **most prominent barriers** families faced were availability, cost, and safety of children commuting to and from their program. Afterschool programs are in limited supply, which means access to this care is low. **Only one in four children** who want to be in an afterschool program are participating in one. This means **24.6 million** children would participate in afterschool care if it were available. **For Black and Latinx children** in families with low incomes, this trend is even more marked. If given the opportunity, **58 percent of Black children and 55 percent of Latinx children**, compared to 46 percent of white children, would enroll in school-age programs. As for school-age care providers, like many early educators, they are typically **paid lower wages and receive fewer benefits** than other educators since their positions are often part-time.

Prior to the pandemic, families of color struggled to **access and afford** child care. The families of most children eligible for child care subsidies, but especially Asian American and Latinx children, were not **receiving help** paying for child care. As defined by the U.S. Department of Health and Human Services, **affordable child care** is 7 percent or less of household income. Research done by **Child Care Aware of America** found that in all 50 states, the average cost of center-based child care exceeds this threshold.

According to a three-state study by the **Urban Institute**, Black and Latinx families and families with low incomes disproportionately have parents working non-traditional hours. Families with low incomes are also more likely to have parents with **unpredictable schedules**. Prior to the pandemic, access to non-traditional hour care was limited. Only **8 percent** of child care centers offered this care, and while regulated child care programs in family homes often have more flexible hours, two-thirds do not serve during these hours. Therefore, families who need non-traditional hour care are **more likely** to use unregulated friend, family, or neighbor care or other informal home-based care. In addition to supply being limited, public funds to support families in affording child care are not as widely available for non-traditional hour care as for child care centers that operate during working hours. In 2018, **73 percent** of children receiving child care subsidies attended child care centers.

More parents than ever are unable to afford and/or access school-age child care. Children are at risk of experiencing low-quality care or not being able to access care at all, and providers are receiving poverty-level wages and inadequate professional support and development. Together, these factors highlight the critical need for increased investment to address this growing crisis.

Support for School-Age Child Care

Current Support

Currently, families can get assistance in paying for and accessing school-age care through the Child Care and Development Block Grant (CCDBG) and the **21st Century Community Learning Centers** initiative. CCDBG is the main federal funding source in helping families afford child care and funding child care programs. In fiscal year 2018, the most recently available data, only **1.3 million children** received subsidies. And, even including additional federal funding streams, the federal Administration for Families and Children estimated in 2017 that fewer than **1 in 7 eligible children** receives subsidies. This data also shows that school-age children are less likely to have access to subsidies than younger children. For example, 55 percent of 3-year-olds in families living in poverty had access to subsidies compared to 25 percent of children ages 6-9 in families living in poverty and 15 percent of children ages 10-12 in families living in poverty. **CLASP's research** shows that access to subsidies for eligible families is particularly low for Asian American and Latinx families.

School-age child care is a large part of the child care subsidy system, but it is too often forgotten in policy conversations. **Thirty-four** percent of CCDBG participants are school-age children, between the ages of 6 and 13, which makes it a significant funding source for school-age care. In the most recent year data is available, 448,414 school-age children were served through CCDBG.[1] This is the **largest age group** receiving child care subsidies—even higher than infants, toddlers, and preschool-age children.

Potential Proposals to Increase Investment and Access

Any major initiatives to support the child care field should include school-age child care. While it is important to include school-age care in the COVID-19 relief and recovery funds, policymakers should also make such care prominent in future, long-term investments. Doing so would offer a holistic framework for the sector, which benefits early educators and small businesses who often offer care to a range of children. It would help support families so they would not need to navigate multiple systems in order to find care for their children. This would also create continuity and a smooth transition for families as children move from early care to school-aged care.

New CLASP Analysis. At a minimum, it is imperative to pursue the expansion of CCDBG to extend its reach to more families, ensuring more equitable access. Based on calculations done by CLASP, the estimated cost to reach all eligible school-age children through CCDBG is between **$48.4 billion and $79.6 billion**.[2] This estimated range considers variables such as increased market rate payments to states that would go toward increased wages for early educators, on the high end. And on the low end, the range captures reduced per-child costs that account for the reduced number of hours in care for and lower costs associated with school-age children, when compared to young children.

By investing this amount into subsidies, families will begin to gain greater access to high-quality and equitable child care. This investment will also create stability and continuity in access to child care for families with school-age children, who depend on stable, accessible, affordable care regardless of their children's ages. It would also strengthen support for programs that help enrich before-school, afterschool, and summer learning offerings for families outside of CCDBG, like the 21st Century Community Learning Centers, to ensure robust support for school-age children.

> Children of color face barriers in accessing and experiencing high-quality child care. For instance, Black children have been subjected to **harsher discipline practices** in care settings when compared to children of other racial groups. Women of color in the early education workforce suffer from racism and discrimination at work**. African American and Hispanic** providers are more likely to be pushed into lower-level positions. Although early educators already earn low wages, African American providers were found to make, on average, **78 cents** less per hour than their white counterparts.

