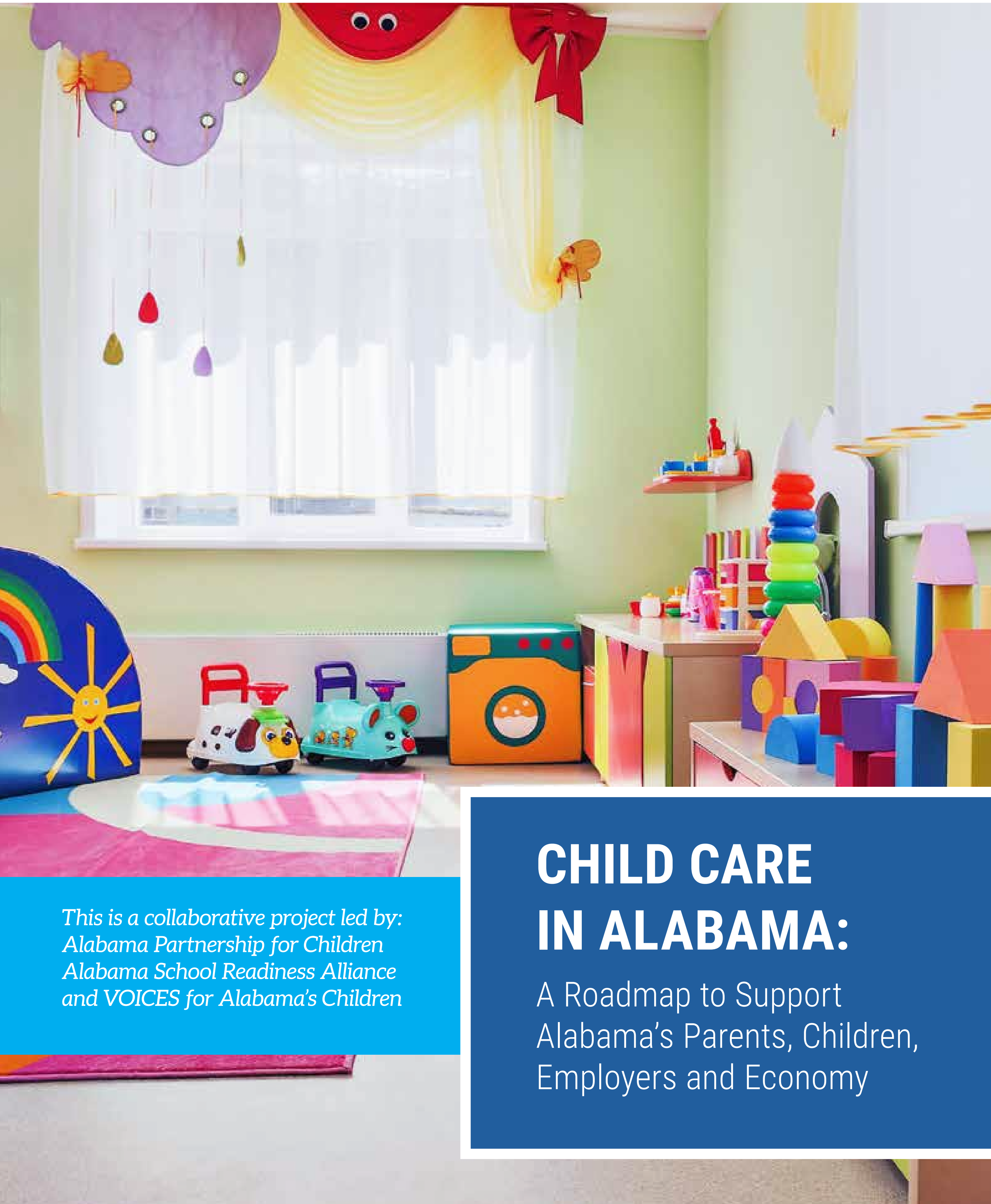


This is a collaborative project led by:
Alabama Partnership for Children
Alabama School Readiness Alliance
and VOICES for Alabama's Children

CHILD CARE IN ALABAMA:

A Roadmap to Support Alabama's Parents, Children, Employers and Economy

Child Care in Alabama:

A Roadmap to Support Alabama's Parents, Children, Employers and Economy

Acknowledgments

Thank you to the generous funders that have made this Roadmap possible: The Alabama Civil Justice Foundation, The Alabama Power Foundation, The Alliance for Early Success, The Daniel Foundation of Alabama, Women's Foundation of Alabama, The Partnership for America's Children, and The Mike & Gillian Goodrich Foundation.

Thank you to the following individuals and organizations that helped anchor this Roadmap in the lived experiences and expertise of more than 600 child care professionals and parents across Alabama: Olivia Hayes, Beth Johns, Erica Littleton, and Joan Wright, Bold Goals Coalition; Kay Jennings and Sabrina Robinson, TCR Child Care Corporation; Gail Piggott, Christina LeVert and Tish MacInnis, Alabama Partnership for Children; Tejuania Nelson, Lighthouse Academy of Excellence and Achievement; Cindy Shackelford, Jefferson State Community College; Rhonda Mann, VOICES for Alabama's Children, Camille Bennett, Alabama C.A.R.E., Dr. Alison Hooper, University of Alabama, and Faye Nelson, Alabama Department of Human Resources.

Thank you to the following leaders who served on the Roadmap for Child Care in Alabama Workgroup. The workgroup met six times between March and June 2023 in person and via Zoom to closely study child care in Alabama and develop this comprehensive set of recommendations.

ALABAMA CHILD CARE ROADMAP		
Workgroup Members	**Title**	**Organization**
Rachel Bunning	VP of External Affairs	*Women's Foundation of Alabama*
Mary Sibert Davis	Executive Director	*Childcare Resource Network*
Lyndsay Ferguson	Vice President - Workforce	*Huntsville Chamber*
Carol Gundlach	Senior Policy Analyst	*Alabama Arise*
Teresa Helms	Public Affairs Manager	*Alabama Power*
Dr. Alison Hooper	Assistant Professor, Early Childhood Education	*University of Alabama*
Katie Jeter	Executive Director	*Alabama Children First*
Christy Knowles	Chief Human Resources Officer	*Coosa Valley Medical Center*
Felecia Lucky	President	*Black Belt Community Foundation*
Jessica Luther	External Affairs Specialist	*Mazda Toyota Manufacturing*
Kate Messervy	Director of Regional Affairs, North Alabama	*Business Council of Alabama*
Eric Mills	General Manager of Administration	*Toyota Alabama*
Elizabeth "Bettsie" Norton	Chief of Staff & Head of PMO	*Airbus U.S. Manufacturing Facility*
Dawn Owens	Early Childhood Education Special Projects Manager	*The Council for Professional Recognition*
Bob Powers	Board President and Pre-K Task Force Chair	*Alabama School Readiness Alliance*
Robin Ricks	Director of Special Projects & Workforce Development	*Manufacture Alabama*
Jada Schaffer	Sr. Region Lead, State Government Relations	*American Heart Association*
Dr. Cindy Shackelford	Child Development Chair/ Program Coordinator	*Jefferson State Community College*
Joan Witherspoon-Norris	Executive Director	*Alabama Network of Family Resource Centers*
Joan Wright	Executive Director	*Childcare Resources*
Project Leaders:		
Rhonda Mann	Executive Director	*VOICES for Alabama's Children*
Allison Muhlendorf	Executive Director	*Alabama School Readiness Alliance*
Gail Piggott	Executive Director	*Alabama Partnership for Children*
Grace Reef	Project Consultant	*Early Learning Policy Group, LLC*

Table of Contents

Executive Summary

In 2022, the Alabama Partnership for Children, Alabama School Readiness Alliance and VOICES for Alabama's Children, decided to build on decades of child care studies and needs assessments to develop a child care roadmap – short- and long-term recommendations to transform child care over the next decade so that all Alabama families have access to high-quality, affordable child care.

This collaborative partnership, led by the Alabama School Readiness Alliance, brought together a high-level workgroup of leaders to analyze child care related data and produce recommendations.

The workgroup began with a consensus that the current child care system does not meet the needs of anyone well – not parents, not employers, not child care providers, and, most importantly – not children.

Development of the child care roadmap was informed through a series of discussions, forums, roundtables, listening sessions, surveys, and data analyses with state agencies, employers, parents, child care providers (home-based and center-based), and other stakeholders in the early childhood field.

Prior to the COVID pandemic, child care businesses operated on razor-thin margins. When the pandemic swept the state (and nation) in 2020, the business model was no longer viable. To prevent widespread program closure, which would have impacted the ability of parents to work – particularly first responders, and emergency and essential personnel, Congress approved temporary supplemental child care funding for states to prevent the child care market from collapsing.

With those funds, Alabama's Department of Human Resources invested in temporary measures to stabilize the child care market, invest in recruitment and

ALABAMA'S ECONOMIC GROWTH DEPENDS ON ACCESS TO AFFORDABLE, HIGH-QUALITY CHILD CARE

Access to affordable, high-quality child care has long been a struggle throughout Alabama. In many communities, the supply of care is insufficient to meet the needs of parents. In most communities, the price of care is a struggle for working families. In part, that is because child care is not a system. It is a fragmented set of individual child care businesses (some micro businesses such as home-based care) and some small businesses (such as child care centers) that operate independently, along with Early Head Start/Head Start and Pre-K programs, home-based care (nanny or family), and informal drop-in programs.

Child care is a critical work support for parents. At the same time, it is an important setting that promotes the healthy development of young children.

Child care access and affordability are complicated. There is no one strategy to fix the multiple challenges.

The Alabama School Readiness Alliance brought together a high-level workgroup of leaders to analyze child care related data and produce recommendations.

retention strategies to address the child care workforce shortage, and strategies to help make child care more affordable for parents.

In 2022, the Alabama State Legislature increased funding for early care and education by $40 million – an increase of $22.5 million for First Class Pre-K and $17.8 million for Alabama Quality STARS, the state's child care quality and improvement system (coaching, support, assessment, and more to help incentivize and support high-quality child care programs).

In 2023, the Alabama State Legislature increased funding for early care and education by $42 million ($12 million for First Class Pre-K and $30 million for Alabama Quality STARS).

What is clear is that during the past 6 years, with more funding available, innovative programs and innovative strategies have been put in place to better support the child care needs of working parents and children.

Yet, child care access and affordability challenges still exist. Given the complexity of child care access and affordability (e.g., supply shortages and child care workforce shortages as well as affordability for parents), there is no one singular strategy to fix the multiple array of challenges.

In Alabama, for all families to have access to affordable, high-quality child care, a roadmap building on the history of successful initiatives already undertaken will require additional investments.

The roadmap report outlines six areas in which short and long-term recommendations are made. Some will require modest investments, some require more robust investments.

Alabama is already well-positioned (compared to other states) with a specific Education Trust Fund budget. A modest 1-2% reserve for quality child care could be considered and still ensure that annual spending is below the Rolling Reserve Act spending caps.

The consensus of the work group was that the child care business model doesn't work. This market failure impacts the ability of parents to obtain and retain jobs. It impacts employer key performance indicators (KPIs). Ultimately, it impacts community and state economic growth.

Transforming child care in Alabama won't happen overnight. However, incremental progress based on sound policy and sequential investments with a public data dashboard for accountability, is doable.

As Governor Ivey said at the PARCA annual conference in March 2023,

"Many Alabamians and others across the country face a dilemma in finding safe, reliable child care. As more and more Alabamians join the workforce, which is a very positive development for our state and quality of life, more working families will also need child care services. ***There is no better time than right now to address this fundamental need facing this state."***

Transformation takes vision, leadership, innovation, and investment. All within place in Alabama. It is time.

The following work group recommendations are excerpted from the full roadmap report, which describes in detail the challenges reviewed by the work group and provides insight for the recommendations.

#1 THE CHILD CARE BUSINESS MODEL

Short-term Recommendation: Cost Modeling. Form a broad-based Alabama cost of quality workgroup (state agencies, business leaders, center and home-based child care providers, and other key stakeholders) to utilize the Provider Cost of Quality Calculator tool developed by the U.S. Department of Health and Human Services (HHS) for states or some other business tool with a series of variables based on the costs of operation (not the price currently charged).

Short-term Recommendation: Child Care Workforce Wage Supplements. Continue the quarterly workforce bonuses based on prior quarter employment while a long-term strategy is designed.

Short-term Recommendation: Child Care Workforce Benefits. Offer telemedicine/teletherapy benefits and child care subsidy assistance to individuals working in child care as a recruitment and retention strategy. Job benefits can be as important as earnings for job recruitment and retention.

Short-term Recommendation: Child Care Shared Services Online Platform and Jobs Board. Implement an online early care and education shared services platform with a jobs board.

Short-term Recommendation: Start-up and Expansion Grants to Expand Child Care Supply. Offer start-up and expansion grants, particularly in areas of the state with a large gap between licensed capacity and working parents with children under age 6 who may need child care. Condition the grants on participating in both Alabama Quality STARS and the child care subsidy program (i.e., being willing to accept child care subsidy payments).

Long-term Recommendation: Cost-Model Supported Strategies. With cost modeling completed, strategies can be developed and considered to better support the child care market, the child care workforce, and parents who depend on the market (both private-paying and subsidy receiving).

Long-term Recommendation: Create a Child Care Substitute Pool. Develop a pilot child care substitute pool in several communities and evaluate for potential expansion.

Long-term Recommendation: Child Care Facility Needs Assessment. Update the 2021 child care facility needs study undertaken by Dr. Alison Hooper at the University of Alabama.

Long-term Recommendation: Zoning Barrier Reduction. Form a workgroup with state agencies, municipal leaders, home-based providers, and other stakeholders to review state and local zoning barriers that prohibit home-based child care businesses or limit the size of home-based child care businesses. Produce a report with recommendations for consideration.

#2 THE CHILD CARE WORKFORCE

In addition to continuing the child care workforce wage supplements and offering child care workforce benefits as recommended under the Child Care Business Model section, the following recommendations pertain to the child care workforce.

Short-term Recommendation: Annual Child Care Workforce Report. Conduct an updated child care workforce study to better understand the demographics of the child care workforce, their level of experience, credentials, and education, as well as their hourly wages and benefits. Ultimately utilize a child care and early childhood workforce registry to track and annually report this information on a public dashboard.

Short-term Recommendation: Expand T.E.A.C.H. and Retention Incentive Stipends. Double T.E.A.C.H. Program funding to expand the number of child care workers who can access scholarships to continue their education (e.g., obtain a Child Development Associate (CDA) credential, A.A. in early childhood education, or B.A. in early childhood education).

Short-term Recommendation: Child Care Registered Apprenticeship Programs and Career and Technical Education (CTE) Programs. Expand the number of child care registered apprenticeship programs and early childhood CTE programs and grow the number of participants.

Short-term Recommendation: Child Development Associate Credential Infused with CLASS®. Pilot a Child Development Associate (CDA) credential infused with CLASS® to boost child care workforce early childhood education competencies and interactions with children.

Long-term Recommendation: Refundable Child Care Workforce Tax Credits or Wage Supplements Tiered by Credentials and Education. Increase child care workforce wages tied to credentials and/or levels of education to support recruitment and retention through either refundable tax credits or wage supplements.

Long-term Recommendation: Integrated Child Care and Early Childhood Registry. Create an integrated registry to develop data-driven strategies to best support early childhood educators.

Long-term Recommendation: Evaluate Workforce Investments for Accountability. Evaluate workforce investments to understand impact and make adjustments as needed. Post high-level data on a data dashboard.

#3 CHILD CARE AFFORDABILITY & ACCESSIBILITY

Short-term Recommendation: More Families Eligible for Child Care Subsidy. Expand eligibility for child care subsidy to families with income at or below 260% of the federal poverty (about 85% of state median income).

Short-term Recommendation: Child Care Subsidy Awareness Campaign. Increase efforts to raise the visibility of the child care subsidy program for working families (e.g., through radio ads, billboards, etc.).

Short-term Recommendation: Help Me Grow and Books, Balls & Blocks. Increase funding for Help Me Grow and Books, Balls & Blocks to support more parents of young children in learning about age appropriate milestones, age-appropriate learning activities, and developmental screening that can be helpful to identify young children in need of early intervention services.

Short-term Recommendation: Child Care Access Means Parents in School (CCAMPIS). Increase the number of Alabama community colleges and universities that apply for federal CCAMPIS funds to provide child care assistance to student parents on campus.

Long-term Recommendation: Online Application for Child Care Subsidy. Expand the ways that families can apply for child care subsidy including creating an online application.

Long-term Recommendation: Evaluate Investments for Accountability. Evaluate the impact of increasing child care subsidy and the impact of investing in programs to expand the reach of early identification of children who may need early intervention and other services. Post high-level data on a data dashboard.

Long-term Recommendation: Funding to explore ways to address care for families who work non-standard hours that includes incentives for providers.

Long-term Recommendation: Funds to incentivize local collaboration in child care deserts.

Long-term Recommendation: Refundable child care credits for working families.

#4 HIGH-QUALITY CHILD DEVELOPMENT

Short-term Recommendation: Increased funding for Early Interventions and expanded access to developmental assessments.

Short-term Recommendation: Increased funding to expand access to First 5 Alabama consultants statewide to support the early education workforce.

Short-term Recommendation: Continue to advocate for increased Pre-K funding.

Long-term Recommendation: Develop a dedicated funding source to increase funding for high quality Birth-5 programs.

#5 PARTNERSHIPS WITH EMPLOYERS

Short-term Recommendation: Employer Child Care Partnership Grants. Provide grants to employers that help support parent access to child care (e.g., in community-based licensed child care, onsite, or in providing child care benefits such as a monthly stipend for child care).

Short-term Recommendation: Child Care Employer Tax Credits. Enact an employer child care tax credit for employers that support onsite or nearby child care for use by employees or provide a child care benefit and a child care facility tax credit for child care providers that serve children whose care is paid for with a subsidy and that participate in the Alabama Quality Stars program.

Short-term Recommendation: Employer Child Care Toolkit. Develop an employer child care toolkit that enables employers to understand a menu of options from low cost/no cost to higher costs to support employee recruitment and retention.

Long-term Recommendation: Evaluate Employer Investments for Accountability. Evaluate the impact of employer child care partnership investments.

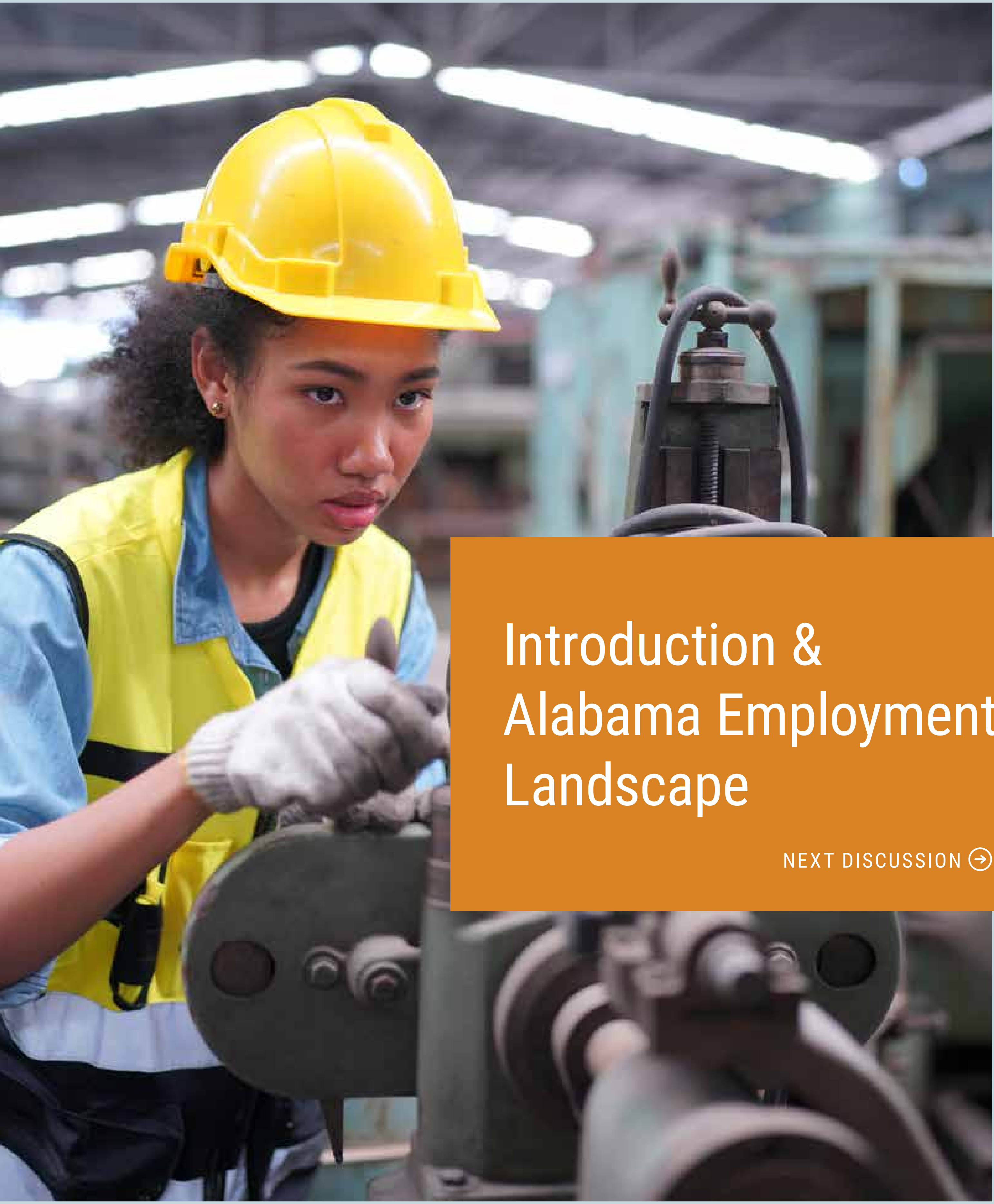
#6 EFFECTIVENESS OF INVESTMENTS

Short-term Recommendation: Child Care Data Gaps. Form a workgroup to identify child care data gaps to better understand what data is available and what data is needed to build a public dashboard for child care.

Long-term Recommendation: Provider Data Integration. Develop an integrated child care search function where provider information is included about Alabama Quality STARS participation and most recent rated level. Also include whether the provider participates in the child care subsidy program and whether the provider hosts an Alabama First Class Pre-K program (and # of classrooms).

Long-term Recommendation: Provider Data Capacity & Enrollment Integration. Work with child care providers to broaden access to child care automated management systems that will help providers, communities, and state agencies understand real-time child enrollment data (compared to licensed capacity) for data driven strategies based on the care setting and age of children served. For example, where are the real deserts? Which communities? What is the gap of child care capacity by age by potential need (e.g., infant and toddler care)? Is the market saturated for one particular age group but deficient for another age group?

Long-term Recommendation: Integrated Child Data System. Develop an integrated child data system to understand the relationship between early care settings and K-12 performance as well as a unique child count related to public program participation and support services (e.g., rather than separate counts of the number of children participating in individual programs).



Introduction & Alabama Employment Landscape

NEXT DISCUSSION

Introduction

Access to affordable, high-quality child care has long been a struggle throughout Alabama. In many communities, the supply of care is insufficient to meet the needs of parents. In most communities, the price of care is a struggle for working families.

When the COVID pandemic began in the spring of 2020, employers witnessed first-hand the essential role that child care plays in enabling parents to work.

In 2022, the Alabama Partnership for Children, Alabama School Readiness Alliance and VOICES for Alabama's Children, decided to build on decades of child care studies and needs assessments to develop a child care roadmap –short- and long-term recommendations to transform child care over the next decade so that all Alabama families have access to high-quality, affordable child care.

Development of the roadmap was informed through a series of discussions, forums, roundtables, listening sessions, surveys, and data analyses with state agencies, employers, parents, child care providers (home-based and center-based), and other stakeholders in the early childhood field.

The Alabama School Readiness Alliance brought together a high-level workgroup of leaders to analyze the data and produce the recommendations in this roadmap. The workgroup began with a consensus that the current child care system does not meet the needs of anyone well – not parents, not employers, not child care providers, and, most importantly – not children.

In part, that is because child care is not a system. It is a fragmented set of individual child care businesses (some micro businesses such as home-based care) and some small businesses (such as child care centers) that operate independently, along with Early Head Start/ Head Start and Pre-K programs, home-based care (nanny or family), and informal drop-in programs.