Legislative and Administrative Proposals. Numerous existing bold legislative and administrative proposals would address the child care needs of families. These include:

- The **Child Care for Working Families Act** (CCFWA), reintroduced this Congress by Sen. Patty Murray and Rep. Bobby Scott, would amend CCDBG to create a child care program in which no eligible family will pay more than 7 percent of its income on child care, children ages 0-13 have access to subsidized care in families where income is below 150 State Median Income (SMI), and no family under 75 percent SMI will pay a copay.
- The **Universal Child Care and Early Learning Act**, reintroduced this Congress by Sen. Elizabeth Warren and Rep. Mondaire Jones would provide universal child care for children between 6 weeks of age and school-age children living in families under 500 percent SMI, with no fee for children under 200 percent of the poverty line and with copay fees capped at 7 percent of family income for all families.
- President Biden's **American Families Plan** would provide child care and early learning for children ages 0-5 through investments in child care and preschool. Families making less than 150 SMI could access the child care program with no family paying more than 7 percent of its income and families under 75 percent SMI paying nothing at all. Children ages 3 and 4 would be eligible for free preschool.
- The **Building an Economy for Families Act**, introduced as a discussion draft by Rep. Richard Neal, would increase mandatory spending for child care, invest in child care facilities improvement, and increase provider wages.

Each of these proposals seeks to address the child care needs of families with school-age children in different ways. For example, the CCFWA explicitly includes school-age children in the legislation, making them eligible for child care and improving the quality of care provided to them in the same way as the legislation addresses care for younger children. The CCWFA invests in the supply of child care providers; strengthens the quality of care; improves compensation for early childhood educators; promotes flexible hours that care is available; and increases investments in preschool. On the other hand, we understand that President Biden's American Families Plan intends to address school-age child care needs primarily using tax credits.

Tax credits offer a partial solution to support child care for school-age children. Because families' child care costs are ongoing and generally a large share of their monthly expenses, they struggle to "float" until filing their annual taxes. While tax credits play a role helping families pay for child care, they should be used as a **complement** to direct spending. This would more effectively address the range of child care issues including quality, accessibility, supports for the workforce, and more.

Further, direct spending is necessary to build the infrastructure for a more equitable child care system, which would support both school-age care and child care as a whole. It is important that, regardless of what funding streams are used to pay for care, families have access to seamless access to care for all their children when and where they need it. To do this, policymakers should significantly invest in a child care system that works for families and providers. Our nation needs a system that will support workers employed in millions of new good-paying jobs, enable parents—especially mothers—to participate in the labor force, advance gender and racial equity, lay a strong foundation for children's development, and support economic growth.

Conclusion

The COVID-19 pandemic has made clear how critical child care is to families, while also revealing how unstable and under resourced the field is. Underinvestment is a main contributor to this problem, and until legislators make intentional, sustained, large-scale investments, this will continue to remain the case for the child care sector.

Child care is a public good, and it is critical to continue to invest in it through direct spending. Since the start of the pandemic, the child care sector has received over $50 billion in funding—a historic and unprecedented win. These funds will help stabilize the field and guide it toward recovery from the impacts of COVID-19, but it is imperative that this level of support does not end alongside the pandemic. Policymakers must continue making large-scale investments in the sector to ensure that all children, including school-age children, can access the care they need. Per new CLASP estimates, the sector needs a minimum of $48.4 billion to $79.6 billion to provide vital child care resources to meet the needs of all CCDBG-eligible families with school-age children. We need even more by way of bigger and bolder proposals to truly transform the child care system to fully meet the needs of all children, families, and providers. By prioritizing significant investments in child care, policymakers can secure a strong economic recovery and support establishing an infrastructure that creates a more equitable, sustainable child care system.

Endnotes

[1] This calculation is based on the number of children served in FY 2018 from **FY 2018 Preliminary Data Table 1** and the proportion of children served in FY 2018 who were ages 6 -13 years from **FY 2018 Preliminary Data Table 9.**

[2] The number of eligible children were estimated based on data gathered from data tables generated from the **American Community Survey**, with parameters that incorporate CCDBG federal eligibility parameters and parent work requirements; estimates from the CLASP factsheet, **Child Care in the FY 2018 Omnibus Spending Bill**; and the proportion of children served in FY 2018 who were ages 6-13 years, from the Administration for Children and Families' (ACF) Office of Child Care (OCC) **FY 2018 Preliminary Data Table 9** and **FY 2018 Preliminary Data Table 1**. The cost estimate is based on CLASP analysis of the 75th percentile market rate state payment amount for 4-year-old children in center-based care, per the National Women's Law Center report, **Early Progress: State Child Care Assistance Policies 2019**; the difference in subsidy values paid to providers for 4-year-old children and those ages 6-13 years old based on **FY 2018 Preliminary Data Table 15** from ACF OCC; the number of children and families served in FY 2018 based on **FY 2018 Preliminary Data Table 1** and total CCDBG funding based on **Table 4a - All Expenditures by State,** both from ACF OCC; and, when necessary, costs are inflated to 2022 based on **Table E-1** and **Table 1** from Congressional Budget Office Economic Outlook reports. These costs do not account for premium wages for early educators due to the impacts of COVID-19 or additional funding for health coverage and other important benefits. In addition, the number of eligible children in the estimate does not account for children experiencing homelessness; children with disabilities who are eligible up to age 19; or the increased need due to the global health crisis and the number of children and families who have become eligible since 2018 and who will become eligible in 2021.