Prior to the COVID pandemic, these businesses operated on razor-thin margins. When the pandemic swept the state (and nation) in 2020, the business model was no longer viable. To prevent widespread program closure, which would have impacted the ability of parents to work – particularly first responders, and emergency and essential personnel, Congress approved temporary supplemental child care funding for states to prevent the child care market from collapsing.[1]

The supplemental federal funding offered a bridge for a temporary period. The issue at hand is – *a bridge to what?*

Pre-COVID, the child care business model was fragile. Program revenue barely covered expenses and relied on a very low-paid workforce. Otherwise, parent fees would have been much higher. The pandemic exacerbated every weakness of the child care business model from its budget reliant on parent fees (which declined as parents removed their children from care) to the low wage workforce (which became even more difficult to recruit and retain as the market recovered and other employers in communities increased wages).

For child care businesses, the inability to recruit and retain workers undermines the ability to increase child enrollment, which is needed to restore the viability of the business model and serve Alabama working families who need care.

With staffing shortages, parents are frustrated with waiting lists for care. Employers are now more acutely aware of parent challenges with child care and how parent challenges become employer challenges.

Restoring the bridge to the past makes little sense. Instead, the Child Care Roadmap Workgroup sought to better understand the current challenges and recommend short- and long-term recommendations for actionable steps to transform child care in Alabama to a system that works for parents, employers, and communities.

LISTENING SESSIONS & PROVIDER/PARENT SURVEYS

To better understand successes and challenges related to child care, the Alabama School Readiness Alliance partnered with local organizations throughout the state to hold 14 listening sessions – seven with parents and seven with child care providers in February and March 2023.

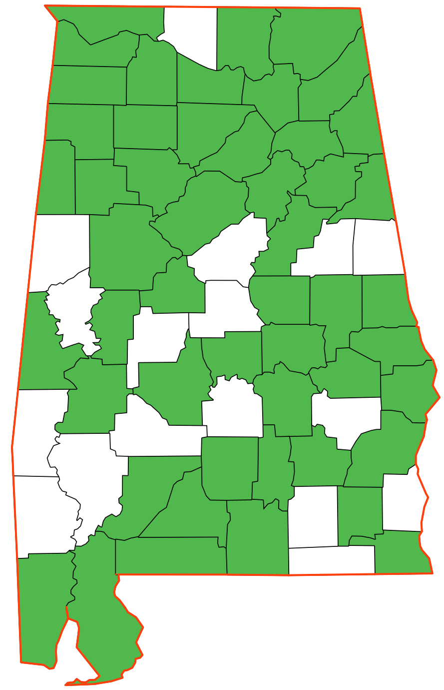
In addition, in the spring of 2023 an online survey was sent to parents and to child care providers to further understand lived experiences related to child care access and child care business challenges.

240 child care providers (child care centers, family child care homes and group homes) responded to the survey representing 51 of 67 counties.

330 parents responded from 37 of 67 counties.

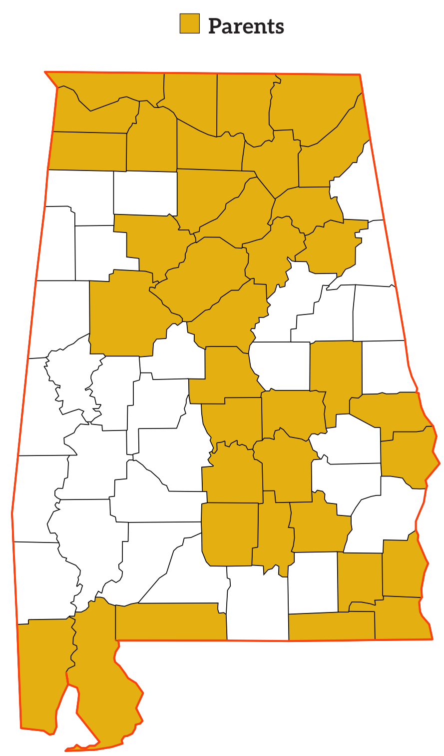
Child Care Provider Views Child care providers were extremely appreciative of the federally funded Alabama Department of Human Resources' (DHR) initiatives to help stabilize

CHILD CARE PROVIDER SURVEY RESPONDERS



Source: Alabama School Readiness Alliance [2023 Child Care Provider Survey](), March 2023.

PARENT SURVEY RESPONSES



Source: Alabama School Readiness Alliance [2023 Child Care Provider Survey](), March 2023.

business operations through the Temporary Assistance for Stabilizing Child Care (TASCC) Grants.[2] They were also greatly appreciative of the DHR quarterly workforce bonuses through the Child Care Workforce Stabilization Grants.[3]

At the same time, providers expressed concern that staffing shortages related to recruiting and retaining workers prevent them from enrolling more children, which impacts their business viability. More than 90% of provider comments were related to staffing challenges.

Child care center directors said,[4]

- *"We are severely understaffed. I have children on our waiting list that I could place if I had the necessary staff."*
- *"No problem with filling the rooms, it's just the staffing where the problem is."*
- *"We have to give higher wages but parents can't/won't afford the higher tuition."*
- *"The current stabilization grant will result in a massive exodus of employees when it ends [September 2023]."*
- *"We have had several staff leave us to go to work at Walmart, Jacks, Target, restaurants, factories. Making way more money and less responsibility and benefits. As a small business, we can only offer so much without plummeting the business."*

Family child care and group home providers expressed concern about rising expenses, zoning challenges, time for –"self-care"—, and concern about the quarterly workforce grants that ended in September 2023.

Family child care and group home providers said,[5]

- *"Inflation has risen higher, therefore, food and all other necessities are needed for child care."*
- *"The workforce grant has helped tremendously but they are about to stop… we are getting worried."*
- *"Continue the grants to help with supplies, food, overhead, and job security."*
- *"I need for the zoning laws made by local officials to be lifted so I could service more families."*

CHILD CARE PROVIDER SUGGESTIONS

The listening sessions offered an opportunity for robust discussion about challenges and potential strategies to address those challenges. The largest concern was related to staffing challenges.

Child care providers recommended,[6]

- **Continuing the quarterly workforce grants for recruitment and retention purposes.** There was great concern that it is already difficult to recruit and retain workers, but if the quarterly grants end this fall, the current workforce challenges will be exacerbated.
- **Create a substitute pool** There has long been a need for substitutes in child care similar to the way that K-12 substitutes work in school districts. In the current market, the need for substitutes in child care is even greater than before.
- **Jobs Board** There was interest in creating some type of jobs board as a go-to place for posting open positions, advertising, and recruiting candidates to work in child care programs.
- **Discounts for frequently purchased products** Providers suggested that the creation of some type of consortium would enable economies of scale such as potential discounts on frequently purchased products.
- **Access to health insurance for staff** Providers said they lost employees to school districts and other businesses because not only are wages higher but also other jobs in the community offer health insurance.

- **Retirement options for staff**
  Providers expressed interest in the ability to offer retirement options for staff, particularly home-based providers who say they are concerned about working in child care for years and then having no retirement benefits.

Parent Views Many parents expressed concern about the price of child care. However, parents also expressed concern about staffing shortages and the impact on their ability to access care when they need it (e.g., staffing shortages resulting in programs closed for the day or closing early). Parents were keenly aware of staff making low wages and the connection to job turnover. Parents also expressed concern about wait lists for care and the inability to access care during nontraditional hours (e.g., weekends or shift work).

When asked what parents would like to tell policymakers, parents said,[7]

- *"The availability of spots in daycare is extremely limited for ages 0-3."*
- *"Day care having to close because there is not enough staff during the day."*
- *"Waiting lists everywhere!"*
- *"Shortage of staff and therefore shorter hours."*
- *"It should not cost more than my mortgage to put my child in a child care center so I can work."*
- *"Not everyone works 9-5!"*
- *"Child Care subsidy income guidelines should be increased so that more of the middle class can receive help. Also, the rates they pay still leave parents with a large deficit to pay out of pocket. Finally, staff turnover is a concern because centers cannot pay competitive wages for teachers and they can make more money with less responsibility at places like Walmart and Target."*

Parent Suggestions (250 comments provided by parents through the parent survey)

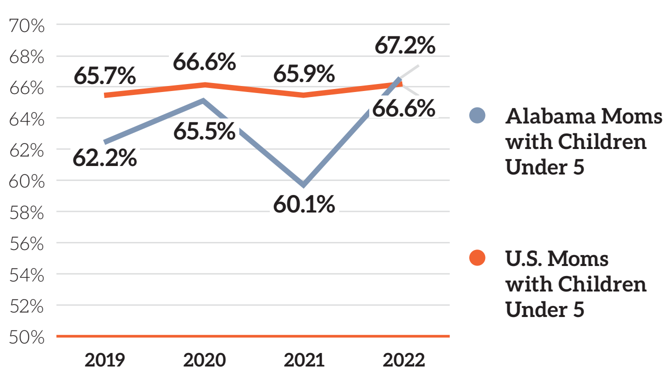
- *"Make child care affordable for everyone!"*
- *"Hours open are when parents work – including shift work."*
- *"Pay the child care providers more so they will stay."*
- *"Make more daycares accept child care subsidy."*
- *"I'd love to see companies incentivized to help offset the cost of Child care to their employees."*
- *"Help get Child care available to people who don't work 8 to 5."*
- *"Make it [subsidy] available at all programs for low income families so there's a wider variety of choices to place your child or so they get a chance to go to that school instead of not getting a spot because there's not enough room."*
- *"Better pay for teachers to have people want to work at child care programs and stay!"*
- *"Pay for it. Pay the teachers more so they want to do it and so there are more places available."*
- *"Daycares need an increase in the resources they are given so that they can pay their teachers better and increase the number of people willing to go into that field without increasing tuition. The teacher shortage is a cause of daycare shortage in our area."*
- *"Pay teachers better so they will want to work at a child care center. Help fund renovations at current Child care centers to expand."*
- *"There aren't enough facilities in our area. Wait lists are LONG!"*

Alabama Employment Landscape

Economic growth depends on labor force participation. The good news is that Alabama parents are working. Alabama's October 2023 2.3% unemployment rate[8] is not only lower than the national average of 3.7%,[9] and lower than Alabama's pre-COVID January 2020 rate (3.2%)[10] but also marks historic low trends in the state.[11]

Much has changed since the Spring of 2020. Alabama mothers with children under age 5 are back in the labor force at a much higher labor force participation rate than in 2019 and 2020. In fact, mothers of young children were working at a higher rate in 2022 compared to the national average.[12]

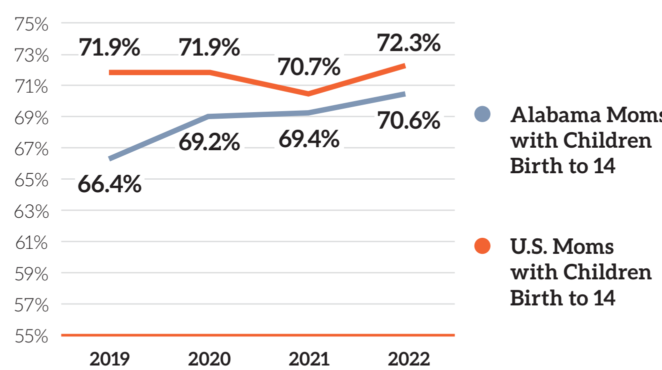
ALABAMA WORKING MOTHERS WITH CHILDREN UNDER AGE 5 COMPARED TO U.S. WORKING MOTHERS



Source: IPUMS CPS – University of Minnesota, U.S. Census Bureau. March 2023 Supplement.

While Alabama mothers of children from birth to age 14 are working at a higher labor force participation rate compared to 2019 and 2020, these mothers remain working below the national average rate over the 2019 – 2022 period.[13]

ALABAMA WORKING MOTHERS WITH CHILDREN BIRTH TO AGE 14 COMPARED TO U.S. WORKING MOTHERS



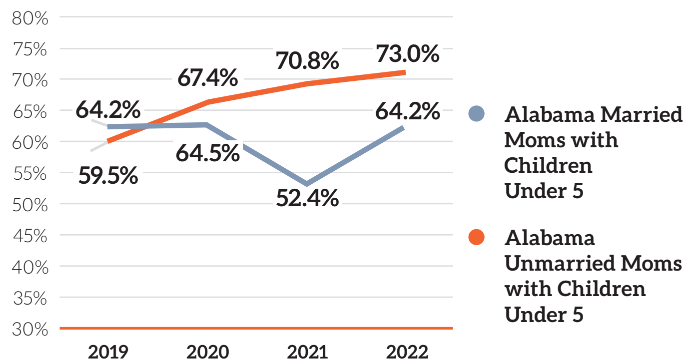
Source: IPUMS CPS – University of Minnesota, U.S. Census Bureau. March 2023 Supplement.

Labor force participation for Alabama mothers varies by marital status with single mothers far more likely to be working.

For Alabama mothers with children under age 5, labor force participation has increased for single mothers with young children since 2019 to 73% in 2022 and has recovered for married mothers to 64.2% - the same level of labor force participation that occurred in 2019.

The labor force participation rate gap is 8.8 percentage points between unmarried and married mothers.[14]

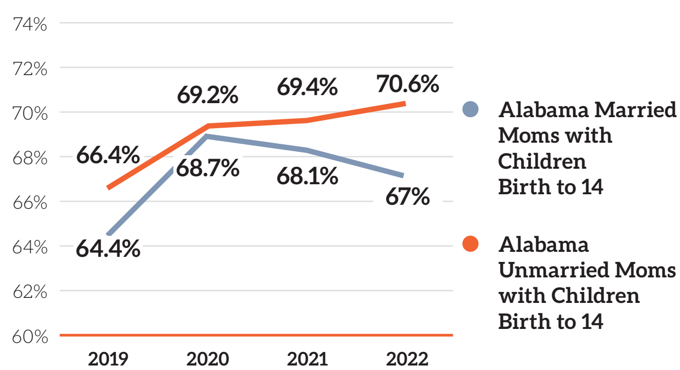
ALABAMA WORKING MOTHERS WITH CHILDREN UNDER AGE 5 BY MARITAL STATUS



Source: IPUMS CPS – University of Minnesota, U.S. Census Bureau. March 2023 Supplement.

For Alabama mothers with children from birth to age 14, the labor force participation rate between married and unmarried mothers is much closer. The labor force participation rate for both sets of mothers has increased since 2019 and 2020, but a gap of 3.6 percentage points remained in 2022.[15]

ALABAMA WORKING MOTHERS WITH CHILDREN BIRTH TO AGE 14 BY MARITAL STATUS



Source: IPUMS CPS – University of Minnesota, U.S. Census Bureau. March 2023 Supplement.

Remote Work During the COVID pandemic, there was an increase nationwide in the number of individuals who worked remotely – either full-time or in a hybrid manner. As the future of work continues to evolve, it is clear that more individuals, including parents, may work remotely in some manner.

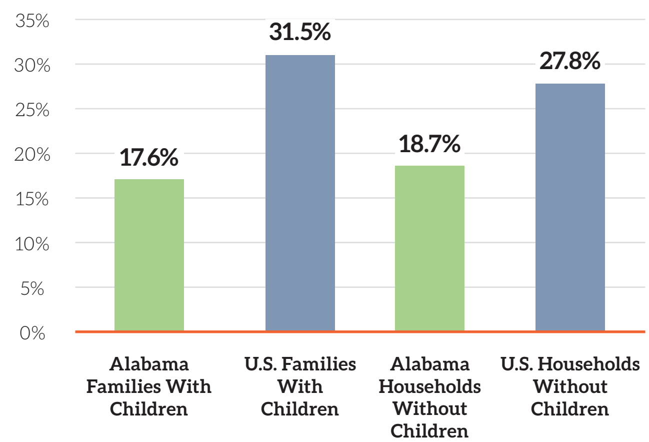
The U.S. Census Bureau Household Pulse Survey (undertaken between October 18 and October 30, 2023) shows that nearly one in five Alabama parents works remotely either full-time or in a hybrid capacity.[16]

The percentage of families in Alabama that include a remote worker is less than the national average where nearly one-third of parents are working remotely.[17]

However, it is a significant rate that could impact a family's need for child care, the type of child care that they need (full-time vs part-time), as well as the location of care (e.g., these families may be more likely to want child care close to home compared to close to work).

These are important factors for child care supply consideration compared to the pre-COVID years when few parents were working remotely.

ALABAMA HOUSEHOLDS WORKING REMOTELY EITHER FULL-TIME OR HYBRID COMPARED TO U.S. HOUSEHOLDS

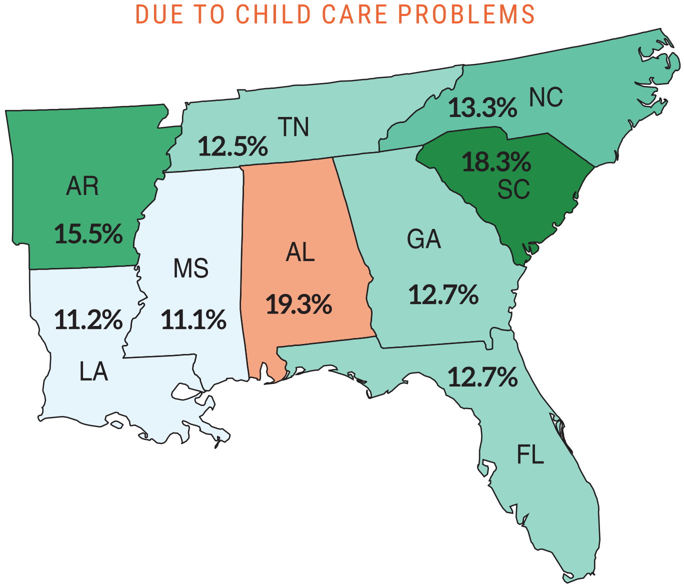


Source: U.S. Census Bureau, Census Household Pulse Survey, April 26 – May 8, 2023.

The labor force participation rate is related to a number of factors. For mothers, access to child care is critical to obtain and retain a job. A 2021 Alabama Works survey found that 64% of parents with a young child say that the lack of adequate child care has caused them to work fewer hours than they would like.[18]

- 19.35% of employed Alabamians were absent from work due to child care challenges in 2021 – a rate higher than any other state and far higher than neighboring southern states.[19]

PARENTS MISSING WORK DUE TO CHILD CARE PROBLEMS



Source: Report: Alabama parents miss work for child care issues at highest rate in nation, AL.Com, February 9, 2023.

In the Spring 2023 parent survey conducted by the Alabama School Readiness Alliance, the majority of parents said that they had missed work recently due to challenges with child care.

In the past six months,[20]

- 56% of parents said child care problems have affected their ability to work
- On average, parents missed 46 work hours due to problems with child care

CHILDREN IN WORKING FAMILIES AND CHILD CARE SUPPLY

Throughout Alabama, nearly two-thirds of children under age 6 (65.5%) live in households where all available parents are working (both parents in married families and the head of household in single parent families).[21] The percentage of young children in working families in Alabama is slightly lower than the national average of 66.7%.[22]

ALABAMA CHILDREN UNDER AGE 6 IN WORKING FAMILIES

Category	Alabama
Both Parents in Labor Force	111,136
Living with Working Father	26,616
Living with Working Mother	75,821
Total Children Under 6 with Working Parents	**213,573**
Percentage of Children Under 6 with Working Parents	**65.5%**

Source: U.S. Census Bureau, Table B23008, Age of Own Children Under 18 Years in Families and Subfamilies by Living Arrangements by Employment Status of Parents, 2021 American Community Survey, 1 Year Estimates.

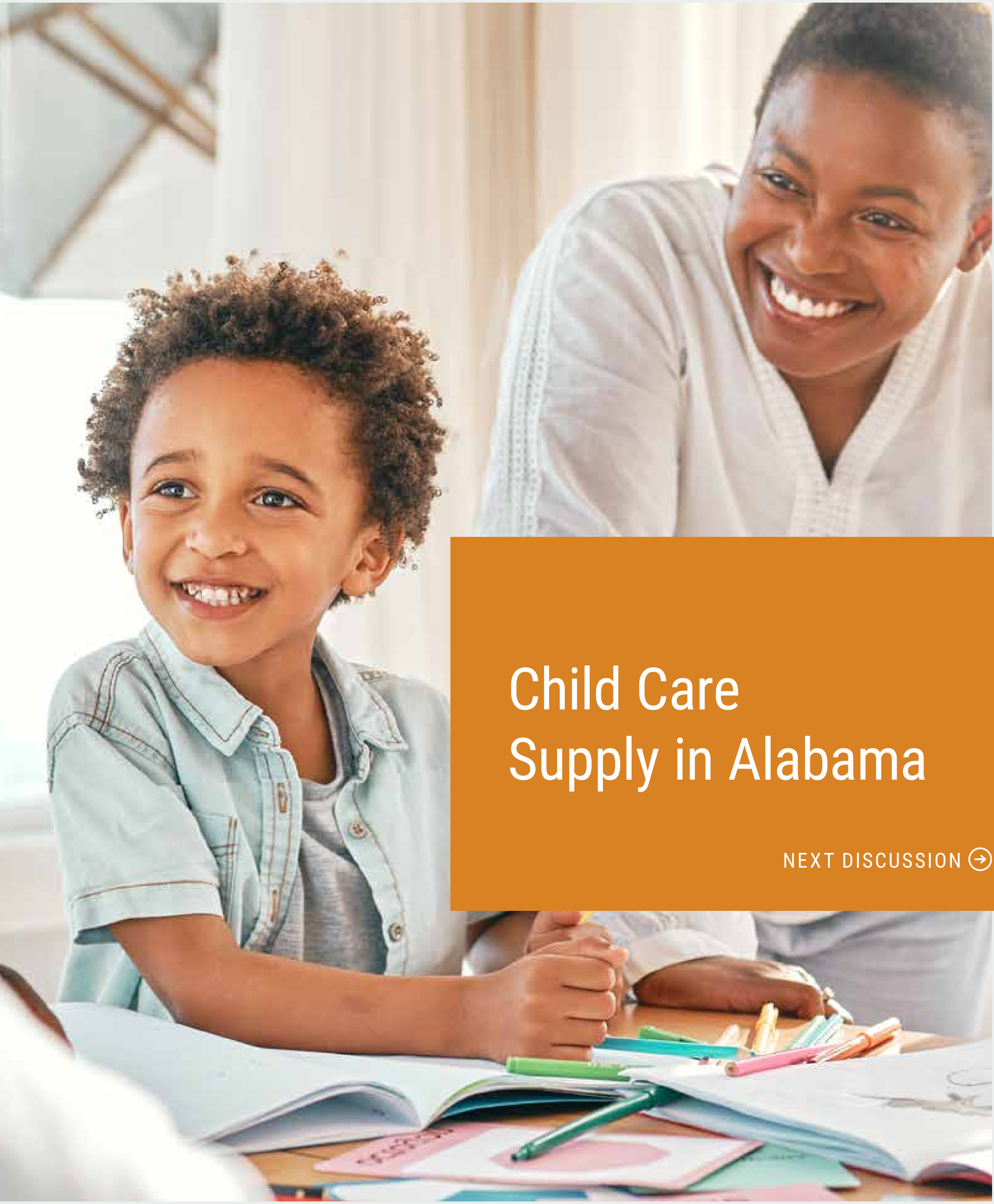
More than two-thirds of school-age children (69.3%) live in households where all available parents are working (both parents in married families and the head of household in single parent families).[23]

The percentage of school-age children in working families in Alabama is slightly lower than the national average of 70.5%.[24]

ALABAMA SCHOOL-AGE CHILDREN (6-13) IN WORKING FAMILIES

Category	Alabama
Both Parents in Labor Force	180,541
Living with Working Father	27,809
Living with Working Mother	117,199
Total School-age Children with Working Parents	**325,549**
Percentage of School-age Children with Working Parents	**69.3%**

Source: U.S. Census Bureau, American Community Survey, 1-Year Estimates Public Use Microdata Sample 2021.



Child Care Supply in Alabama

NEXT DISCUSSION

Child Care Supply in Alabama

In 2019 and 2020, the Bipartisan Policy Center (BPC) worked with state agencies in 35 states to map the supply of early childhood settings (child care programs and other legally operating programs that parents may choose for their young children such as Head Start, Early Head Start, military base or installation care, and state Pre-K).[25] In this way, BPC sought to better understand legally operating capacity rather than rely on licensed child care capacity alone.

In Alabama, BPC estimated the child care supply gap for children under age 6 at 40% -- meaning that available capacity in all early childhood programs met only 60% of the potential need for children under age 6 in working families.[26] In comparison, the average gap among the 35 states was 31.7%.[27]

The child care gap was slightly larger in rural communities in Alabama.[28]

- 41% gap in rural communities
- 39% gap in urban communities

Instead of using a zip code match (children needing care and programs operating within that zip code), the BPC analysis measured access through the distance traveled by families to access care.

For example, BPC parent polling and discussions with state administrators led to a distance-adjustment in mapping the supply of child care: urban parents were assumed to access care within 3.5 miles from their home and rural parents were assumed to access care within 10 miles.[29]

With this methodology, BPC assessed child care gaps (the difference between legally operating capacity and children in families who could need child care). The gap represents a shortage of about 85,550 child care slots statewide.[30] Child care supply gaps ranged from a high of 64.5% in Fayette County to a low of 3.3% in Bullock County.[31] By county, the BPC analysis found,[32]

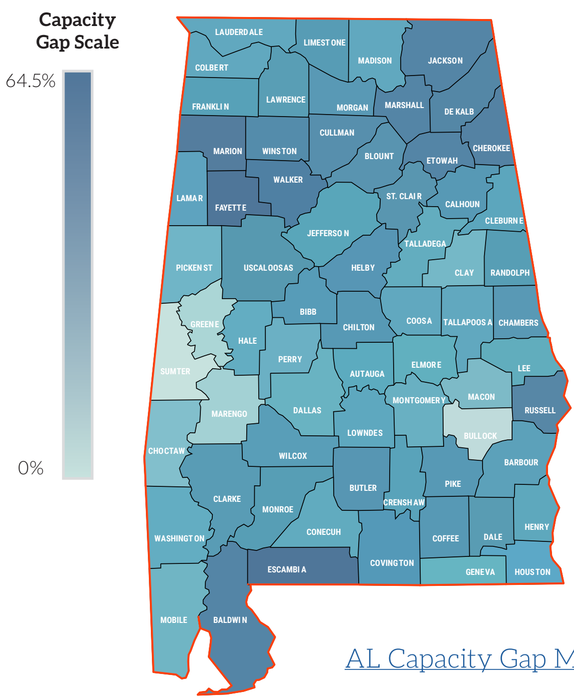
- **Counties with Child Care Supply Gaps of 50% or Higher:** 11 counties (Cherokee, DeKalb, Escambia, Etowah, Fayette, Jackson, Marion, Marshall, Russell, Walker, and Winston)
- **Counties with Child Care Supply Gaps of 40% – 49%:** 23 counties (Baldwin, Bibb, Blount, Butler, Calhoun, Chambers, Chilton, Clarke, Coffee, Covington, Cullman, Dale, Franklin, Lawrence, Limestone, Monroe, Morgan, Pike, Randolph, Shelby, St. Clair, Tuscaloosa, and Wilcox)
- **Counties with Child Care Supply Gaps of 31% – 39%:** 23 counties (Autauga, Barbour, Cleburne, Colbert, Conecuh, Coosa, Crenshaw, Dallas, Elmore, Geneva, Hale, Henry, Houston, Jefferson, Lamar, Lauderdale, Lee, Lowndes, Madison, Montgomery, Talladega, Tallapoosa, and Washington)
- **Counties with Child Care Supply Gaps of 21% – 30%:** 6 counties (Choctaw, Clay, Macon, Mobile, Perry, and Pickens)
- **Counties with Child Care Supply Gaps Below 20%:** 4 counties (Bullock, Greene, Marengo, and Sumter)

What Alabama Parents Say...

- "There's not enough providers in our area. I waited in line outside like it was Black Friday to get my child a spot."
- "Waiting lists that are years long aren't working."

Source: Alabama School Readiness Alliance, 2023 Child Care Parent Survey, March 2023.

ALABAMA CHILD CARE CAPACITY GAP FOR CHILDREN UNDER AGE 6



AL Capacity Gap Map Link

Source: Bipartisan Policy Center, Child Care Gap Assessment, November 2021.

Child Care Supply Gap Economic Impact. BPC calculated the economic impact of the child care supply gap on each state's economy. Both low and high estimates of the economic impact were determined allowing policymakers to see a range based on conservative or more generous assumptions. For Alabama, the economic impact statewide ranged from a low of $1.7 billion annually to a high of $2.69 billion annually.[33]

The economic impact calculations were based on household impacts (economic losses for families), business impacts (economic losses for employers), and tax revenue impacts (losses in tax revenue).[34]

For Alabama, the annual economic impact was highest in Jefferson County (a low of $301.6 million to a high of $460.3 million) followed by Madison County (a low of $147.9 million to a high of $225.7 million).

The economic impact in Mobile County also exceeded $100 million annually (a low of $117. 7 million to a high of $179.7 million).[35]

- 9 counties had a child care supply gap annual economic impact of a low of $40.9 million to $94 million and a high of $62.4 million to $143.5 million (in declining order: Shelby, Tuscaloosa, Montgomery, Baldwin, Morgan, Lee, Limestone, St. Clair, and Calhoun).[36]
- 23 counties had a child care supply gap annual economic impact of a low of $40.9 million to $94 million and a high of $62.4 million to $143.5 million) (in declining order: Russell, Walker, Etowah, Marshall, Houston, DeKalb, Cullman, Elmore, Blount, Lauderdale, Escambia, Talladega, Coffee, Chilton, Dale, Colbert, Autauga, Covington, Jackson, Chambers, Marion, Dallas, and Franklin).[37]
- 32 other counties had a child care supply gap annual economic impact of less than $10 million.[38]

ALABAMA'S CHILD CARE PROGRAM TRENDS

Over the past decade in Alabama, the number of licensed child care centers has increased[39] – largely as a result of the Child Care Safety Act passed in 2018,[40] which required child care facilities that receive state or federal funding to be licensed and regulated (i.e., faith-based license-exempt programs could not receive public funding unless licensed beginning August 1, 2019).

Also, during the last decade, there was a sharp decline in home-based care. Licensed family child care homes declined by 51.8% and licensed group child care homes declined by 16.9%.[41] This is a national trend thought to be caused by an aging workforce and retirement as well as the low compensation earned by home-based providers.

CHILD CARE SUPPLY AND FAMILIES UTILIZING A CHILD CARE SUBSIDY

Families utilizing a child care subsidy face a double challenge. Is care available near them? And, of the programs near them, do they accept child care subsidy as payment? In Alabama, 70 percent of child care centers and 57 percent of family child care homes accept subsidy payments from families.

In a report prepared for the Alabama Department of Human Resources by the University of Alabama in 2021, several online maps were developed to show access to child care by families using a child care subsidy.[42]

One of the maps analyzed child care access by families utilizing a subsidy by zip code (the map follows). **Every zip code with orange dots is an area where the number of subsidy recipients exceeds the capacity of programs accepting subsidies in that zip code.** Gray dots represent the number of slots in child care programs in the zip code in excess of the number of subsidy-receiving children who live in the zip code. Purple dots represent both a subsidy-receiving child living in a zip code and a slot in licensed care in the zip code.[43]

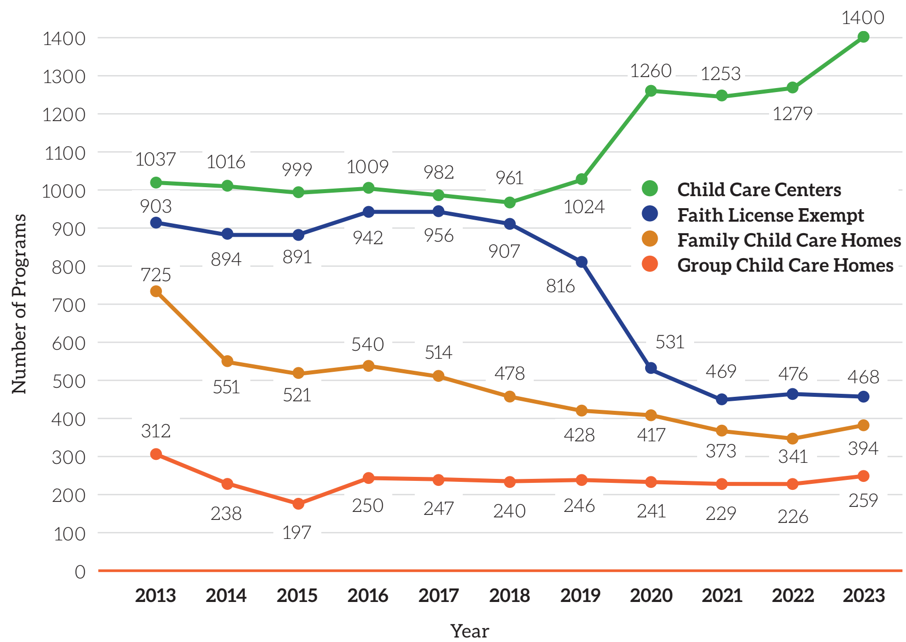
There are clusters of orange dots statewide. These communities are where the number of subsidy recipients in a zip code exceeds the capacity of programs accepting subsidy payments.

The other challenge for families is that a program could accept subsidy as payment, but have no open slots for children (i.e., private-pay families also compete for the slots in programs). Therefore, the number of slots available to families utilizing a subsidy in each zip code is likely fewer than what is shown by the purple and gray dots.[44]

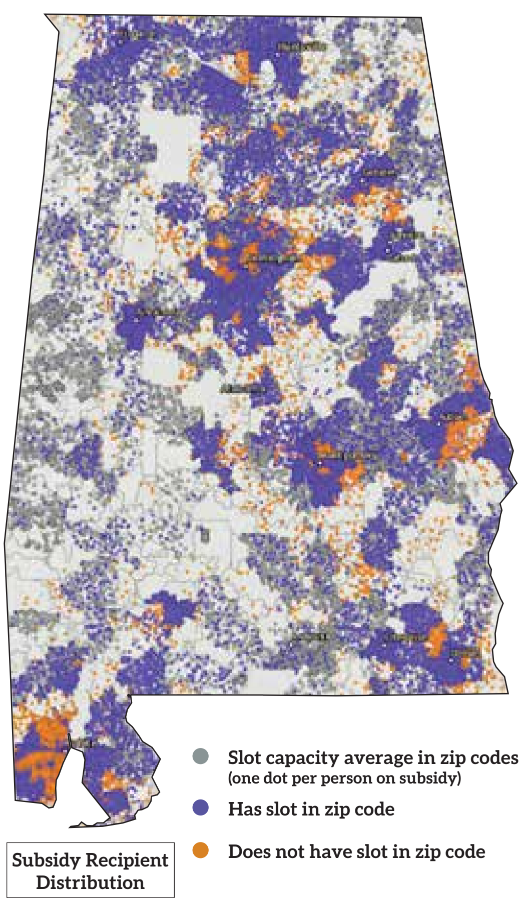
The supply of child care is one aspect of the child care challenge – for private-pay families and for families utilizing a subsidy. Another equally difficult challenge for families is the price of care.

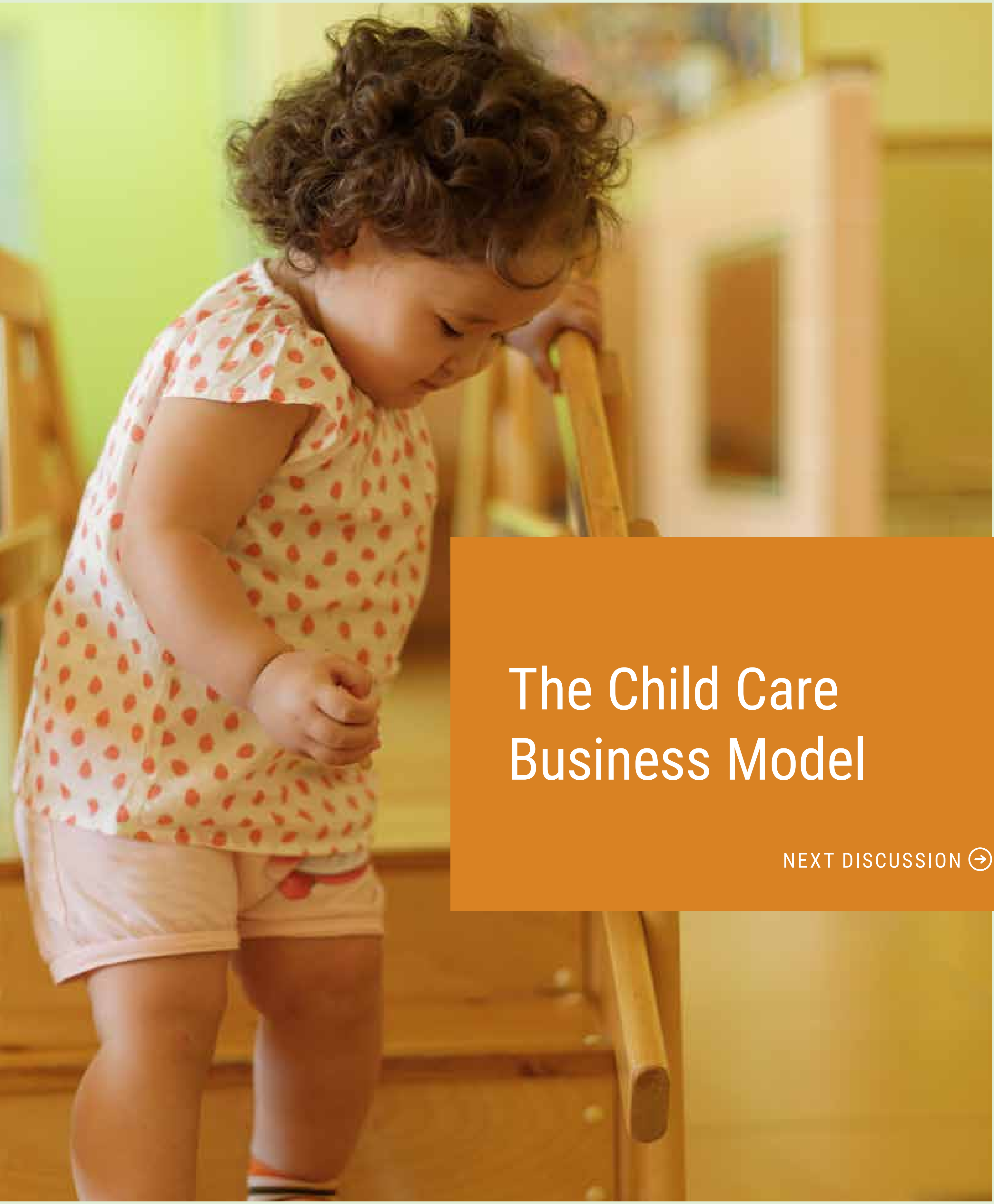
Even when child care is available, families may not be able to afford it – particularly families with more than one young child. The price of care is based on the business model, which is often based on the assumption that low wage staff will work in programs.

ALABAMA CHILD CARE PROGRAM TRENDS, 2013 - 2023



Source: Alabama Department of Human Resources, Child Care Program data 2013 – May 2023.





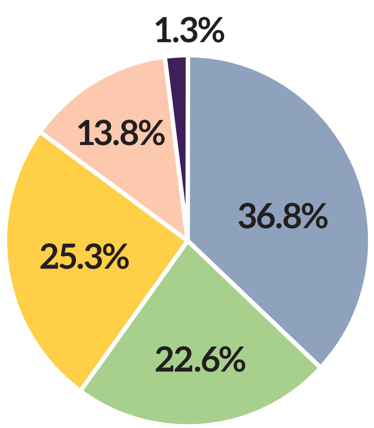
The Child Care Business Model

NEXT DISCUSSION

The Child Care Business Model

Child care is a business. In Alabama, child care centers are mostly small businesses (e.g., 85% of centers have fewer than 20 employees).[45]

ALABAMA CENTER-BASED CHILD CARE BUSINESSES BY NUMBER OF EMPLOYEES

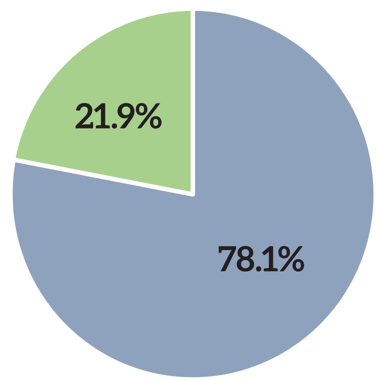


Source: U.S. Census Bureau, Census Economic Survey, Table ECB2100CBP, 2021.

As businesses, child care centers tend to operate in communities where the income is high enough and the population is dense enough that families can pay weekly tuition to support business operations.

The child care center market is largely for-profit (78.1% of centers) compared to non-profit centers, which comprise 21.9% of the market.[46]

ALABAMA CHILD CARE CENTERS BY TAX STATUS



Source: U.S. Census Bureau, Census Economic Survey, Table ECB2100CBP, 2021.

The budget for each program is based largely on parent fees. In Alabama, 66 percent of programs serve children whose care is paid for with a subsidy (although the percentage of all children enrolled in each individual program whose care is paid for with a subsidy varies greatly).

For example, based on the National Survey of Early Care and Education, the U.S. Department of Health and Human Services estimates that about 47% of centers nationwide care for children on subsidy and of those centers, about 10% represent programs where 50% or more of the children have their care paid for with a subsidy.[47] About 16% of centers have fewer than 25% of their enrollment comprised of children whose care is paid for with a subsidy.[48]

This makes operating a child care center heavily dependent on parent fees that comprise the major source of income for operations.

About 70-80% of center budgets fund wages for personnel[49] with remaining expenses related to fixed costs such as mortgage or rent, insurance, utilities, classroom materials, and other expenses such as maintenance (playgrounds, roofing, HVAC, plumbing, etc.).

As a result, child care centers tend to cater to the market majority (parents working traditional hours, 8:00am – 5:00pm or 6:00pm), which makes child care difficult to access for parents working nontraditional hours (evenings, shift work, and weekends).[50]

The Spring 2023 child care provider survey conducted by the Alabama School Readiness Alliance found that fewer than 4% of child care centers and about 12.5% of family child care homes and group homes offer child care during nontraditional hours (evenings and/or weekends).

Low-Income Parents Working Nontraditional Hours

- 67% of Alabama parents of children under age 6 in low-income families have parents who work nontraditional hours (45% with infants and toddlers).

Source: Increasing Access to Quality Child Care for Four Priority Populations, Urban Institute, 2018.

Alabama 2023 Spring Survey – All Parents Working Nontraditional Hours

- 18.8% of parents said they need child care during nontraditional hours
- 11.8% of parents said they need child care over the weekend

Source: Spring 2023 Parent Survey by the Alliance for School Readiness, Alabama Partnership for Children, and Voices for Alabama's Children

Child Care Wages. In Alabama, the median hourly wage for the child care workforce is about $10.32 per hour ($21,460 annually).[51] At this hourly rate, Alabama is the 3rd lowest paying state for child care workers in the United States (behind Mississippi and Louisiana).[52]

Since the program revenue is comprised largely of parent fees, to pay staff at higher hourly rates, tuition/fees would need to increase for parents. In effect, low paid personnel working in child care subsidize the price for parents. The low wages make it difficult to recruit and retain workers and cause high turnover.

Licensed family child care homes and group homes in Alabama have declined by 41.3% since 2013.[53] Licensed family child care homes can care for up to 6 children. Licensed group home providers can care for up to 12 children, with an assistant.[54] Home-based care offers families a smaller setting, an opportunity to keep siblings together, and is usually priced lower than center-based care.

In rural communities where the economics of operating a center may not be viable, home-based care can fill the gap. This makes the decline in home-based care particularly concerning since 55 of Alabama's 67 counties are considered rural.[55]

Similarly, to those individuals working in child care centers, home-based providers tend to also earn low wages, which is one of the reasons why home-based care has been declining over the past decade, along with aging and retirement and no one taking their place.[56]

Child care was a fragile business model prior to the pandemic. However, each of the weaknesses of the business model was exacerbated during the pandemic.

The Alabama Department of Human Resources utilized several temporary funding strategies to help stabilize the child care market and to help increase child care workforce wages to support recruitment and retention. (These efforts are described in more detail in a later section of this report).

The problem with the business model for child care is that it's broken. Parents cannot afford weekly or monthly fees based on the real cost of what it would take to support a high-quality program – a program that supports the professional development of staff and rewards higher levels of certifications and education with increased wages or salaries (the way other fields work).

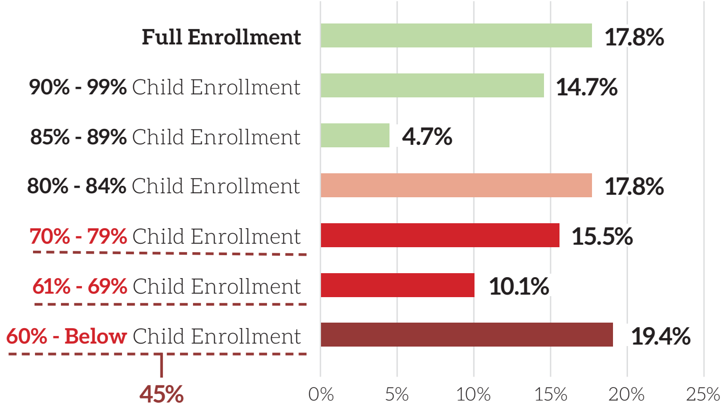
While child care is an important work support for parents, *high-quality* care is also important for healthy child development and school readiness. The Alabama Quality STARS program is designed to incentivize and support high-quality programs.[57] As of December 2023, 250 programs were rated 2-5 stars, meaning they demonstrate levels of quality above licensing requirements (about 14% of licensed child care providers).[58] All licensed programs automatically earn one star and thus receive the minimum cash incentive through Alabama Quality STARS.

CURRENT MARKET CHALLENGES

Despite temporary support initiatives implemented by the Alabama Department of Human Resources, the child care market has still not recovered from the pandemic. In part, this is because the current hot job market has made it even more difficult to recruit and retain child care workers. With programs understaffed, they cannot enroll children to reach their licensed capacity (upon which the business model is based). Without additional revenue from full enrollment, they cannot hire additional staff.

This has led to frustration among parents who are on multiple waiting lists hoping for a slot; and frustration among employers when parents call out, show up late, or leave early. One child care provider in Autauga County described the situation as *"20 years in the business and I've never experienced these desperate times!"*[59]

ALABAMA CHILD CARE CENTER CHILD ENROLLMENT



Source: Alabama School Readiness Alliance, 2023 Child Care Provider Survey, March 2023.

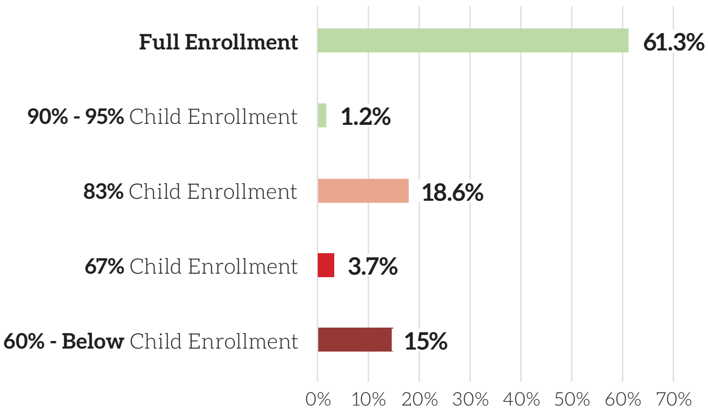
The Alabama School Readiness Alliance Spring 2023 child care provider statewide survey found among child care centers,[60]

- 18% of centers are operating at full capacity
- On average, child care centers are operating at 72% of child enrollment
- 82% of child care centers have waiting lists for care (4,360 children)
- The average child care center has 4 staff vacancies (one-fifth of positions are open since most child care centers in Alabama have fewer than 20 employees[61]).

The survey also found that family child care homes and group homes are struggling.[62]

- 61.3% of family child care homes and group homes are fully enrolled

ALABAMA FAMILY CHILD CARE & GROUP HOME CHILD ENROLLMENT



Source: Alabama School Readiness Alliance, 2023 Child Care Provider Survey, March 2023.

- The remaining home-based programs average 70% of child enrollment
- 66% of home-based providers have waiting lists (410 children)

TEMPORARY CHILD CARE STABILIZATION INITIATIVES

Between March of 2020 and March of 2021, Congress passed three COVID relief and recovery laws that included increased federal funding to states for child care.

- Under the Coronavirus Aid, Relief, and Economic Security (CARES) Act enacted in March 2020, Alabama received $64.9 million in supplemental federal funds for child care.[63]
- Under the FY2021 Coronavirus Response & Relief Supplemental Appropriations (CRRSA) Act enacted in December 2020, Alabama received $188.1 million in supplemental federal funds for child care.[64]
- Under the American Rescue Plan Act enacted in March 2021, Alabama received $732.9 million ($451.3 million for child care market stabilization and $281.6 million for child care more generally such as for child care subsidy, expansion, and quality strengthening initiatives).[65]

DHR invested these funds through a series of initiatives designed to stabilize the child care market, ensure that child care programs would be open to serve working parents, expand child care subsidy to additional families, and invest in recruitment and retention strategies to support the child care workforce.

Alabama Department of Human Resources initiatives included,

Child Care Business Stabilization:

- **Child Care Subsidy Payments Based on Enrollment.** March 2020 – July 2020. July 2022 until further notice. Private-pay parents pay for child care weekly, biweekly, or monthly (depending upon provider schedules). Private pay parents pay whether or not their child attends (e.g., if their child is sick or absent). These payments are the major revenue source for child care programs to pay staff and other expenses. Prior to March 2020, the Alabama Department of Human Resources paid for the care of children on subsidy based on attendance, which made it difficult for providers to budget for staffing costs and related operational expenses if children on subsidy were absent. Currently, DHR is paying for the care of children on subsidy based on enrollment until funds are exhausted or the policy terminates.[66] This is the payment practice expected of private-paying parents.
- **Temporary Assistance for Stabilizing Child Care (TASCC) Grant I.** July 2020. Licensed child care programs could apply for stabilization support of $200 per child based on licensed capacity (minus any child whose care was paid for with a subsidy).[67]
- **Temporary Assistance for Stabilizing Child Care (TASCC) Grant II.** April 2021. Licensed child care programs (open as of April 2021) could apply for stabilization support of $500 per child based on licensed capacity (minus any child whose care was paid for with a subsidy).[68]
- **Family Child Care Enhancement (FCCE) Grant.** May 2021. Licensed family child care homes and group homes licensed as of June 1, 2021 could apply for stabilization support of $3,000 for each family or group child care home.[69]

- **Increased Subsidy Rates for Providers.** April 2022. DHR increased child care subsidy payment rates per child for providers based on the 75th percentile of market rates, tiered for Alabama Quality STAR levels.[70]

- **Temporary Assistance for Stabilizing Child Care (TASCC) Grant IV.** May 2022. Licensed child care programs could apply for stabilization support of $1,000 per child based on licensed capacity (minus any child whose care was paid for with a subsidy).[71]

- **Temporary Assistance for Stabilizing Child Care (TASCC) Grant V.** May 2023. Licensed child care programs could apply for stabilization support of $2,000 per child based on licensed capacity (minus any child whose care was paid for with a subsidy).[72]

- **Child Care Stability Grant.** September 2023. Licensed child care programs could apply for stabilization support based on licensed capacity minus any slots used by children whose care is paid for with a subsidy.[73]

Child Care Workforce:

- **Child Care Workforce Stabilization Grants, TASCC III Grants.** October 2021. Child Care workforce bonuses issued quarterly ($1,500 for each full-time staff person and $750 for each part-time staff person).[74]

- **Child Care Workforce Stabilization Grants (Increase).** July 2022. Child care workforce bonuses were increased to $3,000 for full-time employees and $1,500 for part-time staff for the next five remaining quarterly grants. Workforce bonuses ended in September 2023.[75]

- **Child Care Criminal History Background Checks.** June 2021. All individuals working in child care are subject to a criminal history background check (state and national), as well as a check of the child abuse registry and sex offender registry. Individuals applying to work in child care pay a fee for the background check. In some cases, the hiring program may pay the fee for applicants. DHR began covering the fees for individuals in June of 2021 and will continue to do so until funds are exhausted or the policy terminates.

Alabama Family Child Care Support:

- **Health Care Workers Subsidy Payments.** April 2020 – December 2021. Child care assistance for the health care community as defined in the Alabama Department of Public Health Order dated April 3, 2020. Health care workers were required to utilize licensed care in order to obtain child care assistance.[76]

- **Fund Parent Co-pays.** June 2021. Families receiving child care subsidy are subject to a co-pay based on income. DHR began paying the co-payments for families in June of 2021 and will continue to do so until funds are exhausted or the policy terminates.

- **Expanded Eligibility for Child Care Subsidy for families up to 180% of the Federal Poverty Level.** January 2022. Previously, eligibility for child care subsidy was based on an initial household income (adjusted by family size) up to 130% of the federal poverty level. Initial income eligibility was increased to 180% of the federal poverty level in 2022. Families remain eligible for subsidy with income up to 200% of the federal poverty level upon recertification (after 1 year).[77]

Alabama Quality STARS Support:

- **Alabama Quality STARS Incentive Payments.** October 1, 2021. Licensed programs receive a 1-star rating, accompanied by an annual incentive payment (unless they opt out). Programs that earn a 2-star to 5-star rating receive one-time annual incentive payments tiered by star level to incentivize, enable, and reward quality programs.[78]

Without these investments, many child care programs would have closed. In both the listening sessions and in the spring 2023 child care provider survey, child care providers stressed the important role that these initiatives played in their ability to stay open to serve working families.

However, despite these initiatives, child care providers are still struggling. The pre-COVID business model, which banked on the low wages paid to those working in child care is no longer viable in today's economy. The temporary DHR investments were critical, but a long-term financing strategy is needed to ensure that working parents have access to child care.

Child Care Affordability

NEXT DISCUSSION

Child Care Affordability

Beyond the supply of child care, access to care depends on whether working families can afford the price.

Federal law requires states to conduct a child care market rate survey every three years (or utilize an alternative cost model for child care approved by the U.S. Department of Health and Human Services).[79]

The market rate survey collects the price of licensed care by geography, child age, and setting (center-based or home-based care). States are required to use the survey in establishing child care subsidy rates to make child care more affordable for low-income families.[80]

The U.S. Department of Health and Human Services recommends that states set subsidy rates at the 75th percentile – a rate that enables families to access child care among 75% of providers in a community, which supports "equal access" under the law.[81]

States are also encouraged to set rates at a higher level to support the higher cost of quality child care.[82]

Alabama's 2021 Child Care Market Rate survey report shows child care rates by age, by region, and by county.[83] Statewide prices appear below (at the 75th percentile to allow parent choice within communities).

ALABAMA STATEWIDE CHILD CARE RATES

Type of Program	Age	Weekly	Annual
Child Care Centers	Infants	$150	$7,800
	Young Toddler	$150	$7,800
	Older Toddler	$150	$7,800
	Preschool	$140	$7,280
	School-Age	$126	$6,552
Family Child Care Homes	Infants	$140	$7,280
	Young Toddler	$140	$7,280
	Older Toddler	$135	$7,020
	Preschool	$135	$7,020
	School-Age	$125	$6,500
Group Child Care Homes	Infants	$140	$7,280
	Young Toddler	$140	$7,280
	Older Toddler	$140	$7,280
	Preschool	$140	$7,280
	School-Age	$130	$6,760

Source: Alabama Department of Human Resources, 2021 Child Care Market Rate Survey Report.

For greater context, the price of child care is compared to the median income by family type (married or single parents) and family size. Whether reviewing the price of child care by family type or size, child care expenses represent a significant percentage of family income.

Family Type	Median Annual Income	Center-based Infant Care, Annual Price	Percent of Income	2 Children in Care: Infant & Preschool-age Child, Annual Price	Percent of Income
Married Couples with Children	$97,695	$7,800	8.0%	$15,080	15.4%
Male Head of Household Raising Children	$46,571	$7,800	16.7%	$15,080	32.4%
Female Head of Household Raising Children	$23,975	$7,800	32.5%	$15,080	62.9%

Source: U.S. Census Bureau, Table S1903, Median Income in the Past 12 Months, 2021 American Community Survey, 1-year estimates. 2021 Alabama Child Care Market Rate Survey Final Report.

Family Income By Family Size	Median Annual Income	Center-based Infant Care, Annual Price	Percent of Income	2 Children in Care: Infant & Preschool-age Child, Annual Price	Percent of Income
2-person families	$62,918	$7,800	12.4%		
3-person families	$71,682	$7,800	10.9%	$15,080	21.0%
4-person families	$87,645			$15,080	17.2%
5-person families	$89,842			$15,080	16.8%

Source: U.S. Census Bureau, Table S1903, Median Income in the Past 12 Months, 2021 American Community Survey, 1-year estimates. 2021 Alabama Child Care Market Rate Survey Final Report. A family of 3 or 4 may have more than 1 child in need of child care and therefore are not reflected in the percentage of income for the care of 1 infant. Similarly, a 2-person family would likely not have 2 children in child care and is not reflected in the column related to 2 children in care.

Real-time Price Data. The U.S. Census Bureau began conducting the Household Pulse Survey in April 2020 related to a series of questions for which policymakers may want or need real-time data.[84] One of the questions is whether or not the family has paid for child care in the last 7 days and if so, how much they have paid.[85]

The Census Bureau Household Pulse Survey conducted between April 26 and May 8, 2023 found that Alabama families with children under age 5 who paid for child care spent an average of $297.88 per week, which if annualized would be about $15,490 per year.[86]

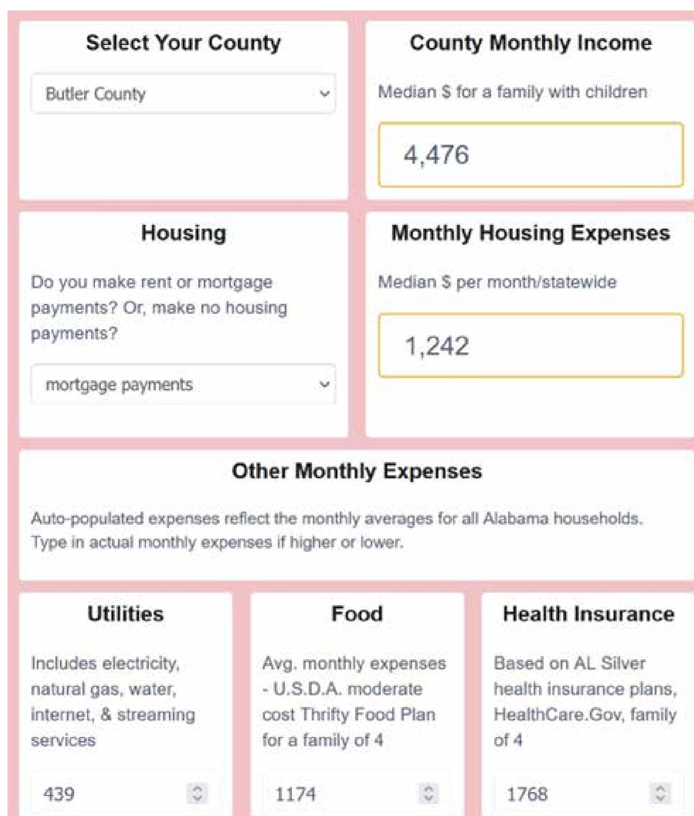
Alabama families with children age 5-11 paid an average of $186.22 per week, which if annualized would be $9,683.[87]

To better understand the challenges families have with affording child care, CED worked with the Alabama School Readiness Alliance, Alabama Partnership for Children, and VOICES for Alabama's Children to develop an online child care affordability calculator.[88]

The calculator allows users to select their county and based on median income for that county, see whether or not a family can access the licensed child care market after paying basic monthly expenses (e.g., utilities, food, health care, car payments, car insurance, and gas). The calculator is not intended to cover every expense a family may have, but instead focuses on the basic expenses families would be expected to have.

In many counties, families do not have enough money after paying basic expenses to then also pay for child care.

ALABAMA FAMILY
CHILD CARE AFFORDABILITY CALCULATOR



CHILD CARE SUBSIDY HELP FOR FAMILIES

Under federal child care law, states set income eligibility for child care subsidy up to a maximum of 85% of state median income (SMI).[89] The Alabama Department of Human Resources expanded subsidy eligibility from 130% of the federal poverty level (FPL) to 180% FPL in January of 2022.[90] Upon recertification for subsidy receipt (conducted annually), families may earn up to 200% FPL. Household income is adjusted by family size.

It is good news for families that the income eligibility for receiving child care subsidy has increased in Alabama. At the same time, many families struggle with the price of child care. For some parents, this may mean they opt not to work. For other parents, it may mean that they reduce their work hours. For children, it could mean several stitched together make-shift arrangements to cover parent work hours. For employers, it could mean employees that miss work frequently (or arrive late or leave early) due to child care problems.

For 2022, 37,034 children in Alabama received child care subsidy at an annual cost of $18.8 million.[91]

CURRENT SUBSIDY ELIGIBILITY VS. FEDERALLY ALLOWED ELIGIBILITY

Comparing income using the federal poverty guidelines against state median income can be confusing. The federal child care law[92] authorizes states to set income eligibility up to 85% of state median income (SMI) instead of using the federal poverty guidelines because the federal poverty guidelines are flat across the country (except for adjustments in Alaska and Hawaii). In contrast, state median income varies across states.

Given how difficult child care can be to afford, increasing eligibility for child care subsidy to about 260% of the federal poverty level (close to 85% SMI) would enable an additional 75,500 children under age 6 and 161,400 children between ages 6-11 in working families to potentially qualify for subsidy.[93]

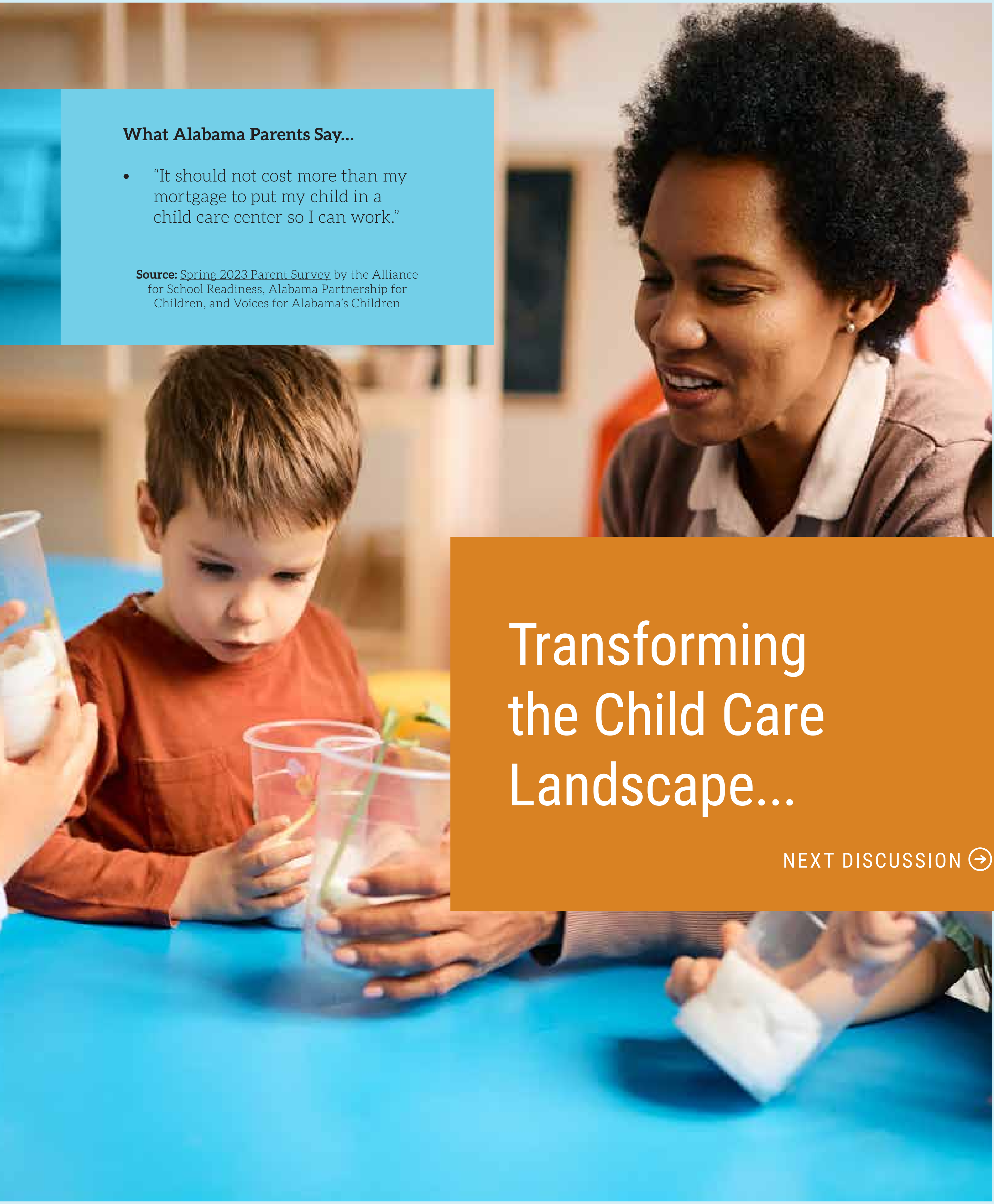
			Federal Allowable		Current Alabama		Potential Expansion	
Family Size	**AL Annual Median Income**	**Monthly 100% SMI**	**Annual 85% SMI**	**Monthly 85% SMI**	**AL Monthly 180% FPL Eligibility for Subsidy**	**AL Monthly 180% FPL as % of SMI**	**260% FPL Monthly Eligibility for Subsidy**	**AL 260% FPL as % of SMI**
2-person families	$62,918	$5,243	$53,480	$4,457	$2,747	52.4%	$3,967	75.7%
3-person families	$71,682	$5,974	$60,930	$5,077	$3,455	57.8%	$4,990	83.5%
4-person families	$87,645	$7,304	$74,498	$6,208	$4,163	57.0%	$6,013	82.3%
5-person families	$89,842	$7,487	$76,366	$6,364	$4,871	65.1%	$7,035	94.0%

Source: U.S. Census Bureau, Table S1903, Median Income in the Past 12 Months, 2021 American Community Survey, 1-year estimates. column related to 2 children in care. U.S. Department of Health and Human Services, 2023 Federal Poverty Guidelines. Alabama 2023 Child Care Subsidy Income Guidelines.

Increasing income eligibility for child care subsidy will enable more working families in Alabama to access the licensed child care market. This means that they will likely have more stable child care arrangements (i.e., enabling more reliable work attendance and performance) and their children will have access to a high-quality setting (i.e., a setting that promotes their healthy development and school readiness).

Child care is not an entitlement (a welfare program). Instead, it is a work support program (in most cases, parents need to meet work criteria in order to qualify).

Child care subsidy does not mean free child care for families. The child care subsidy program includes parent co-payments based on income (i.e., co-payments rise as income increases).



What Alabama Parents Say...

- "It should not cost more than my mortgage to put my child in a child care center so I can work."

Source: Spring 2023 Parent Survey by the Alliance for School Readiness, Alabama Partnership for Children, and Voices for Alabama's Children

Transforming the Child Care Landscape...

NEXT DISCUSSION ➔

Transforming the Child Care Landscape to Better Support Parents, Employers, and Communities

In 2018, Governor Ivey announced the Success Plus Plan to grow Alabama's skilled-labor pipeline by 500,000 workers by 2025 to fill existing industry's labor needs and compete for new businesses.[94] Through July 2022, 214,922 credentialed workers were added to Alabama's workforce.[95]

At the same time, with a growing workforce, there will be an increased need for quality, affordable child care. At a March 2023 Public Affairs Research Council of Alabama (PARCA) forum, Governor Ivey told the 400+ attendees,[96]

> *"Many Alabamians and others across the country face a dilemma in finding safe, reliable child care. As more and more Alabamians join the workforce, which is a very positive development for our state and quality of life, more working families will also need child care services.* ***There is no better time than right now to address this fundamental need facing this state."***

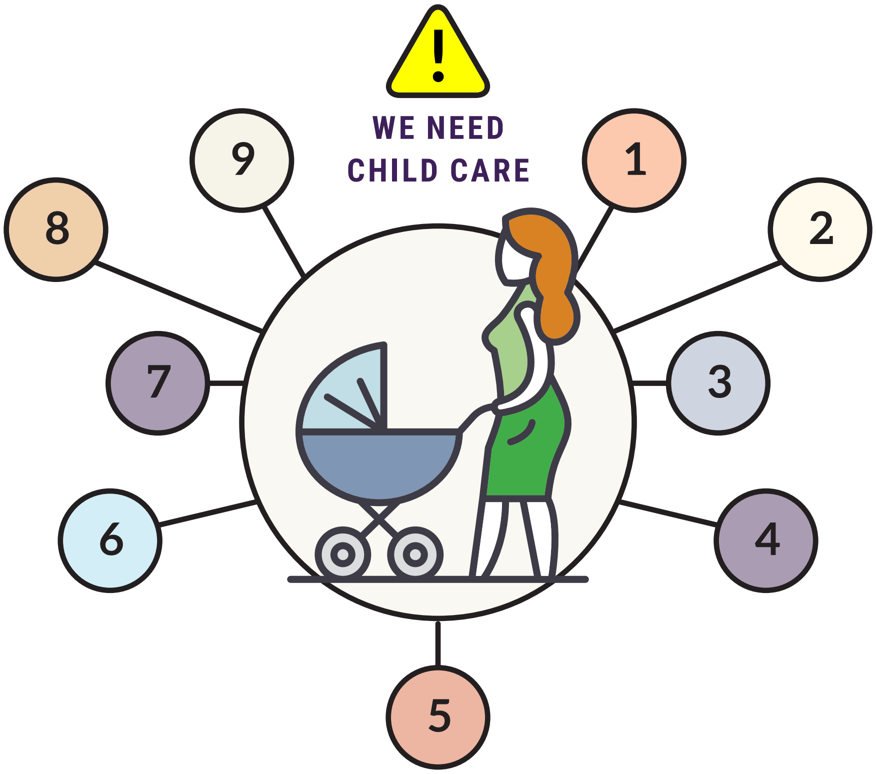
Access to affordable, quality child care has long been a challenge in Alabama. Decades of reports have outlined the challenges and made recommendations. In the last five years alone, there have been more than 20 child care reports, including a 2019 birth to five needs assessment report[97] followed closely by a 2020-2022 strategic plan report[98] both written collaboratively by several state agencies. A list of state reports is contained in appendix I.

The state agencies' needs assessment and strategic plan were based on *"a comprehensive review of 59 existing needs assessments and findings from a qualitative data collection process that engaged 468 key informants across the state including families, child care providers, health care representatives, government entities and other stakeholders."*[99] These reports were funded through a $10.9 million federal Preschool Development Grant Birth to Five (PDG B-5) grant competitively awarded to Alabama.[100]

It's time to move from reports and strategic plans to a roadmap – an actionable series of short and long-term steps to transform child care into

- the essential work support that parents need (and can access),
- local quality options that support employers' need for reliable employees, and
- high-quality settings that support the healthy development and school readiness of children.

ALABAMA CHILD CARE COMPLEXITY FOR FAMILIES



1. Is there child care in my neighborhood?
2. Are there open slots in those programs?
3. Are there open slots for the age of my child(ren)?
4. Is the program open at the hours we need care?
5. What is the price of care for children in this program?
6. Can we afford it?
7. Could we potentially be eligible for child care subsidy?
8. If the program takes subsidy payments, do they have any open slots?
9. Is it a quality program? Will children be safe & learning?

CHILD CARE COMPLEXITY FOR FAMILIES

Addressing the array of challenges with child care is complicated. There is no one singular "fix" to promote affordable, quality child care statewide. However, there are a series of strategies that if implemented together could put Alabama on the road to access high-quality child care for all families who need and want child care for their children.

Child Care Roadmap Recommendations

#1 THE CHILD CARE BUSINESS MODEL

The child care business model causes most of the challenges families have in accessing child care. The business model affects the supply – where child care programs are located, and how many slots are available. It affects the child care workforce – it is difficult to recruit and retain workers when the business model is based on paying very low wages. The business model is based on parent payments, which many parents can't afford (so they make other informal arrangements or share care responsibilities with a spouse or relative) and many parents who pay for care struggle with the price (even though that price is insufficient to cover the costs of operating a high-quality program where the workforce is paid better reflecting their competencies, certifications and level of education).

Short-term Recommendation: Cost Modeling. Form a broad-based Alabama cost of quality workgroup (state agencies, business leaders, center and home-based child care providers, and other key stakeholders) to utilize the Provider Cost of Quality Calculator[101] tool developed by the U.S. Department of Health and Human Services (HHS) for states or some other business tool with a series of variables based on the costs of operation (not the price currently charged).

A cost model is critical to understand the true cost of operating a child care program at varying levels of quality (licensed care and at each level within Alabama Quality STARS). Currently, there are 18 states that have completed a cost modeling study, three of which have been approved by HHS for use in setting child care subsidy rates (the District of Columbia, New Mexico, and Virginia).[102]

Cost modeling would enable the payment of child care subsidy rates based on the cost of operating a quality program rather than the current policy based on market rate prices (which may or may not be related to the cost of operating a quality program).

Cost modeling can also be helpful to develop other strategies such as contracts and grants to stabilize business operations, expand access to more children on subsidy, incentivize care during nontraditional hours, improve quality, and fill the gap between what parents can afford to pay and the cost of operating a high-quality program. Alabama Department of Human Resources is currently contracting with Alabama State University to conduct surveys on using cost modeling/alternative methodology for rate analysis.

Short-term Recommendation: Child Care Workforce Wage Supplements. Continue the quarterly workforce bonuses based on employment in the prior quarter while a long-term strategy is designed. Make the quarterly workforce bonuses contingent on staying at least one year in the program. While this is a typical requirement for business, it would be difficult for providers to enforce.

Because child care program revenue is largely based on private-pay family fees, the child care business model does not work like a traditional market-based business product (where the price is increased to cover the cost of producing the product). Instead, child care should be viewed as an economic development strategy – it is a public good that supports job creation, retention, and economic growth. High quality child care has also proven to be one of the best investments in early school success – the beginning of the employment pipeline.

In today's job market, the ability to recruit and retain child care workers, particularly individuals who have obtained certifications or higher levels of education such as an A.A. in early childhood is challenging.

In addition, today's staffing challenges inhibit the ability of child care programs to enroll more children, cause parents to be put on a waiting list, and impact the quality of the program since those least likely to stay in the child care field are those with credentials and degrees where they can earn much higher wages (and have benefits such as health care and retirement) elsewhere.

The child care workforce shortage is not unique to Alabama. During the past 3 years of supplemental federal funding for child care as part of Congressional COVID relief and recovery bills, all 50 states have offered recruitment and retention bonuses and/or stipends to support more than 650,000 child care workers nationwide.[103]

Much of that funding expired September 30, 2023, at which point it is likely that the current child care workforce shortage will become much more acute – unless states are able to sustain workforce investments in the new fiscal year that began in October 2023.

Short-term Recommendation: Child Care Workforce Benefits. Offer Telemedicine and Teletherapy benefits and child care subsidy assistance to individuals working in child care as a recruitment and retention strategy. Job benefits are as important as earnings for job recruitment and retention.

Because the business model for child care operates on a razor-thin margin, few child care programs offer any type of job benefits. During the pandemic, states implemented important benefit strategies to help with recruitment and retention (in addition to offering wage bonuses and supplements).

Supporting those working in the child care field to help meet their own child care costs is not only an investment in the workforce, but also an opportunity for the children of child care workers to be in high-quality care to support their healthy development and school readiness.

Here are some examples from other states

Health Care. Nevada offers a telemedicine/teletherapy benefit, which offers child care workers registered in the state's child care registry 24/7 access to board certified doctors, including prescription discounts.[104] This benefit is inexpensive at $96 per year (telemedicine at $8 per month) and $168 per year (for both telemedicine and teletherapy at $14 per month)[105] for each child care worker. There are no co-payments or deductibles. While the benefit cannot be used for emergency room care, it is a workforce investment since individuals would not have to take off from work to see a doctor (i.e., this benefit can be used at night and on weekends).

Use of telemedicine by those working in child care means that parents would have more consistent access to child care since centers would be less likely to have to scramble to fill a worker's absence and home-based providers would not have to rely on the availability of a substitute or disrupt care hours impacting parents.

In January of 2023, the District of Columbia began offering free health care insurance to all individuals working in child care.[106] Washington State is offering free health care insurance to child care workers earning up to 300% of the federal poverty level.[107]

Telemedicine coverage is less expensive. In addition, teletherapy visits (if needed) offer an opportunity for those who need it to access important well-being support. A recent study of child care worker's mental health found much higher levels of stress and depression among individuals working in child care compared to the population at large.[108]

Child Care. Kentucky enacted legislation in 2022 to make child care workers categorically eligible for child care subsidy assistance.[109] Kentucky's Division of Child Care Director, Andrea Day, explained that *"throughout Kentucky, child care centers were operating below licensed capacity simply because they lacked staffing to open empty classrooms. Worse, they were losing staff to retail or hospitality jobs."*[110]

The new legislation implemented in October 2022 makes individuals working in child care (regardless of income level) eligible for child care subsidy for their own children if enrolled in a licensed or certified program. *"To date, more than 60% of child care workers using this benefit were eligible for child care subsidy anyway, they just hadn't applied,"*[111] explained Andrea Day.

Short-term Recommendation: Child Care Shared Services Online Platform and Jobs Board. Implement an online early care and education shared services platform with a jobs board.

During the March 2023 listening sessions with child care providers, there was interest in a consortium for discount prices for frequently purchased products and a jobs board.

There are "off-the-shelf" models for both [an online shared resources site] (currently operating in 35 states)[112] that includes discounts negotiated nationally on frequently purchased products used in child care and other helpful resources such as business templates and an online family child care toolkit (for business templates and resources, quality, and management). This online resource can be customized to include information and/or links to unique state programs and initiatives (e.g., Alabama Quality STARS).

The shared services online platform also includes a jobs board – Acquire4Hire. This component enables directors to post jobs, provides job descriptions and other related hiring templates, and helps automate the job applicant/review process to make it uniformly efficient (to the extent possible). Posted jobs are amplified through 6 major job search engines. A jobs board was one of the suggestions made in the spring child care provider listening sessions to help address the child care worker shortage.

During the child care provider listening sessions, providers were interested in the development of a substitute pool for child care similar to the systems school districts use for K-12. The Alabama Department of Human Resources is planning to establish a substitute pool for child care providers.

Substitutes go through a formal application process where they are interviewed, complete back ground checks, participate in orientation training including CPR certification prior to joining the pool to be sent to participating child care programs.

Short-term Recommendation: Start-up and Expansion Grants to Expand Child Care Supply. Offer start-up and expansion grants, particularly in areas of the state with a large gap between licensed capacity and working parents with children under age 6 who may need child care. Condition the grants on participating in both Alabama Quality STARS and the child care subsidy program (i.e., being willing to accept child care subsidy payments).

The Bipartisan Policy Center estimates a 40% gap between the supply of child care and the potential need for it among working families with children under age 6.[113] The supply of licensed family child care homes and group homes has declined by 41.3% since 2013,[114] which is concerning since rural communities in particular may depend on home-based care.

In the past two years, 88% of states have created new child care slots by funding child care startup or expansion grants.[115]

For example, **in Texas,** the Texas Workforce Commission began the Child Care Provider Expansion Initiative in June of 2022.[116] Grants to open or expand a child care program (center-based or home-based care) are available to:

- reduce child care deserts (defined in Texas as a zip code where the number of children younger than 6 years of age who have working parents is at least three times greater than the capacity of licensed child care providers in the area),
- partner with an employer or consortium of employers; and/or
- serve infants and toddlers across the state Texas Workforce Commission Chairman Bryan Daniel said, *"The demand for child care is increasing as Texas continues record-setting job creation. This program is intended to reduce the financial barriers associated with expanding centers or opening new centers."*[117]

In Montana, applicants may apply for a one-time award for child care start up funds or emergency and or natural disaster preparation. Grants range from $500 – $3,000. Applicants must agree to participate in the STARS to Quality program (Montana's quality rating and improvement system) and participate in the child care subsidy program.[118]

In Kentucky, one-time start up grants of up to $5,000 are available for individuals interested in opening a family child care home. The funds can be used for fees and start-up expenses (e.g., zoning fees, insurance premiums, safety features, fencing, materials for children, etc.). Grant recipients must become licensed within 5 months, agree to participate in Kentucky All-Stars (the state quality rating and improvement system), and agree to participate in the child care subsidy program.[119]

In Tennessee, Child Care Enhancement grants are available to licensed child care programs to increase capacity, strengthen quality, and/or promote compliance with State licensing standards. There is a base amount available of $4,000 with additional supplemental amounts based on certain criteria (e.g., operate or will operate in one of the economically distressed counties; verified completion of Infant and Toddler Specialization training; participation in the child care subsidy program, etc.).[120]

Long-term Recommendation: Cost-Model Supported Strategies. With cost modeling completed, strategies can be developed and considered to better support the child care market, the child care workforce, and parents who depend on the market (both private-paying and subsidy receiving).

Better understanding the cost of care (in contrast to the current price charged) will also enable the development of strategies to support nontraditional hour care and care for children with special needs. For example, the spring 2023 provider survey found that with financial incentives, 25% of licensed child care centers and 53% of licensed family child care homes and group homes would offer nontraditional hour care.[121]

Long-term Recommendation: Child Care Facility Needs Assessment. Update the 2021 child care facility needs study undertaken by the University of Alabama.

In 2021, the University of Alabama conducted a survey related to child care program facility needs. At the time, more than half of child care providers (licensed center-based and home-based providers) were interested in funding to renovate existing space or to expand space, more than one-third identified plumbing needs, nearly two-thirds identified needing funds for playground equipment and shade structures.[122]

There have been six rounds of Alabama Department of Human Resources child care provider stabilization grants.[123] It is possible some of these needs have been met through the TASCC grants. The survey should be updated to identify any current child care facility needs so that strategies could be considered to ensure that the physical environment in which children spend time is healthy and safe.

Long-term Recommendation: Zoning Barrier Reduction. Form a workgroup with state agencies, municipal leaders, home-based providers, and other stakeholders to review state and local zoning barriers that prohibit home-based child care businesses or limit the size of home-based child care businesses. Produce a report with recommendations for consideration.

The Erikson Institute in its report, *"The Shifting Supply of Regulated Family Child Care in the U.S."*[124] and the National Center on Early Childhood Quality Assurance in its report, *"Addressing the Decreasing Number of Family Child Care Providers in the United States"*[125] both mention local zoning ordinances as one of several potential factors that could impede the ability of family child care homes to become state licensed.

To support working parents and to promote the safety and healthy development of children, eight states have enacted state statutes to prohibit local zoning ordinances from erecting barriers to operate a family child care home (California,[126] Connecticut,[127] Kentucky,[128] New Jersey,[129] New York,[130] Oklahoma,[131] Oregon,[132] and Washington[133]). A list of state statutes is included in appendix II.

Kentucky enacted a state statute in 2021 to reduce barriers for family child care homes to become state regulated. *"We worked with the Kentucky Association of Counties, the Kentucky League of Cities, and the Kentucky Chamber of Commerce. It helped that the National League of Cities had called for a review of zoning in the municipal action kit. We talked about economic recovery and that home-based care is much more prevalent in rural communities where the economics of a center might not work. It wasn't easy. However, we focused on child care deserts, local economies, families that would be served and to some extent- educated them that homes care for a few families. It's not 30 cars pulling up in the neighborhood every day."* said Ben Gies at the Prichard Committee, a nonprofit, nonpartisan children's policy organization in Kentucky.[134]

#2 THE CHILD CARE WORKFORCE

Parents and employers are dependent on a stable child care workforce – the workforce that supports all other workforces. Children are dependent on the child care workforce for healthy child development and school readiness.

Alabama's First Class Pre-K Program is rated as one of the top preschool programs in the country, meeting all 10 quality benchmarks by the National Institute of Early Education Research (NIEER).[135] **It is time to transform Alabama's child care programs into high-quality early learning settings as well. High-quality child care depends on a high-quality workforce. As it stands, Alabama's First Class Pre-K program cannot expand to reach the state's goal of 70% of 4-year-olds unless more child care programs participate as providers in the state-funded grant program. Plus, 85% of brain development occurs before the age of four, when children become eligible for First Class Pre-K.**

The framework is in place. Alabama Pathways to Quality Care and Education (Alabama Pathways) provides a path to support and advance best practices of those who care for and teach children from birth through 12 years.[136] It is a framework for a comprehensive professional development system that includes core knowledge areas (including interactions with children), qualifications and credentials, and resources to support quality (organizations that provide pre-service and on-the-job professional development opportunities) as well as resources for financial assistance (scholarships and grants to access community college courses and 4-year university courses).[137]

In 2022, the Department of Human Resources launched a new Alabama Pathways website, which serves as the Professional Development Registry (PDR) for all licensed child care providers statewide.[138] The goal is for the Pathways Registry (or its successor) to track training and education for compliance with child care licensing requirements, Child Care and Development Fund (CCDF) health and safety requirements, Child Development Associate (CDA) tracts, and Alabama Quality STARS requirements (the state's quality rating and improvement system).[139] It is a professional development lattice to track and plan professional development in early childhood education competencies, credentials, certificates, and degrees in child development, early childhood education, and elementary education with a focus on knowledge and skills specific to young children.[140]

Throughout the country, 45 states have child care and early childhood workforce professional development registries with over 1.8 million individuals registered.[141] Over the past three years,[142]

- 65% of states require registration in registries for anyone working in a program receiving state or federal funds
- 23 states used registries to inform or distribute child care stabilization grants
- 30 state registries collect wage and employment data
- 36 registries verify education and training data (e.g., highest education earned including credits in ECE or related subject areas, continuing education credits (CEUs), education progression, high school enrollment of current staff, aggregate training by competency category, and mode of training).

Utilizing a child care and early childhood education workforce registry, there are several strategies that can be developed to better support the child care workforce in a data-driven manner.

Short-term Recommendation: Annual Child Care Workforce Report. Conduct an updated child care workforce study to better understand the demographics of the child care workforce, their level of experience, credentials, and education, as well as their current hourly wages and benefits (such as health care or retirement; paid sick and annual leave).

Ultimately, the Pathways Registry or its successor can be used to develop an annual child care workforce report, which includes demographic and other information related to the field (e.g., the percentage of the child care workforce that have met various levels in the Pathways career lattice by wage, age group of children worked with, and track turnover particularly aligned with receipt of workforce bonuses).

Programs that are licensed and/or participate in Alabama Quality STARS are required to be enrolled in the registry.[14] It is unclear if each individual in each program is also required to participate in the registry and whether they keep their information updated. They should be required to do so bi-annually.

Short-term Recommendation: Expand T.E.A.C.H. and Retention Incentive Stipends. Double T.E.A.C.H. program funding to expand the number of child care staff who can access scholarships to continue their education (e.g., obtain a Child Development Associate (CDA) credential, A.A. in early childhood education, or B.A. in early childhood education).

T.E.A.C.H. Program. The T.E.A.C.H. Early Childhood® Program currently operates in 23 states.[144] In Alabama, the Alabama Partnership for Children administers the program.[145] Individuals are eligible if they earn less than $15 per hour. T.E.A.C.H. is more than a scholarship program for coursework, released time, and books. What makes T.E.A.C.H. unique is the coaching and support so that those with a scholarship are much more likely to complete their degrees.[146] Upon completion, individuals receive a bonus or a pay increase which promotes retention. In Alabama in 2021-2022, 465 child care professionals participated in T.E.A.C.H.[147]

- Alabama T.E.A.C.H. participants completed over 3,475 credit hours.
- The grade point average (GPA) for individuals with associate degree scholarships was 3.28
- The grade point average (GPA) for individuals with bachelor's degree scholarships was 3.3

- For A.A. scholarship recipients, the average child care program retention rate was 99%
- For B.A. scholarship recipients, the average child care program retention rate was 98%
- The average hourly wage of an individual with a T.E.A.C.H. scholarship was $10.81 per hour.

Retention Incentive Stipends. To retain qualified early childhood providers in the field, and reward T.E.A.C.H. recipients for their increased education and commitment to their sponsor, Alabama's T.E.A.C.H. program offers Retention Incentive Stipends.[148]

These stipends are awarded to T.E.A.C.H. recipients semi-annually who meet the following requirements: 1) graduate with an Associate or Bachelor's degree in Early Childhood/Child Development, 2) meet the employment commitment required by T.E.A.C.H. (remain employed with their sponsoring child care program for a minimum of one year), 3) remain employed at a licensed child care program (beyond the T.E.A.C.H. commitment year) for a minimum of six months, and 4) earn less than $15 per hour.

Decades of research have found that obtaining training and education with specialization in child development and early childhood education fosters caregivers and teachers who understand how children develop and learn and who provide higher quality learning environments for children.[149] Incenting and expanding the number of individuals who participate in the T.E.A.C.H. program (including individuals who currently work or wish to work in Alabama First Class Pre-K Classrooms) will lead to a high-quality workforce that best promotes the healthy development of children and school readiness.

Short-term Recommendation: Child Care Registered Apprenticeship Programs and Career and Technical Education (CTE) Programs. Expand the number of child care registered apprenticeship programs and early childhood CTE programs and grow the number of participants.

In November 2021, Troy University and Wallace Community College announced the launch of the state's first Early Childhood Educator Apprenticeship.[150] As part of Governor Ivey's Strong Start, Strong Finish initiative, the Early Childhood Educator (ECE) Apprenticeship is designed to strengthen the quality of child care programs. The program provides opportunities for individuals working in child care to enhance their skills and create seamless coursework transition between the community college and the university through on-the-job learning opportunities accompanied by a mentor and coach.[151]

The partnership between the Alabama Office of Apprenticeship (AOA) and the Alabama Department of Early Childhood Education seeks to ensure that participants complete stackable credentials, earn Child Development Associate certification, and/or obtain associate and bachelor degrees while working at a child care program.[152]

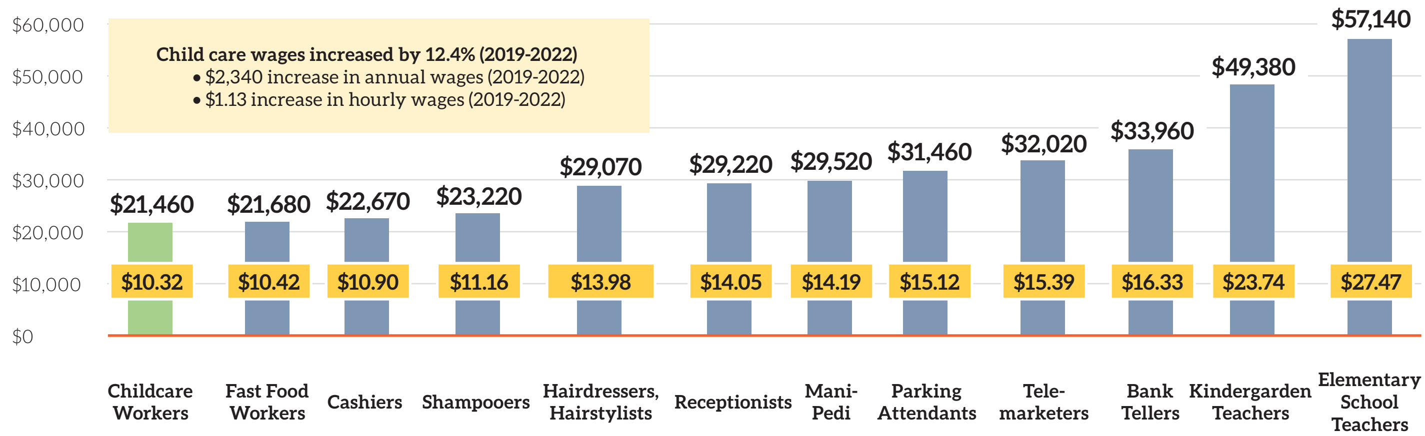
Alabama's Career and Technical Education (CTE) programs offer high school students an opportunity for hands-on experience working in a child care program while graduating from high school with a Child Development Associate (CDA) credential. CTE programs provide an important pathway to building a pipeline of quality early childhood educators.

Long-term Recommendation: Refundable Child Care Workforce Tax Credits or Wage Supplements Tiered by Credentials and Education. Increase child care workforce wages tied to credentials and/or levels of education to support recruitment and retention through either refundable tax credits or wage supplements.

Child care workforce wages are tied to the business model. Because parent fees drive the business model, it is not possible for the workforce to earn significantly more without some type of public investment. Low wages for the child care workforce have plagued the industry for decades.[153] Today's hot jobs market exacerbates the challenges with recruitment and retention in a historically low paid field. And yet, parents depend on child care in order to work, particularly parents of young children. This makes child care a public good – a workforce that supports all other workforces.

Some states have developed initiatives to invest in child care workforce wages. Beyond the temporary support (recruitment and retention bonuses offered by states with COVID relief money), some states have developed wage strategies that incent professional development (certifications and higher education) that tier wage supplements (either refundable tax credits or grants) to workforce certifications and early childhood education degree achievements.

CHILD CARE WAGES COMPARED TO OTHER OCCUPATIONS



Source: U.S. Bureau of Labor Statistics, Standard Occupational Classification code, Child Care Workers. May 2022. https://www.bls.gov/soc/home.htm

In 2007, Louisiana enacted a 5-component child care tax credit package, known as the School Readiness Tax Credits.[154] A core component is a refundable child care workforce tax credit (for staff and directors). Credit levels are significant (e.g., about 20% of wages) and are tiered by earned credentials and education. Individuals must work at a center for at least 6 months and average 30 hours per week. The credits are adjusted annually for inflation.[155]

In 2022, 5,926 child care teachers and 914 child care directors received the tax credit for child care directors and staff.[156] To incentivize the workforce to earn a CDA, an individual who both earns a CDA and works in a licensed, quality-rated program for 2 years earns the same tax credit amount as an individual with a B.A. in early childhood education.[157]

In 2022, Maine enacted the Early Childhood Educator Workforce Salary Supplement Program, a similar concept but with tiered wage supplement grants instead of refundable tax credits.[158] Illinois has a similar program, Great START, for individuals working in child care who earn less than $24 per hour.[159]

North Carolina has long had a wage supplement program, Child Care WAGE$®, which pays tiered wage supplements for individuals earning up to $23 per hour who have at least a CDA with 12 semester hours of early childhood education.[160] In 2018, Infant-Toddler Educator AWARD$® Plus, was created for individuals working with infants and toddlers who have at least a CDA and 12 semester hours of early childhood education coursework for individuals earning less than $20 per hour.[161]

High quality child care depends on a quality workforce. Incenting professional development and providing wage supplements (through either tiered refundable tax credits or wage supplement grants) helps to alleviate a child care workforce shortage, recruit and retain a high-quality workforce, and support high-quality care to promote the healthy development and school readiness of children.

Long-term Recommendation: Create an Integrated Child Care and Early Childhood Registry. Create an integrated registry to develop data-driven strategies to best support early childhood educators in child care and First Class Pre-K.

The Alabama Department of Human Resources and the Alabama Department of Early Childhood Education have demonstrated their ability to work collaboratively (e.g., their integrated approach to administering and supporting Alabama Quality STARS). An integrated workforce registry is needed that tracks all individuals in the early care and education field (i.e., child care and First Class Pre-K educators).

#3 CHILD CARE AFFORDABILITY & ACCESSIBILITY

The Census Bureau Pulse survey from October 18 – October 30, 2023 found that 85,000 parents in Alabama are not working because they are caring for children not in school or child care.[162] The data doesn't explain whether that is related to the supply of child care, the affordability of child care, or personal choice for other reasons.

However, the same pulse survey found that 686,555 Alabama parents reported difficulties paying their bills in the past week (about 47% of respondents).[163] A spring 2023 Census Bureau Pulse survey found that families with children under 5 paid an average of $297.88 per week for child care ($15,490 if annualized).[164] The survey reports data by household so it is unclear whether those expenses are related to one child in care or more. Nevertheless, that price could help to explain why the Census Bureau reports that the average income of Alabama families with children under 5 paying for child care is $126,747.[165]

The current child care workforce shortage prevents families from accessing child care because the business model requires staffing to serve more children. At the same time, the business model relies on parent payments to support business operations. The inability to pay market prices for child care impacts the business model and the ability of parents to obtain and retain employment. For parents who are working and not paying for child care, it is unclear where the young children of those parents are. They might be in a setting that promotes their healthy development and school readiness, but they might not.

The earliest years are when a child's brain is developing the fastest, setting a foundation for all future learning.[166] Alabama's First Class Pre-K (FCPK) program is working. Results show that children attending FCPK are much more likely to start school ready to succeed.[167] Access to high-quality child care in a child's earliest years ensures that children participating in FCPK can reach their fullest potential. And, children who are not yet able to participate in FCPK (i.e., about 42% of 4-year old children are currently participating)[168] are still in a high-quality learning environment prior to kindergarten entry.

Short-term Recommendation: More Families Eligible for Child Care Subsidy. Expand eligibility for child care subsidy to families with income at or below 260% of the federal poverty (about 85% of state median income).

It is good news that the Department of Human Resources increased access to child care subsidy from 130% of the federal poverty level (FPL) to 180% of FPL in 2022.[169] However, under federal law, states are allowed to set initial child care subsidy eligibility up to 85% of state median income (SMI).[170] Alabama's current eligibility at 180% of FPL[171] is about 57.8% of SMI for a family of three and 57% of SMI for a family of four.[172]

In Alabama, there are about 75,500 children under age 6 in families with income between 180% FPL and 300% of FPL.[173] There are an additional 85,900 school-age children between 180% and 300% of FPL.[174] Of these children, there are about 31,000 under age 6 who live in families where both parents are working (or their single parent is working – either mother or father) in families with income between 181% FPL and 260% FPL.[175] There are an additional 49,000 school-age children who live in families where all available parents are working.[176] Work or school are requirements for the receipt of child care subsidy for most families (e.g., some children might be in foster care or have parents in job training programs).[177]

Increasing access to child care subsidy could mean that parents of an additional 80,000 children could have access to high-quality child care, about 40% of whom are young children whose brain development is setting the framework for all future learning. In addition, increasing eligibility for subsidy could be an incentive for the children in families where all available parents are not working to join the workforce.

Note: Alabama currently waives copays up to 100 percent of the federal poverty level. Our special needs subsidy disregards income and there are no copayments for this group.

Short-term Recommendation: Child Care Subsidy Awareness Campaign. Increase efforts to raise the visibility of the child care subsidy program for working families.

Increasing income eligibility for working families to access child care subsidy is important. However, it is also important to raise the visibility of child care subsidy in a number of ways to ensure that all families who are eligible are aware of the program. For example, some states are using a variety of methods to increase visibility such as well-placed billboards, radio advertisements, bus wrappers and bus stop ads, and other ways to increase awareness about the child care subsidy program.

Long-term Recommendation: Online Application for Child Care Subsidy. Expand the ways that families can apply for child care subsidy including creating an online application.

Currently, 35 states have an online application for child care subsidy including all the states bordering Alabama (Florida, Georgia, Mississippi, and Tennessee).[178] User-friendly online applications can make the process for applying for child care subsidy easier for parents. The more ways that families have to access the application for subsidy, the greater the likelihood that more eligible families will apply.

Note: Online application is already in progress.

#4 HIGH QUALITY CHILD CARE

Short-term Recommendation: Increase funding for Early Intervention programs to support more parents and caregivers of young children in learning about age appropriate milestones, age-appropriate learning activities, and developmental screenings that can be helpful to identify young children in need of early intervention and other available services.

State agencies worked collaboratively to develop a go-to resource for families – Alabama Family Central, a web site launched in 2020 that offers families an easy way to find programs and services to support families.[179] Created with funding from the Preschool Development Grant Birth to Five[180] and an appropriation from the state legislature,[181] the web site offers families a wealth of resources related to child care, child development, education, health care, and family support all in one place.

In addition to Alabama Family Central that provides helpful information, programs such as Help Me Grow and Books, Balls & Blocks offer an opportunity to support parents, grandparents, and caregivers more directly in a hands-on manner.

Help Me Grow. Since 1997, Help Me Grow has evolved into a nation-wide network of 118 HMG systems across 29 states and the District of Columbia.[182] In 2011, Help Me Grow Alabama began its work in the Central Alabama region and received funding to expand statewide in 2015.[183] Help Me Grow helps to identify children in need of developmental, behavioral or learning supports, and connects them with community-based programs for health and developmental services at no cost.[184] More specifically, the program provides: screenings for health and development, information, resources and materials, referrals with enhanced support, enrollment in community programs, and networking opportunities for families, service providers and community partners.[185]

The Ages & Stages Questionnaires®[186] are valid, reliable, and affordable developmental assessments that are often used in partnership with parents and child care providers to identify areas of concern and to guide further follow-up such as connection to early intervention or other services when warranted.

In 2022, Help Me Grow Alabama received 959 referrals representing 1,118 children.[187] The top three sources for incoming referrals were:[188]

- Health care providers
- Early Intervention, and
- First Class Pre-K

Books, Balls & Blocks. Books, Balls, & Blocks (BBB) is a developmental screening event that was developed in 2010 by Help Me Grow Utah.[189] Since that time, BBBs have expanded nationwide in communities to provide a hands-on, fun forum for parents, grandparents, and caregivers to increase their understanding of the myriad of ways that they can support their child's development.

A BBB developmental screening event has activity stations at which children are encouraged to engage in age-appropriate play while parents and caregivers complete the Ages & Stages Questionnaires® developmental assessment.[190] Parents are also strongly encouraged to engage in the activities with their child. A typical BBB is a 2-3 hour event that can be held at a child care center, family resource center, church, school, or anywhere else where children and families can gather.[191] Care coordinators and statewide staff hosted over 10 BBB developmental screening events in 2022.[192]

A total of 30,971 developmental screenings were completed by families either directly in Help Me Grow, at BBBs, or through partner organizations who utilize Help Me Grow's statewide Ages & Stages Questionnaires® online system.[193]

Short-term Recommendation: Child Care Access Means Parents in School (CCAMPIS). Increase the number of Alabama community colleges and universities that apply for federal CCAMPIS funds to provide child care assistance to student parents on campus.

CCAMPIS grants are competitively awarded by the U.S. Department of Education to post-secondary institutions to support low-income parents in their pursuit of higher education.[194]

In 2022, $82.2 million in CCAMPIS funds were awarded to 301 colleges and universities to support child care for low-income student parents.[195]

In Alabama, Northwest-Shoals Community College, the University of Alabama Birmingham, and Troy University received CCAMPIS grants.[196]

A 2018 study found that low-income students who utilized campus child care centers had triple the on-time graduation rate of student parents who did not use a center.[197]

Long-term Recommendation: Evaluate Investments for Accountability. Evaluate the impact of increasing child care subsidy and the impact of investing in programs to expand the reach of early identification of children who may need early intervention services. Post high-level data on a data dashboard.

Annual reports can help policymakers understand the impact of child care subsidy receipt and screening to identify children with developmental delays who may benefit from early services. High-level outcomes can be posted on a public dashboard.

5 PARTNERSHIPS WITH EMPLOYERS

During the past 3 years, employers have become much more aware of the role child care plays in enabling parents to work. The inability of parents to access the child care market and problems that parents have with child care (e.g., when child care workforce shortages force programs to close for the day or close early), not only impacts families but also employers.

Employers that offer child care benefits to their employees report increased employee retention and loyalty, improved productivity, and a better workplace environment.[198] This leads to reduced expenses in employee absences and turnover and increases key performance indicators (KPIs) and profits due to increased productivity.[199]

Short-term Recommendation: Employer Child Care Partnership Grants. Provide grants to employers that help support parent access to child care (e.g., in community-based licensed child care, onsite care, or in providing child care benefits such as a monthly stipend for child care).

In the past two years, several states have implemented employer child care partnership incentive grants. There are many different ways employer incentive grants can be structured. For example,

Iowa. The Child Care Business Incentive Grant Program, in conjunction with Iowa Workforce Development (IWD) and the Iowa Department of Health and Human Services (HHS), is targeted at helping employers offer or expand child care options as a benefit to their employees.

Funds support local infrastructure investments to build or expand child care capacity, or support arrangements between employers and child care facilities to expand and reserve child care slots.[200]

Kentucky. Under the Employee Child Care Assistance Partnership, the state matches employer contributions to make child care affordable for employees for use at programs participating in KY All Stars (the state quality rating and improvement system). These grants are targeted to families above income eligibility for state subsidy (i.e., 85% SMI in Kentucky).[201]

- For families between 85%-100% SMI, 100% match

- For families above 100% SMI, the match declines by 10% for every 20% increase in income up to 180% SMI.
- Above 180% SMI, state match is 50%.
- 25% of the fund reserved for small businesses
- Money is considered for the promotion of general welfare, not income to the employee.

Michigan. Under the MI Tri-Share Child Care Program (Tri-Share), the cost of an employee's child care is shared equally among the employer, the employee and the State of Michigan — a three-way split — coordinated by a regional hub. Tri-Share is currently active in 13 regions. Child care providers must be licensed.[202]

- As of April 2023, 139 employers are participating and parents save an average of $464 a month, or $5,568 a year.
- Employees eligible to participate in the Tri-Share pilot must be employed by a participating employer, have an income above 250% of the federal poverty level (FPL) and below 325% FPL, and not otherwise be eligible for the child care subsidy program.

North Dakota. In March, North Dakota implemented a $9 million pilot employer child care partnership program. The state offers matching funds when a business provides at least $300 in monthly benefits to an employee who has a child between zero and three years old and uses a licensed facility.[203]

Texas. The Texas Workforce Commission implemented the Child Care Provider Expansion Initiative, which offers grants to child care providers that partner with an employer or consortium of employers to provide care for employees' children.[204]

To be eligible, employer partnership grants require a Memorandum of Understanding (MOU) signed by all parties. The MOU must result in an increase in the availability of licensed care, either through a new child care business, expansion of an existing one, or conversion of existing child care slots to infant slots.

Grants can be used to cover start-up costs, both for new programs and those that have not yet expanded, and also costs associated with the launch of the new or expanded program.[205] In addition, $12 million was provided for technical assistance to employers exploring employer child care programs onsite or nearby. The funding is to support businesses in conducting a needs analysis and developing a child care business plan.[206]

Wisconsin. The Partner Up! grant program provides grants to support partnerships between employers who purchase slots at existing regulated child care providers. The funding from this program can be used to increase staff compensation, reserve child care slots for local business employees, and improve the quality of a child care program. For new applicant employers, businesses must contribute 25% or more of the true cost of care, 35% for employers in their second year. Parents must contribute 10% of the true cost of care. Employers can choose to cover this cost for their employees, in which case the minimum a business must contribute is 35% of the true cost of care.[207]

Short-term Recommendation: Child Care Employer Tax Credits. Enact a child care tax credit for employers that support onsite or nearby child care for use by employees and a child care facility tax credit for child care providers that serve children whose care is paid for with a subsidy and that participate in the Alabama Quality Stars program.

Currently, 22 states have an employer child care tax credit or employer tax incentive for child care.[208] These tax credits are structured to incent employers to provide onsite care, contract with providers for employee child care in licensed community-based care, or help either expand the supply of child care or make it more affordable for their employees.

The Alabama Women's Foundation developed a child care tax credit bill in 2022. (HB 368), which was designed to create two new tax credits to support access to child care. As proposed under the bill,

- **Employer Tax Credit.** An employer tax credit would authorize a refundable tax credit up to $1 million annually for employers for the construction, renovation, expansion, or repair of a child care facility or for payments to child care programs on behalf of employees or to reserve slots for employees. Aggregate expenditures related to the tax credit are capped at $15 million per year. With the exception of the annual cap, this tax credit would essentially piggy-back on the federal employer-sponsored child care tax credit. There is no aggregate expenditure cap on the federal credit, but it is limited to 25% of eligible expenses up to $150,000 per year.

- **Child Care Facility Tax Credit.** The facility tax credit is designed to incent more child care providers to accept child care subsidy as payment (i.e., participate in the child care subsidy program). This refundable tax credit would be based on two factors: (1) the average monthly number of children whose care is paid for with a subsidy enrolled in the facility and (2) the program's Alabama Quality STARS rating. The credit is tiered by star-rating level. Child care providers would be eligible for a refundable tax credit up to $25,000 per year. Aggregate expenditures are capped at $5 million annually. This tax credit (with the exception of the dollar limit per facility and annual cap) is similar conceptually to a tax credit that has been in place in Louisiana for more than 15 years.

Alabama currently does not have any tax credits to incentivize the provision of child care. In contrast, there are at least 8 categorical areas of employer tax credits supporting child care throughout the country.[209]

- **Employer-sponsored Child Care Tax Credit** *(e.g., onsite, or contracting nearby to support employee access to licensed child care)* 17 states
- **Child Care Contribution Tax Credit** *(e.g., a tax credit based on a donation to a child care fund)* 2 states
- **Child Care Workforce Tax Credit** *(e.g., a tax credit that works like a wage supplement for those in the child care field – based on credentials)* 3 states
- **Child Care Property Tax Exemption** *(e.g., a limited tax exemption for child care property)* 3 states
- **Child Care Tax Credit to Incent Serving Children on a Child Care Subsidy** *(e.g., a tax credit based on the monthly number of children served whose care is paid for with a subsidy)* 2 states
- **Child Care Tax Credits for Business Donations** *(e.g., donations to a child care program)* 2 states
- **Child Care Tax Credit Tied to State Pre-K** *(e.g., child care tax credit for donations used as part of a community match required for state pre-k collaboratives)* 1 state
- **Child Care Tax Credit Specifically for Acquisition, Construction, Renovation, Site Prep** *(e.g. supply related)* 11 states

The largest problem with the current child care landscape is that there is no one singular problem. There are child care deserts. Too many families struggle with the price of care. The care that is available is often not available for families needing nontraditional hour care. Not all child care programs take children whose care is paid for with a subsidy. Parents with infants and toddlers have the hardest time finding child care. There is no one best way to resolve all these challenges. However, targeted strategies can be developed to help alleviate each of these individual challenges.

Short-term Recommendation: Employer Child Care Toolkit. Develop an employer child care toolkit that enables employers to understand a menu of options from low cost/no cost to higher costs to support employee recruitment and retention. Make available information on the Employers' Child Care Alliance in east Alabama which has been in place more than 20 years – employers partnering locally to address child care issues of their employees.

Alabama Family Central is an amazing resource for families. The Committee for Economic Development (CED) has developed several employer child care toolkits for states so that employers understand the broad array of options that they can consider. For example,

- Survey employees to better understand child care needs[210]
- Dependent Care Assistance Plans (DCAPs)[211]
- Making sure employees know about the federal Child & Dependent Care Tax Credit[212]
- Making sure employers know about the federal Employer-Sponsored Child Care Tax Credit[213]
- Making sure employers know about the work of Child Care Resource & Referral Agencies

(that help parents find child care for free) and that employers can receive a 10% federal tax credit for contracting with CCR&Rs for hands-on help in finding child care[214]

- 29% of parents with children under age 6 have two weeks or less notice of their work schedule, which makes arranging child care tough for families.[215] Employer policies to allow more notice where possible (i.e., a potential no-cost option that may help families).

An online Employer Child Care Central web site could help employers consider what options are best for them. Many employers may want to help in some way but don't know where to start.

#6 EFFECTIVENESS FOR INVESTMENTS

Data-driven strategies require current and complete data – publicly available and integrated where possible. The 2022 Alabama Department of Early Childhood Education Federal Preschool Development Grant Birth to Five (PDG B-5) proposal includes a Department of Early Childhood Education (ADECE) Workforce Data and Analytics Project.[216]

The workforce data and analytics project will allow the department to study the links between workforce characteristics/churn and student outcomes.[217] ADECE will develop a Request for Proposals (RFP) to identify and contract with a provider that has the knowledge and capacity to examine existing data from disparate sources and make recommendations for tools to structure and automate the data collection and storage processes that allow for greater analytics capacity.[218]

The good news is that this need has been identified and will likely be funded through federal PDG B-5 funds. At the same time, the development of a much broader Alabama early care and education data dashboard is needed – one that encompasses all data related to child care.

Short-term Recommendation: Child Care Data Gaps. Form a workgroup to identify child care data gaps to better understand what data is available and what data is needed to build a public dashboard for child care.

For example, the current Department of Human Resources web site has good foundational information related to child care, but there are some gaps for strategic planning purposes.

- **Licensed Child Care Capacity.** Currently, licensed programs have an overall licensed capacity. But, it is not possible to know how that licensed capacity is related to the age of children in care. For example, a program with licensed capacity for 55 children could have 8 infant slots, 12 toddler slots, 15 preschool slots, and 20 school-age slots or, some other variation. To develop targeted strategies to ensure there is sufficient care in a community for specific age groups (e.g., infants and toddlers), it is necessary to understand licensed capacity by child age. For example, North Carolina posts a quarterly statistical summary of licensed capacity by age by county.[219]

- **Child Care Supply.** The Child Care Services Division has a "Find a Child Care Provider" page.[220] There is an interactive map where users can search for providers by setting type and geography. The page also lists the number of providers in each category when users specify a category type (e.g., licensed centers, family child care homes or group homes). There is a separate PDF that lists child care capacity (for licensed centers and home-based care) by county.[221] Also important for state and community planning is the percentage of providers by county that participate in the child care subsidy program by setting type (licensed centers or licensed home-based care). This information is not publicly available on the DHR web site.

- **Child Care Subsidy.** The University of Alabama produced a report in 2021 related to licensed child care capacity and subsidy receipt by zip code to better understand subsidy utilization and gaps in communities.[222] The data used was from 2019. Therefore, the report could be repeated for a fresher-look to understand subsidy access gaps post-COVID. The report identified areas for improvement for subsidized child care access and specifically recommended increasing the number of programs that participate in the child care subsidy system.[223] To track whether or not subsidy access is increasing, there needs to be reporting of this data, which could be included in a public dashboard at a high-level by setting type.

- **Child Care Subsidy Density.** If the cost model recommendation is pursued, it will be helpful to understand the percentage of programs that participate in the subsidy program and of those that participate, the density of subsidy receipt (i.e., the enrollment ratio in each program between children whose care is paid for with a subsidy and private-pay families with children). Cost-modeling depends upon understanding program revenue from all sources for all setting types (centers and home-based care).

- **Alabama Quality STARS.** The Alabama Quality STARS web site has great information for parents and providers.[224] High-level summary data could be included in a public dashboard (e.g., number of programs rated 2-5 participating in Quality STARS compared to the overall number of licensed programs; the number of rated programs by setting type compared to the universe of licensed programs by setting type, etc.). The information is available publicly, but it is not available in an integrated manner. While the data changes frequently, a public dashboard could be updated monthly.

- **Pathways Registry (or its successor).** High-level data related to characteristics of the child care workforce could be included on a child care and early education dashboard integrated from information in the registry.[225]

- **Integrated Database.** What are the variables that would be needed for an early care and education integrated database? A workgroup could identify the data needed and long-term, an integrated system could be developed to enable state and local policymakers to better understand how access to quality child care (programs participating in Alabama Quality STARS and First Class Pre-K) relate to later educational outcomes.

A public dashboard could be built to evolve over time with more data. The initial data currently available could be helpful at the state level and within communities to develop targeted strategies (e.g., grow participation in Alabama Quality STARS, track progress in star levels, track the percentage of licensed programs participating in Quality STARS, understand the number of children on subsidy in star-rated programs at each level, etc.). The data workgroup could develop a plan for sequential evolution of the data dashboard.

Long-term Recommendation: Provider Data Integration. Develop an integrated child care search function where provider information is included about Alabama Quality STARS participation and most recent rated level. Also include whether the provider participates in the child care subsidy program and whether the provider hosts an Alabama First Class Pre-K program (and # of classrooms).

Long-term Recommendation: Provider Data Capacity & Enrollment Integration. Work with child care providers to broaden access to child care automated management systems that will help providers, communities, and state agencies understand real-time child enrollment data (compared to licensed capacity) for data driven strategies based on the care setting and age of children served. For example, where are the real deserts? Which communities? What is the gap of child care capacity by age by potential need (e.g., infant and toddler care)? Is the market saturated for one particular age group but deficient for another age group?

Long-term Recommendation: Integrated Child Data System. Develop an integrated child data system to understand the relationship between early care settings and K-12 performance as well as a unique child count related to public program participation and support services (e.g., rather than separate counts of the number of children participating in individual programs).

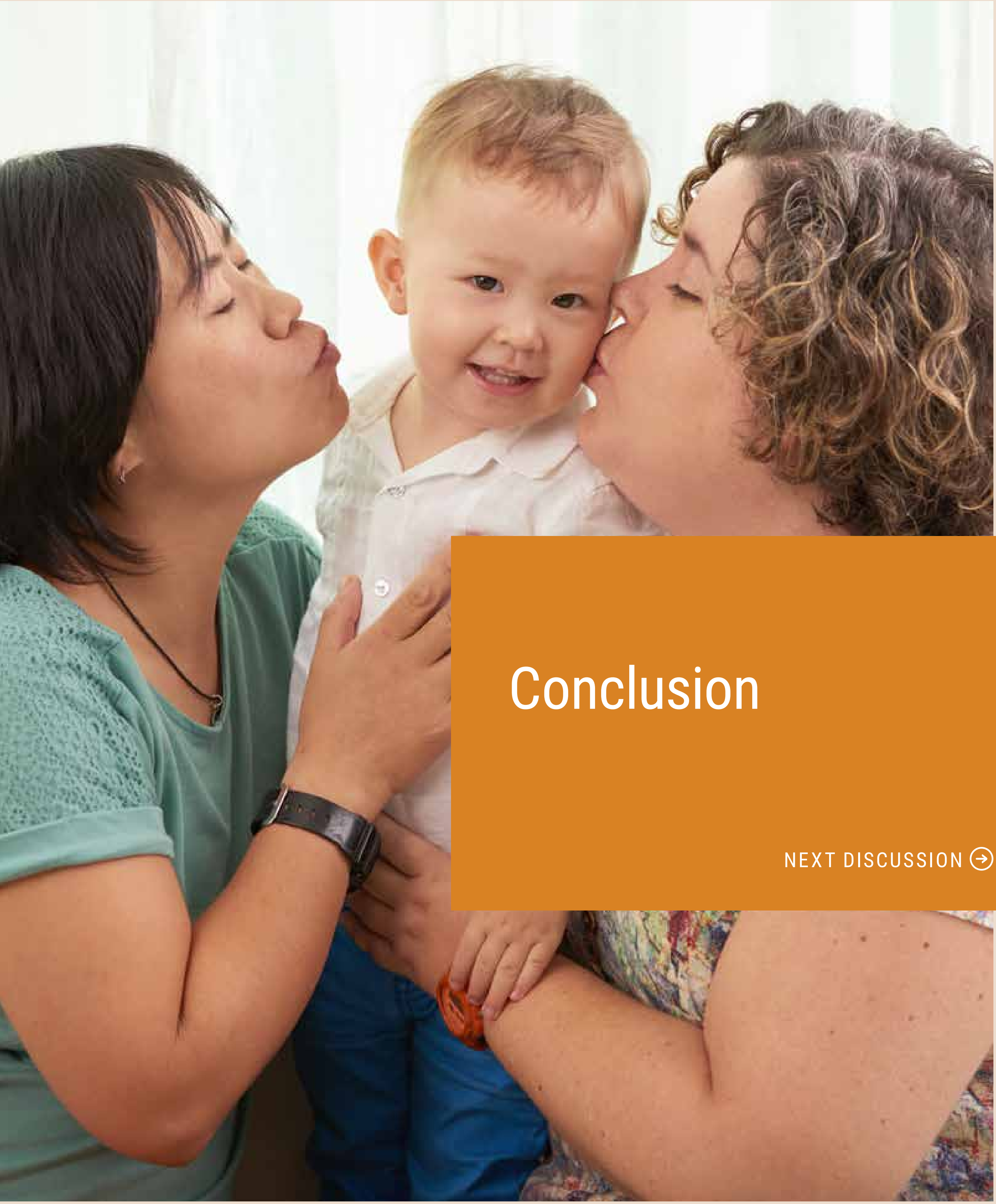
For example, children could participate in multiple programs such as child care subsidy, participating in Head Start receiving services through I.D.E.A. Part C (infants and toddlers) or Section 619 (preschool-age children with disabilities), enrolled for at least a year in a program participating in Alabama Quality STARS, etc.

Long-term Recommendation: Evaluate Workforce Investments for Accountability. Evaluate workforce investments to understand impact and make adjustments as needed. Post high-level data on a data dashboard.

Annual reports can help policymakers understand the impact of early childhood workforce investments. High-level outcomes can be posted on a public dashboard. Evaluation helps to inform continuous quality improvement. Modifications could be needed based on on-the-ground experience. For example, when the Louisiana director and staff credit was first implemented, refundable credits were tiered strictly to certifications and education levels. Over time, policy changes were made to prioritize CDA attainment and job retention by changing the value of the tax credits for individuals earning a CDA if they stayed in the child care field for at least two years after earning their CDA. This policy change fine-turned the incentive for early childhood education to also reward field retention.

Long-term Recommendation: Evaluate Employer Investments for Accountability. Evaluate the impact of employer child care partnership investments.

Annual reports can help policymakers understand the impact of employer grants and incentives. Post high-level data on a data dashboard.



Conclusion

NEXT DISCUSSION ➔

Conclusion:

In the past 6 years, much progress has been made to expand access to child care and to strengthen the quality of child care in Alabama.

In 2018, the Alabama Department of Human Resources increased income eligibility for child care subsidy from 100% FPL to 130% FPL.[226] In 2022, income eligibility was further increased to 180% FPL.[227]

Also in 2018, family co-payments for child care subsidy less than $18 per month were eliminated, which meant families with children living below the poverty line did not have to make co-payments.[228] During COVID, DHR waived co-payments for all families to ensure during challenging times, co-payments were not a burden for families to access child care in order to work.[229]

Since 2018, DHR has increased child care subsidy provider rates several times. Most recently in 2022, rates were increased to the 75th percentile of market rates[230] to promote family access to 75% of providers in the community as recommended by the U.S. Department of Health and Human Services.

Alabama Quality STARS, the system that incentivizes and helps providers to attain and sustain high-quality child care programs was re-designed to make it simpler and more equitable for providers and easier for families to understand.[231]

Quality STARS provider initiatives were significantly increased in 2021.[232]

With passage of the Child Care Safety Act passed in 2018,[233] Alabama transformed from a state where nearly half of child care programs were exempt from licensure (i.e., basic health and safety standards), to a state where most child care programs are licensed. The number of faith-based license exempt programs has been reduced by about half.[234]

DHR and partnering organizations worked hard to support faith-based programs to become licensed (and are still doing so).

To strengthen early childhood knowledge and competencies of the child care workforce, funding was increased for scholarships and T.E.A.C.H. (which also provides mentoring and coaching support) to expand access to community college and university early childhood education coursework, credentials such as the Child Development Associate (CDA) credential, and A.A. and B.A. programs in early childhood education.

Since the spring of 2020, DHR has implemented six rounds of child care provider stabilization grants to support the child care market during COVID and in recovery months post-COVID to ensure parents have access to child care.[235]

Beginning in 2021, DHR also invested in quarterly bonuses to support the recruitment and retention of the child care workforce.[236]

Since 2018, Alabama First Class Pre-K Funding has increased by nearly $100 million with a goal of reaching 50% of 4-year-old children in 2023-2024.[237] Many of the newly funded classrooms are in child care programs.

In 2022, the Alabama State Legislature increased funding for early care and education by $40 million – an increase of $22.5 million for First Class Pre-K and $17.8 million for Alabama Quality STARS (coaching, support, assessment, and more to help incentivize and support high-quality child care programs).[238]

In 2023, the Alabama State Legislature increased funding for early care and education by $42 million ($12 million for First Class Pre-K and $30 million for Alabama Quality STARS).[239]

The progress in expanding access to high-quality child care in Alabama means that there is a solid, quality foundation on which to build.

Yet, child care access and affordability are complicated. There is no one strategy to fix the multiple challenges. Is there sufficient supply? Does the supply match the ages for which care is needed? Is care available at times when working families need it (e.g., meeting needs of parents who work traditional and nontraditional hours)? How can the business model work to recruit and retain staff with the knowledge and competencies to support healthy child development and school readiness (e.g., hourly pay and benefits for the workforce)?

Is care affordable for families? Can child care subsidy eligibility increase to support more struggling families? What strategies are needed to increase the percentage of child care programs that accept subsidy for payment?

Are there public-private partnerships with employers to consider to help families with children above the income of subsidy eligibility but who also struggle with child care prices?

Do we have the data we need for investment analysis and to ensure accountability for investments?

Are there lessons learned from other states that might be modified for replication in Alabama or help inform new Alabama innovations?

What is clear is that during the past 6 years, with more funding available, innovative programs and innovative strategies have been put in place to better support the child care needs of working parents and children.

To truly transform the child care landscape, to create a roadmap to best support Alabama's parents, children, employers, and communities, additional investments are needed.

In New Mexico, two dedicated funding sources were created specifically to expand access to high-quality child care.

In 2020, the New Mexico State Legislature passed HB 83 to create the early childhood education and care fund (known as the trust fund), and endowed the fund with a $300 million appropriation.[240] The trust fund, the repository of excess federal oil, gas, and mineral leasing revenue is estimated to provide over $90 million annually for early care and education by FY26.[241]

In November of 2022, New Mexico voters overwhelmingly approved a ballot measure *(New Mexico Constitutional Amendment 1, Land Grant Permanent Fund Distribution for Early Childhood Education Amendment)* by a vote of 70.3% to 29.6%.[242]

The ballot measure directed that 1.25% of the Land Grant Permanent Fund (LGPF) be directed to public schools and early care and education. About 60% of those funds would be allocated to child care and pre-k, which is estimated to be about $150 million annually.[243]

The vision to transform the early care and education landscape in New Mexico led to tapping two new ways to generate investment funds.

In Alabama, for all families to have access to affordable, high-quality child care, a roadmap building on the history of successful initiatives already undertaken will require additional investments.

This report outlines five areas in which short and long-term recommendations are made. Some will require modest investments, some require more robust investments.

Alabama is already well-positioned (compared to other states) with a specific Education Trust Fund budget. A modest 1-2% reserve for quality child care could be considered and still ensure that annual spending is below the Rolling Reserve Act spending caps.[244]

What is clear is that the child care business model doesn't work. This market failure impacts the ability of parents to obtain and retain jobs. It impacts employer key performance indicators (KPIs). Ultimately, it impacts community and state economic growth.

Transforming child care in Alabama won't happen overnight. However, incremental progress based on sound policy and sequential investments with a public data dashboard for accountability, is doable.

As Governor Ivey said at the PARCA annual conference in March,[245]

"Many Alabamians and others across the country face a dilemma in finding safe, reliable child care. As more and more Alabamians join the workforce, which is a very positive development for our state and quality of life, more working families will also need child care services. ***There is no better time than right now to address this fundamental need facing this state."***

Transformation takes vision, leadership, innovation, and investment. All within place in Alabama. It is time.

Child Care Roadmap Recommendation Summary

NEXT DISCUSSION

#1 THE CHILD CARE BUSINESS MODEL

Short-term Recommendation: Cost Modeling. Form a broad-based Alabama cost of quality workgroup (state agencies, business leaders, center and home-based child care providers, and other key stakeholders) to utilize the Provider Cost of Quality Calculator tool developed by the U.S. Department of Health and Human Services (HHS) for states or some other business tool with a series of variables based on the costs of operation (not the price currently charged).

Short-term Recommendation: Child Care Workforce Wage Supplements. Continue the quarterly workforce bonuses based on prior quarter employment while a long-term strategy is designed.

Short-term Recommendation: Child Care Workforce Benefits. Offer telemedicine/teletherapy benefits and child care subsidy assistance to individuals working in child care as a recruitment and retention strategy. Job benefits can be as important as earnings for job recruitment and retention.

Short-term Recommendation: Child Care Shared Services Online Platform and Jobs Board. Implement an online early care and education shared services platform with a jobs board.

Short-term Recommendation: Start-up and Expansion Grants to Expand Child Care Supply. Offer start-up and expansion grants, particularly in areas of the state with a large gap between licensed capacity and working parents with children under age 6 who may need child care. Condition the grants on participating in both Alabama Quality STARS and the child care subsidy program (i.e., being willing to accept child care subsidy payments).

Long-term Recommendation: Cost-Model Supported Strategies. With cost modeling completed, strategies can be developed and considered to better support the child care market, the child care workforce, and parents who depend on the market (both private-paying and subsidy receiving).

Long-term Recommendation: Create a Child Care Substitute Pool. Develop a pilot child care substitute pool in several communities and evaluate for potential expansion.

Long-term Recommendation: Child Care Facility Needs Assessment. Update the 2021 child care facility needs study undertaken by Dr. Alison Hooper at the University of Alabama.

Long-term Recommendation: Zoning Barrier Reduction. Form a workgroup with state agencies, municipal leaders, home-based providers, and other stakeholders to review state and local zoning barriers that prohibit home-based child care businesses or limit the size of home-based child care businesses. Produce a report with recommendations for consideration.

#2 THE CHILD CARE WORKFORCE

In addition to continuing the child care workforce wage supplements and offering child care workforce benefits as recommended under the Child Care Business Model section, the following recommendations pertain to the child care workforce.

Short-term Recommendation: Annual Child Care Workforce Report. Conduct an updated child care workforce study to better understand the demographics of the child care workforce, their level of experience, credentials, and education, as well as their hourly wages and benefits. Ultimately utilize a child care and early childhood workforce registry to track and annually report this information on a public dashboard.

Short-term Recommendation: Expand T.E.A.C.H. and Retention Incentive Stipends. Double T.E.A.C.H. Program funding to expand the number of child care workers who can access scholarships to continue their education (e.g., obtain a Child Development Associate (CDA) credential, A.A. in early childhood education, or B.A. in early childhood education).

Short-term Recommendation: Child Care Registered Apprenticeship Programs and Career and Technical Education (CTE) Programs. Expand the number of child care registered apprenticeship programs and early childhood CTE programs and grow the number of participants.

Short-term Recommendation: Child Development Associate Credential Infused with CLASS®. Pilot a Child Development Associate (CDA) credential infused with CLASS® to boost child care workforce early childhood education competencies and interactions with children.

Long-term Recommendation: Refundable Child Care Workforce Tax Credits or Wage Supplements Tiered by Credentials and Education. Increase child care workforce wages tied to credentials and/or levels of education to support recruitment and retention through either refundable tax credits or wage supplements.

Long-term Recommendation: Integrated Child Care and Early Childhood Registry. Create an integrated registry to develop data-driven strategies to best support early childhood educators.

Long-term Recommendation: Evaluate Workforce Investments for Accountability. Evaluate workforce investments to understand impact and make adjustments as needed. Post high-level data on a data dashboard.

#3 CHILD CARE AFFORDABILITY & ACCESSIBILITY

Short-term Recommendation: More Families Eligible for Child Care Subsidy. Expand eligibility for child care subsidy to families with income at or below 260% of the federal poverty (about 85% of state median income).

Short-term Recommendation: Child Care Subsidy Awareness Campaign. Increase efforts to raise the visibility of the child care subsidy program for working families (e.g., through radio ads, billboards, etc.).

Short-term Recommendation: Help Me Grow and Books, Balls & Blocks. Increase funding for Help Me Grow and Books, Balls & Blocks to support more parents of young children in learning about age appropriate milestones, age-appropriate learning activities, and developmental screening that can be helpful to identify young children in need of early intervention services.

Short-term Recommendation: Child Care Access Means Parents in School (CCAMPIS). Increase the number of Alabama community colleges and universities that apply for federal CCAMPIS funds to provide child care assistance to student parents on campus.

Long-term Recommendation: Online Application for Child Care Subsidy. Expand the ways that families can apply for child care subsidy including creating an online application.

Long-term Recommendation: Evaluate Investments for Accountability. Evaluate the impact of increasing child care subsidy and the impact of investing in programs to expand the reach of early identification of children who may need early intervention and other services. Post high-level data on a data dashboard.

Long-term Recommendation: Funding to explore ways to address care for families who work non-standard hours that includes incentives for providers.

Long-term Recommendation: Funds to incentivize local collaboration in child care deserts.

Long-term Recommendation: Refundable child care credits for working families.

#4 HIGH-QUALITY CHILD DEVELOPMENT

Short-term Recommendation: Increased funding for Early Interventions and expanded access to developmental assessments.

Short-term Recommendation: Increased funding to expand access to First 5 Alabama consultants statewide to support the early education workforce.

Short-term Recommendation: Continue to advocate for increased Pre-K funding.

Long-term Recommendation: Develop a dedicated funding source to increase funding for high quality Birth-5 programs.

#5 PARTNERSHIPS WITH EMPLOYERS

Short-term Recommendation: Employer Child Care Partnership Grants. Provide grants to employers that help support parent access to child care (e.g., in community-based licensed child care, onsite, or in providing child care benefits such as a monthly stipend for child care).

Short-term Recommendation: Child Care Employer Tax Credits. Enact an employer child care tax credit for employers that support onsite or nearby child care for use by employees or provide a child care benefit and a child care facility tax credit for child care providers that serve children whose care is paid for with a subsidy and that participate in the Alabama Quality Stars program.

Short-term Recommendation: Employer Child Care Toolkit. Develop an employer child care toolkit that enables employers to understand a menu of options from low cost/no cost to higher costs to support employee recruitment and retention.

Long-term Recommendation: Evaluate Employer Investments for Accountability. Evaluate the impact of employer child care partnership investments.

#6 EFFECTIVENESS OF INVESTMENTS

Short-term Recommendation: Child Care Data Gaps. Form a workgroup to identify child care data gaps to better understand what data is available and what data is needed to build a public dashboard for child care.

Long-term Recommendation: Provider Data Integration. Develop an integrated child care search function where provider information is included about Alabama Quality STARS participation and most recent rated level. Also include whether the provider participates in the child care subsidy program and whether the provider hosts an Alabama First Class Pre-K program (and # of classrooms).

Long-term Recommendation: Provider Data Capacity & Enrollment Integration. Work with child care providers to broaden access to child care automated management systems that will help providers, communities, and state agencies understand real-time child enrollment data (compared to licensed capacity) for data driven strategies based on the care setting and age of children served. For example, where are the real deserts? Which communities? What is the gap of child care capacity by age by potential need (e.g., infant and toddler care)? Is the market saturated for one particular age group but deficient for another age group?

Long-term Recommendation: Integrated Child Data System. Develop an integrated child data system to understand the relationship between early care settings and K-12 performance as well as a unique child count related to public program participation and support services (e.g., rather than separate counts of the number of children participating in individual programs).

Appendix I.

ALABAMA CHILD CARE REPORTS (2019 – 2023)			
Report	**Agency/Organization**	**Date**	**Link**
Clearing the Path: Building a Sustainable and Inclusive Workforce for Alabama	The Women's Fund of Greater Birmingham	2019	https://wfalabama.org/assets/2019/05/Clearing-the-Path-2019-The-Womens-Fund_Interactive-Web-Share.pdf
Enhanced Child Care Funding Makes Life Better for Alabama's Children and Families	Alabama Arise	2019	https://www.alarise.org/resources/enhanced-child-care-funding-makes-life-better-for-alabamas-children-and-families/
Alabama Connections for Early Care and Education, 2019 PDG B-5 Needs Assessment Report	Alabama Department of Early Childhood Education	2019	https://children.alabama.gov/wp-content/uploads/2021/09/22.-Educators-Preschool-Development-Grant-2019-PDG-B-5-Needs-Assessment-Report.pdf
Alabama Connections for Early Care and Education, 2019 PDG B-5 Strategic Plan Report	Alabama Department of Early Childhood Education	2019	https://children.alabama.gov/wp-content/uploads/2021/09/22.-Educators-Preschool-Development-Grant-2019-BDG-B-5-Strategic-Plan-Report.pdf
Bipartisan Policy Center Mapping (AL) Child Care Gaps Assessment	Bipartisan Policy Center, PDG B-5 funded	2019	https://childcaregap.org/
ALABAMA AND EARLY CHILDHOOD Blueprint for Strong Families, School Readiness, and Prosperity	Alabama Partnership for Children	2019	https://alabamapartnershipforchildren.org/about/zero-to-five/
A High-Quality Early Learning Workforce in Alabama Is Necessary for Early Childhood Development	Alabama Partnership for Children	2019	https://alabamapartnershipforchildren.org/wp-content/uploads/2018/08/ECEWorkforceCEDJune2018.pdf
Employers Look to Affordable Child Care to Recruit New workers	AL.Com	2019	https://www.al.com/news/2019/12/employers-look-to-affordable-childcare-to-recruit-new-workers.html
Status of Child Care Report	Child Care Resources, Birmingham, AL	2020	https://www.ccr-bhm.org/_files/ugd/941eaf_e8405ce2daa9449ba4653b6bdb23c62a.pdf
Working Families and Child Care in Alabama	Alabama Partnership for Children	2020	https://alabamapartnershipforchildren.org/wp-content/uploads/2020/07/Alabama-COVID-Parent-Survey-State-report-6.29.pdf
Clearing the Path: Strengthening Child Care, Strengthening Alabama	The Women's Fund of Greater Birmingham	2021	https://wfalabama.org/assets/2021/11/TWFGB_2021-CTP-Strengthening-Child-Care-Strengthening-Alabama_Web-Ready.pdf

ALABAMA CHILD CARE REPORTS (2019 – 2023)			
Report	**Agency/Organization**	**Date**	**Link**
Alabama PDG B-5 Renewal Grant	Alabama Department of Early Childhood Education	2021	https://children.alabama.gov/wp-content/uploads/2021/09/22.-Educators-Preschool-Development-Grant-Alabamas-PDG-B-5-Renewal.pdf
Alabama Child Care Market Rate Survey 2021	Alabama Department of Human Resources and Alabama State University	2021	https://dhr.alabama.gov/wp-content/uploads/2021/06/Alabama-2021-Child-Care-Market-Rate-Survey_June-29_FINAL.pdf
Alabama Department of Early Childhood Education Annual Report 2021	Alabama Department of Early Childhood Education	2021	https://children.alabama.gov/wp-content/uploads/2021/10/Annual-Report-FY-2020-Web.pdf
FY2022 Budget Request/ Legislative Report	Alabama Department of Early Childhood Education	2021	https://children.alabama.gov/wp-content/uploads/2021/08/38.-About-About-ADECE-2021-Legislative-Report.pdf
Measuring and Mapping Child Care Access in Alabama	University of Alabama, Dr. Hooper	2021	https://geographyedu.org/measuring-and-mapping-child-care-access-report/
A Roadmap to Strengthen the Prenatal-3-System of Care in Alabama	Prenatal-to-3 Policy	2021	https://pn3policy.org/pn-3-state-policy-roadmap-2021/al/
Governor Ivey Shares Progress Report on Attainment Goal, Alabama Workforce Skills Up	Office of Alabama Governor Ivey Press Release	2022	https://governor.alabama.gov/newsroom/2022/07/governor-ivey-shares-progress-report-on-attainment-goal-alabama-workforce-skills-up/
Success Plus Initiative – Halfway to Success	Public Affairs Research Council of Alabama (PARCA)	2022	https://parcalabama.org/halfway-to-success/
Alabama PDG B-5 Proposal	Alabama Department of Early Childhood Education	Fall 2022	https://children.alabama.gov/wp-content/uploads/2021/09/22.-Educators-Preschool-Development-Grant-Alabamas-PDG-B-5-Renewal.pdf
Integrated Efficient Early Care and Education Systems, Revisiting a State-by-State Analysis (Alabama Profile)	Bipartisan Policy Center	2023	https://bipartisanpolicy.org/wp-content/uploads/2023/01/Bipartisan_Early-Childhood_50-State-Report_AL_2023-1.pdf
Key Findings and Recommendations of the Alabama Workforce and Wage Gap Task Force	Alabama task force /HJR 115	2023	https://wfalabama.org/assets/2023/02/Alabama-Workforce-and-Wage-Gap-Task-Force-Report-2023.pdf

ALABAMA CHILD CARE REPORTS (2019 – 2023)			
Report	**Agency/Organization**	**Date**	**Link**
Report of the Alabama Workforce and Wage Gap Task Force	Alabama task force /HJR 115	2023	https://wfalabama.org/news/report-released-to-state-legislature-to-address-alabamas-gender-workforce-wage-gap/
Child Care Policy Agenda	Alabama Institute for Social Justice	2023	https://www.alisj.org/child-care-policies
2022 Alabama Kids Count Data Book	VOICES for Alabama's Children	2023	https://alavoices.org/2022-alabama-kids-count/
Alabama Department of Human Resources, Facts & Figures, Annual and Monthly Statistical Reports	Alabama Department of Human Resources		https://dhr.alabama.gov/facts-and-figures/
Alabama First Class Pre-K, Annual and Legislative Reports	Alabama Department of Early Childhood Education		https://children.alabama.gov/for-advocates/reports/
Alabama First Class Pre-K, Data Dashboard	Alabama Department of Early Childhood Education		https://children.alabama.gov/home/about/data-dashboard/
Alabama Department of Early Childhood Education (Preschool Development Grant Section/web resources page)	DECE- All PDG B-5 Reports		https://children.alabama.gov/for-educators/preschool-development-grant/

Appendix II.

PROVIDER LISTENING SESSIONS:

- **2/9/23** Grand Bay – Hosted by Lighthouse Academy of Excellence and Achievement
- **2/15/23** Huntsville - TCR Child Care Corp. Regional Directors Meeting
- **2/16/23** Birmingham – Hosted by Bold Goals/Childcare Resources
- **3/2/23** Mobile – Hosted by Lighthouse Academy of Excellence and Achievement
- **3/8/23** Talladega County – Hosted by TCR Child Care
- **3/28/23** Statewide Zoom Session – Hosted by Healthy Kids Healthy Future, Alabama Partnership for Children
- **3/28/23** Statewide Zoom (Autauga, Tuscaloosa, Morgan, Elmore, & Madison Counties) Hosted by Jefferson State Community College

PARENT LISTENING SESSIONS:

- **2/16/23** Birmingham – Hosted by Bold Goals/Childcare Resources
- **2/25/23** Tuscaloosa County including Tuscaloosa, Northport and Moundville – Hosted by Alabama Partnership for Children Parent Leadership Network
- **2/25/23** Statewide Zoom Session – Hosted by Alabama Partnership for Children Parent Leadership Network
- **3/7/23** DeKalb County – Hosted by Alabama Partnership for Children Parent Leadership Network
- **3/20/23** Talladega County: Sylacauga and Childersburg – Hosted by Alabama Partnership for Children Parent Leadership Network
- **3/20 & 3/22/23** Mobile, Choctaw and Washington County – Hosted by Alabama Partnership for Children Parent Leadership Network

Appendix III.

STATES WITH ZONING LAWS TO REDUCE BARRIERS FOR FAMILY CHILD CARE HOMES

California. California Health and Safety Code § 1597.30 et seq.
1597.30.

The Legislature finds and declares all of the following:

(a) The Legislature has a responsibility to ensure the health and safety of children in family homes that provide daycare.

(b) There is an extreme shortage of regulated family daycare homes in California, and the number has decreased significantly since 2008.

(c) There continues to be a growing need for child daycare facilities due to the increased number of working parents. Parents need Child care so they can work and attend school, and so their children can thrive.

(d) Many parents prefer Child care located in their neighborhoods in family homes.

(e) There should be a variety of Child care settings, including regulated family daycare homes, as suitable choices for parents.

(f) The licensing program to be operated by the state should be cost effective, streamlined, and simple to administer in order to ensure adequate care for children placed in family daycare homes, while not placing undue burdens on the providers.

(g) The state should maintain an efficient program of regulating family daycare homes that ensures the provision of adequate protection, supervision, and guidance to children in their homes.

(h) The state has a responsibility to promote the development and expansion of regulated family daycare homes to care for children in residential settings.
(Amended by Stats. 2019, Ch. 244, Sec. 4.
(SB 234) Effective January 1, 2020.)

California Health and Safety Code §1597.40
1597.40.

(a) It is the intent of the Legislature that family daycare homes for children should be situated in normal residential surroundings so as to give children the home environment that is conducive to healthy and safe development. It is the public policy of this state to provide children in a family daycare home the same home environment as provided in a traditional home setting.

(b) The Legislature declares this policy to be of statewide concern with the purpose of occupying the field. This act, the state building code, and the fire code, and regulations promulgated pursuant to those provisions, shall preempt local laws, regulations, and rules governing the use and occupancy of family daycare homes. Local laws, regulations, or rules shall not directly or indirectly prohibit or restrict the use of a facility as a family daycare home, including, but not limited to, precluding the operation of a family daycare home.
(Repealed and added by Stats. 2019, Ch. 244, Sec. 6. (SB 234) Effective January 1, 2020.)

California Health and Safety Code §1597.45
1597.45.

(a) The use of a home as a small or large family daycare home shall be considered a residential use of property and a use by right for the purposes of all local ordinances, including, but not limited to, zoning ordinances.

(b) A local jurisdiction shall not impose a business license, fee, or tax for the privilege of operating a small or large family daycare home.

(c) Use of a home as a small or large family daycare home shall not constitute a change of occupancy for purposes of Part 1.5 (commencing with Section 17910) of Division 13 (State Housing Law) or for purposes of local building codes.

(d) A small or large family daycare home shall not be subject to the provisions of Division 13 (commencing with Section 21000) of the Public Resources Code.

(e) The provisions of this chapter do not preclude a city, county, or other local public entity from placing restrictions on building heights, setback, or lot dimensions of a family daycare home, as long as those restrictions are identical to those applied to all other residences with the same zoning designation as the family daycare home. This chapter does not preclude a local ordinance that deals with health and safety, building standards, environmental impact standards, or any other matter within the jurisdiction of a local public entity, as long as the local ordinance is identical to those applied to all other residences with the same zoning designation as the family daycare home. This chapter also does not prohibit or restrict the abatement of nuisances by a city, county, or city and county. However, the ordinance or nuisance abatement shall not distinguish family daycare homes from other homes with the same zoning designation, except as otherwise provided in this chapter.

(f) For purposes of this chapter, "small family daycare home or large family daycare home" includes a detached single-family dwelling, a townhouse, a dwelling unit within a dwelling, or a dwelling unit within a covered multifamily dwelling in which the underlying zoning allows for residential uses. A small family daycare home or large family daycare home is where the family daycare provider resides, and includes a dwelling or dwelling unit that is rented, leased, or owned. (Amended by Stats. 2019, Ch. 244, Sec. 9. (SB 234) Effective January 1, 2020.)

Connecticut. Conn. Gen. Stat. § 8-2.

CT General Assembly, HB6590 File No. 773. Enacted June 2023. Public Act 23-142.

AN ACT CONCERNING CERTAIN PROTECTIONS FOR GROUP AND FAMILY CHILD CARE HOMES.

Section 1. Section 8-3j of the general statutes is repealed and the following is substituted in lieu thereof (Effective October 1, 2023):

(a) No zoning regulation shall treat any family child care home [registered] or group child care home, located in a residence and licensed by the Office of Early Childhood pursuant to [section 17b-733] chapter 368a, in a manner different from single or multifamily dwellings.

(b) Not later than December 1, 2023, and annually thereafter, each municipality shall submit to the Office of Policy and Management a sworn statement from the chief executive officer of the municipality stating (1) that the municipality's zoning ordinances are in compliance with (A) subsection (a) of this section, and (B) the provisions of subdivision (1) of subsection (d) of section 8-2, as amended by this act, or (2) the specific time frame within which the municipality will bring its zoning ordinances into compliance with subsection (a) of this section and subsection (d) of section 8-2, as amended by this act.

Sec. 2. Subsection (d) of section 8-2 of the general statutes is repealed and the following is substituted in lieu thereof (Effective October 1, 2023):

(d) Zoning regulations adopted pursuant to subsection (a) of this section shall not:

(1) (A) Prohibit the operation in a residential zone of any family child care home or group child care home [in a residential zone] located in a residence, or (B) require any special zoning permit or special zoning exception for such operation;

(2) (A) Prohibit the use of receptacles for the storage of items designated for recycling in accordance with section 22a-241b or require that such receptacles comply with provisions for bulk or lot area, or similar provisions, except provisions for side yards, rear yards and front yards; or (B) unreasonably restrict access to or the size of such receptacles for businesses, given the nature of the business and the volume of items designated for recycling in accordance with section 22a-31 241b, that such business produces in its normal course of business, provided nothing in this section shall be construed to prohibit such regulations from requiring the screening or buffering of such receptacles for aesthetic reasons;

(3) Impose conditions and requirements on manufactured homes, including mobile manufactured homes, having as their narrowest dimension twenty-two feet or more and built in accordance with federal manufactured home construction and safety standards or on lots containing such manufactured homes, including mobile manufactured home parks, if those conditions and requirements are substantially different from conditions and requirements imposed on (A) single-family dwellings; (B) lots containing single-family dwellings; or (C) multifamily dwellings,

lots containing multifamily dwellings, cluster developments or planned unit developments;

(4) (A) Prohibit the continuance of any nonconforming use, building or structure existing at the time of the adoption of such regulations; (B) require a special permit or special exception for any such continuance; (C) provide for the termination of any nonconforming use solely as a result of nonuse for a specified period of time without regard to the intent of the property owner to maintain that use; or (D) terminate or deem abandoned a nonconforming use, building or structure unless the property owner of such use, building or structure voluntarily 53 discontinues such use, building or structure and such discontinuance is accompanied by an intent to not reestablish such use, building or structure. The demolition or deconstruction of a nonconforming use, building or structure shall not by itself be evidence of such property owner's intent to not reestablish such use, building or structure;

(5) Prohibit the installation, in accordance with the provisions of section 8-1bb, of temporary health care structures for use by mentally or physically impaired persons if such structures comply with the provisions of said section, unless the municipality opts out in accordance with the provisions of subsection (j) of said section;

(6) Prohibit the operation in a residential zone of any cottage food operation, as defined in section 21a-62b;

(7) Establish for any dwelling unit a minimum floor area that is 66 greater than the minimum floor area set forth in the applicable building, housing or other code;

(8) Place a fixed numerical or percentage cap on the number of dwelling units that constitute multifamily housing over four units, middle housing or mixed-use development that may be permitted in the municipality;

(9) Require more than one parking space for each studio or one-bedroom dwelling unit or more than two parking spaces for each dwelling unit with two or more bedrooms, unless the municipality opts out in accordance with the provisions of section 8-2p; or

(10) Be applied to deny any land use application, including for any site plan approval, special permit, special exception or other zoning approval, on the basis of (A) a district's character, unless such character is expressly articulated in such regulations by clear and explicit physical standards for site work and structures, or (B) the immutable 81 characteristics, source of income or income level of any applicant or end 82 user, other than age or disability whenever age-restricted or disability-83 restricted housing may be permitted.

Sec. 3. Subsection (a) of section 19a-87b of the general statutes is 85 repealed and the following is substituted in lieu thereof (Effective October 86 1, 2023):

(a) No person, group of persons, association, organization, corporation, institution or agency, public or private, shall maintain a family child care home, as described in section 19a-77, without a license issued by the Commissioner of Early Childhood. Licensure forms shall be obtained from the Office of Early Childhood. Applications for licensure shall be made to the commissioner on forms provided by the office and shall contain the information required by regulations adopted under this section. The licensure and application forms shall contain a notice that false statements made therein are punishable in accordance subsection (f) of this section. Before a family child care home license is granted, the office shall make an inquiry and investigation which shall include a visit and inspection of the premises for which the license is requested. Any inspection conducted by the office shall include an inspection for evident sources of lead poisoning. The office shall provide for a chemical analysis of any paint chips found on such premises. Neither the commissioner nor the commissioner's designee shall require an annual inspection for homes seeking license renewal or for licensed homes, except that the commissioner or the commissioner's designee shall make an unannounced visit, inspection or investigation of each licensed family child care home at least once every year. A licensed family child care home shall not be subject to any conditions on the operation of such home by local officials, other than those imposed by the office pursuant to this subsection, if the home complies with all [local] codes and ordinances applicable to single and multifamily dwellings.

Sec. 4. Section 19a-80 of the general statutes is repealed and the following is substituted in lieu thereof (Effective October 1, 2023):

(a) No person, group of persons, association, organization, corporation, institution or agency, public or private, shall maintain a child care center or group child care home without a license issued in accordance with this section and sections 19a-77 to [19a-80] 19a-79a, inclusive, and 19a-82 to 19a-87a, inclusive. Applications for such license shall be made to the Commissioner of Early Childhood on forms provided by the commissioner and shall contain the information required by regulations adopted under said sections. The forms shall contain a notice that false statements made therein are punishable in accordance with section 53a-157b.

(b) (1) Upon receipt of an application for a license, the commissioner shall issue such license if, upon inspection and investigation, said commissioner finds that the applicant, the facilities and the program meet the health, educational and social needs of children likely to attend the child care center or group child care home and comply with requirements established by regulations adopted under this section and sections 19a-77 to 19a-79a, inclusive, and sections 19a-82 to 19a-87a, inclusive. Any such inspection under this subsection of a group child care home located in a residence shall include an inspection for evident sources of lead poisoning and shall provide for chemical analysis of any paint chips found on such premises. The commissioner shall offer an expedited application review process for an application submitted by a municipal agency or department. A currently licensed person or entity, as described in subsection (a) of this section, seeking a change of operator, ownership or location shall file a new license application, except such person or entity may request the commissioner to waive the requirement that a new license application be filed. The commissioner may grant or deny such request. Each license shall be for a term of four years, shall be nontransferable, and may be renewed upon receipt by the commissioner of a renewal application and accompanying licensure fee. The commissioner may suspend or revoke such license after notice and an opportunity for a hearing as provided in section 19a-84 for violation of the regulations adopted under this section and sections 19a-77 to 19a-149 79a, inclusive, and sections 19a-82 to 19a-87a, inclusive. In the case of an application for renewal of a license that has expired, the commissioner may renew such expired license within thirty days of the date of such expiration upon receipt of a renewal application and accompanying licensure fee.

(2) The commissioner shall collect from the licensee of a child care center a fee of five hundred dollars prior to issuing or renewing a license for a term of four years. The commissioner shall collect from the licensee of a group child care home a fee of two hundred fifty dollars prior to issuing or renewing a license for a term of four years. The commissioner shall require only one license for a child care center operated in two or more buildings, provided the same licensee provides child care services in each building and the buildings are joined together by a contiguous playground that is part of the licensed space.

(3) The commissioner, or the commissioner's designee, shall make an unannounced visit, inspection or investigation of each licensed child care center and group child care home at least once each year. At least once every two years, the local health director, or the local health director's designee, shall [make an inspection of] inspect each licensed child care center and group child care home.

(4) A municipality may not subject the operation of a licensed group child care home located in a residence to any conditions, other than those imposed by the commissioner pursuant to this subsection, if the group child care home complies with all codes and ordinances applicable to single and multifamily dwellings.

(c) The commissioner shall require each prospective employee of a child care center or group child care home for a position that requires the provision of care to a child or involves unsupervised access to any child in such child care center or group child care home, to submit to comprehensive background checks, including state and national criminal history records checks. The criminal history records checks required pursuant to this subsection shall be conducted in accordance with section 29-17a. The commissioner shall also request a check of the state child abuse registry established pursuant to section 17a-101k. The Commissioner of Early Childhood shall notify each licensee of the provisions of this subsection. No such prospective employee shall begin working in such child care center or group child care home until the provisions of 45 CFR 98.43(d)(4), as amended from time to time, have been satisfied.

(d) The commissioner shall inform each licensee, by way of a plain language summary provided not later than sixty days after the regulation's effective date, of new or changed regulations adopted under this section and sections 19a-77 to [19a-80] 19a-79a, inclusive, or sections 19a-82 to 19a-87a, inclusive, with which a licensee must comply. This act shall take effect as follows and shall amend the following sections:

Section 1 October 1, 2023 8-3j; Sec. 2 October 1, 2023; 8-2(d) Sec. 3 October 1, 2023; 19a-87b(a) Sec. 4 October 1, 2023. 19a-80

Sec. 8-3j. Regulation of family child care homes. No zoning regulation shall treat any family child care home registered pursuant to section 17b-733 in a manner different from single or multifamily dwellings.

History: Pursuant to P.A. 15-227, "family day care home" was changed editorially by the Revisors to "family child care home", effective July 1, 2015.

Sec. 8-2. Regulations. (a) The zoning commission of each city, town or borough is authorized to regulate, within the limits of such municipality, the height, number of stories and size of buildings and other structures; the percentage of the area of the lot that may be occupied; the size of yards, courts and other open spaces; the density of population and the location and use of buildings, structures and land for trade, industry, residence or other purposes, including water-dependent uses, as defined in section 22a-93, and the height, size, location, brightness and illumination of advertising signs and billboards. Such bulk regulations may allow for cluster development, as defined in section 8-18. Such zoning commission may divide the municipality into districts of such number, shape and area as may be best suited to carry out the purposes of this chapter; and, within such districts, it may regulate the erection, construction, reconstruction, alteration or use of buildings or structures and the use of land. All such regulations shall be uniform for each class or kind of buildings, structures or use of land throughout each district, but the regulations in one district may differ from those in another district, and may provide that certain classes or kinds of buildings, structures or uses of land are permitted only after obtaining a special permit or special exception from a zoning commission, planning commission, combined planning and zoning commission or zoning board of appeals, whichever commission or board the regulations may, notwithstanding any special act to the contrary, designate, subject to standards set forth in the regulations and to conditions necessary to protect the public health, safety, convenience and property values. Such regulations shall be made in accordance with a comprehensive plan and in adopting such regulations the commission shall consider the plan of conservation and development prepared under section 8-23. Such regulations shall be designed to lessen congestion in the streets; to secure safety from fire, panic, flood and other dangers; to promote health and the general welfare; to provide adequate light and air; to prevent the overcrowding of land; to avoid undue concentration of population and to facilitate the adequate provision for transportation, water, sewerage, schools, parks and other public requirements. Such regulations shall be made with reasonable consideration as to the character of the district and its peculiar suitability for particular uses and with a view to conserving the value of buildings and encouraging the most appropriate use of land throughout such municipality. Such regulations may, to the extent consistent with soil types, terrain, infrastructure capacity and the plan of conservation and development for the community, provide for cluster development, as defined in section 8-18, in residential zones. Such regulations shall also encourage the development of housing opportunities, including opportunities for multifamily dwellings, consistent with soil types, terrain and infrastructure capacity, for all residents of the municipality and the planning region in which the municipality is located, as designated by the Secretary of the Office of Policy and Management under section 16a-4a. Such regulations shall also promote housing choice and economic diversity in housing, including housing for both low and moderate income households, and shall encourage the development of housing which will meet the housing needs identified in the state's consolidated plan for housing and community development prepared pursuant to section 8-37t and in the housing component and the other components of the state plan of conservation and development prepared pursuant to section 16a-26. Zoning regulations shall be made with reasonable consideration for their impact on agriculture, as defined in subsection (q) of section 1-1. Zoning regulations may be made with reasonable consideration for the protection of historic factors and shall be made with reasonable consideration for the protection of existing and potential public surface and ground drinking water supplies. On and after July 1, 1985, the regulations shall provide that proper provision be made for soil erosion and sediment control pursuant to section 22a-329. Such regulations may also encourage energy-efficient patterns of development, the use of solar and other renewable forms of energy, and energy conservation. The regulations may also provide for incentives for developers who use passive solar energy techniques, as defined in subsection (b) of section 8-25, in planning a residential subdivision development. The incentives may include, but not be limited to, cluster development, higher density development and performance standards for roads, sidewalks and underground facilities in the subdivision. Such regulations may provide for a municipal system for the creation of development rights and the permanent transfer of such development rights, which may include a system for the variance of density limits in connection with any such transfer. Such regulations may also provide for notice requirements in addition to those required by this chapter. Such regulations may provide for conditions on operations to collect spring water or well water, as defined in section 21a-150, including the time, place and manner of such operations. No such regulations shall prohibit the operation of any family child care home or group child care home in a residential zone. No such regulations shall prohibit the use of receptacles for the storage of items designated for recycling in accordance with section 22a-241b or require that such receptacles comply with provisions for bulk or lot area, or similar provisions, except provisions for side yards, rear yards and front yards. No such regulations shall unreasonably restrict access to or the size of such receptacles for businesses, given the nature of the business and the volume of items designated for recycling in accordance with section 22a-241b, that such business produces in its normal course of business, provided nothing in this section shall be construed to prohibit such regulations from requiring the screening or buffering of such receptacles for aesthetic reasons. Such regulations shall not impose conditions and requirements on manufactured homes having as their narrowest dimension twenty-two feet or more and built in accordance with federal manufactured home construction and safety standards or on lots containing such manufactured homes which are substantially different from conditions and requirements imposed on single-family dwellings and lots containing single-family dwellings. Such regulations shall not impose conditions and requirements on developments to be occupied by manufactured homes having as their narrowest dimension twenty-two feet or more and built in accordance with federal manufactured home construction and safety standards which are substantially different from conditions and requirements imposed on multifamily dwellings, lots containing multifamily dwellings, cluster developments or planned unit developments. Such regulations shall not prohibit the continuance of any nonconforming use, building or structure existing at the time of the adoption of such regulations or require a special permit or special exception for any such continuance. Such regulations shall not provide for the termination of any nonconforming use solely as a result of nonuse for a specified period of time without regard to the intent of the property owner to maintain that use. Such regulations shall not terminate or deem abandoned a nonconforming use, building or structure unless the property owner of such use, building or structure voluntarily discontinues such use, building or structure and such discontinuance is accompanied by an intent to not reestablish such use, building or structure. The demolition or deconstruction of a nonconforming use, building or structure shall not by itself be evidence of such property owner's intent to not reestablish such use, building or structure. Unless such town opts out, in accordance with the provisions of subsection (j) of section 8-1bb, such regulations shall not prohibit the installation of temporary health care structures for use by mentally or physically impaired persons in accordance with the provisions of section 8-1bb if such structures comply with the provisions of said section. Any city, town or borough which adopts the provisions of this chapter may, by vote of its legislative body, exempt municipal property from the regulations prescribed by the zoning commission of such city, town or borough; but unless it is so voted municipal property shall be subject to such regulations.

CONN. GEN. STAT. ANN. § 19A-87B(A)

Sec. 19a-87b. (Formerly Sec. 17-585(b)–(d)). License required for family child care homes. Approval required to act as assistant or substitute staff member. Comprehensive background checks. Fees. Regulations; waivers. (a) No person, group of persons, association, organization, corporation, institution or agency, public or private, shall maintain a family child care home, as defined in section 19a-77, without a license issued by the Commissioner of Early Childhood. Licensure forms shall be obtained from the Office of Early Childhood. Applications for licensure shall be made to the commissioner on forms provided by the office and shall contain the information required by regulations adopted under this section. The licensure and application forms shall contain a notice that false statements made therein are punishable in accordance with section 53a-157b. Applicants shall state, in writing, that they are in compliance with the regulations adopted by the commissioner pursuant to subsection (f) of this section. Before a family child care home license is granted, the office shall make an inquiry and investigation which shall include a visit and inspection of the premises for which the license is requested. Any inspection conducted by the office shall include an inspection for evident sources of lead poisoning. The office shall provide for a chemical analysis of any paint chips found on such premises. Neither the commissioner nor the commissioner's designee shall require an annual inspection for homes seeking license renewal or for licensed homes, except that the commissioner or the commissioner's designee shall make an unannounced visit, inspection or investigation of each licensed family child care home at least once every year. A licensed family child care home shall not be subject to any conditions on the operation of such home by local officials, other than those imposed by the office pursuant to this subsection, if the home complies with all local codes and ordinances applicable to single and multifamily dwellings.

Kentucky. **Kentucky Revised Statutes** [§ 199.8982]

(4) (a) As used in this subsection "local government" means a city, county, charter county, urban-county government, consolidated local government, or unified local government.

(b) The provisions of this section shall supersede all local government ordinances or regulations pertaining to the certification, licensure, and training requirements related to the operation of family child-care homes and no local government shall adopt or enforce any additional licensure, certification, or training requirements specifically applicable to family child-care homes in addition to those provided in this section. This subsection shall not be interpreted or construed to exempt family child-care homes from compliance with local government ordinances and regulations that apply generally within the jurisdiction.

(c) Because the availability of adequate child-care as an essential business is vital to the Commonwealth's state and local economies, by January 1, 2022, a local government that has adopted land use regulations pursuant to KRS Chapter 100 shall specifically name family child-care homes in the text of its zoning regulations to authorize the board of adjustments to separately consider the applications of proposed family child-care homes for conditional use permits within the residential zones of the planning unit where they are not a fully permitted use pursuant to KRS 100.237.

Section 3. Whereas the General Assembly realizes that effective child care and a robust child-care industry is essential to sustain critical operations, including emergency and disaster response, and that response to these occurrences is a fundamental responsibility of elected government in the Commonwealth, an emergency is declared to exist, and this Act takes effect upon its passage and approval by the Governor or upon its otherwise becoming law.

Effective March 30, 2021
SB 148, https://apps.legislature.ky.gov/record/21rs/sb148.html
https://apps.legislature.ky.gov/law/acts/21RS/documents/0172.pdf

New Jersey. Title 40 - Municipalities and Counties Section 40:55D-66.5b - Family day care homes permitted use in residential districts; definitions

0:55D-66.5b. **Family day care homes permitted use in residential districts; definitions**

2. a. Family day care homes shall be a permitted use in all residential districts of a municipality. The requirements for family day care homes shall be the same as for single family dwelling units located within such residential districts. Any deed restriction that would prohibit the use of a single family dwelling unit as a family day care home shall not be enforceable unless that restriction is necessary for the preservation of the health, safety, and welfare of the other residents in the neighborhood. The burden of proof shall be on the party seeking to enforce the deed restriction to demonstrate, on a case-by-case basis, that the restriction is necessary for the preservation of the health, safety and welfare of the residents in the neighborhood who were meant to benefit from the restriction.

b. In condominiums, cooperatives and horizontal property regimes that represent themselves as being primarily for retirees or elderly persons, or which impose a minimum age limit tending to attract persons who are nearing retirement age, deed restrictions or bylaws may prohibit family day care homes from being a permitted use.

c. In condominiums, cooperatives and horizontal property regimes other than those permitted to prohibit family day care homes from being a permitted use under subsection b. of this section, deed restrictions or bylaws may prohibit family day care homes from being a permitted use; however, if such condominiums, cooperatives, or horizontal property regimes prohibit such use, the burden of proof shall be on the condominium association, cooperative association, or council of co-owners to demonstrate, on a case-by-case basis, that the prohibition is reasonably related to the health, safety, and welfare of the residents. The burden of proof also shall be on the condominium association, cooperative association, or council of co-owners to demonstrate, on a case-by-case basis, that any other restrictions imposed upon a family day care home, including but not limited to noise restrictions and restrictions on the use of interior common areas, are reasonably related to the health, safety and welfare of the residents.

d. For the purposes of this act:

"Family day care home" means the private residence of a family day care provider which is registered as a family day care home pursuant to the "Family Day Care Provider Registration Act," P.L.1987, c.27 (C.30:5B-16 et seq.);
"Applicant" means a person who applies for a certificate of registration pursuant to the "Family Day Care Provider Registration Act," P.L.1987, c.27 (C.30:5B-16 et seq.);
"Commissioner" means the Commissioner of Human Services;
"Condominium" means a condominium formed under the "Condominium Act," P.L.1969, c.257 (C.46:8B-1 et seq.);
"Cooperative" means a cooperative as defined under "The Cooperative Recording Act of New Jersey," P.L.1987, c.381 (C.46:8D-1 et seq.); and
"Horizontal property regime" means a horizontal property regime formed under the "Horizontal Property Act," P.L.1963, c.168 (C.46:8A-1 et seq.).
L.1991,c.278,s.2; amended 1992,c.13,s.1.

Title 40 - Municipalities and Counties
Section 40:55D-66.5a - Findings, declarations

40:55D-66.5a. Findings, declarations
1. The Legislature finds and declares that:..,
d. *Given the paucity of decent, affordable child care combined with the current labor shortage in this State, it seems unreasonable to erect zoning barriers which effectively prevent the establishment of or, in some cases, continuation of, these valuable and vitally necessary family day care homes.*
e. It is therefore in the public interest and a valid public policy for this Legislature to eliminate those barriers which currently exist which prevent the establishment, or continued operation of, family day care homes in residential neighborhoods.

New York. N.Y. Soc. Serv. Law § 390(12)(a)

12. (a) Notwithstanding any other provision of law, except as may be required as a condition of licensure or registration by regulations promulgated pursuant to this section, no village, town (outside the area of any incorporated village), city or county shall adopt or enact any law, ordinance, rule or regulation which would impose, mandate or otherwise enforce standards for sanitation, health, fire safety or building construction on a one or two family dwelling or multiple dwelling used to provide group family day care or family day care than would be applicable were such child day care not provided on the premises.

No village, town (outside the area of any incorporated village), city or county shall prohibit or restrict use of a one or two family dwelling, or multiple dwelling for family or group family day care where a license or registration for such use has been issued in accordance with regulations issued pursuant to this section.

Nothing in this paragraph shall preclude local authorities with enforcement jurisdiction of the applicable sanitation, health, fire safety or building construction code from making appropriate inspections to assure compliance with such standards.

Oklahoma, H.B. 2452, enacted 4/27/23

Summary: Local governing authorities shall not promulgate local regulations that permit or require licensees of family child care homes to exceed or limit the capacity provided by the license granted to the family child care home licensee by the Department of Human Services. This act became effective November 1, 2023.

Oregon. O.R.S. § 329A.440

(1) A registered or certified family child care home shall be considered a residential use of property for zoning purposes. The registered or certified family child care home shall be a permitted use in all areas zoned for residential or commercial purposes, including areas zoned for single-family dwellings. A city or county may not enact or enforce zoning ordinances prohibiting the use of a residential dwelling, located in an area zoned for residential or commercial use, as a registered or certified family child care home.

(2) A city or county may impose zoning conditions on the establishment and maintenance of a registered or certified family child care home in an area zoned for residential or commercial use if the conditions are no more restrictive than conditions imposed on other residential dwellings in the same zone.

(3) A county may:
(a) Allow a registered or certified family child care home in an existing dwelling in any area zoned for farm use, including an exclusive farm use zone established under ORS 215.203 (Zoning ordinances establishing exclusive farm use zones);
(b) Impose reasonable conditions on the establishment of a registered or certified family child care home in an area zoned for farm use; and
(c) Allow a division of land for a registered or certified family child care home in an exclusive farm use zone only as provided in ORS 215.263 (Land divisions in exclusive farm use zones) (9).
(4) This section applies only to a registered or certified family child care home where child care is offered in the home of the provider to not more than 16 children, including children of the provider, regardless of full-time or part-time status. [Formerly 657A.440]

Washington. RCW 36.70A.450

Family day-care provider's home facility—County or city may not prohibit in residential or commercial area—Conditions.

(1) Except as provided in subsections (2) and (3) of this section, no county or city may enact, enforce, or maintain an ordinance, development regulation, zoning regulation, or official control, policy, or administrative practice that prohibits the use of a residential dwelling, located in an area zoned for residential or commercial use, as a family day-care provider's home facility.

(2) A county or city may require that the facility: (a) Comply with all building, fire, safety, health code, and business licensing requirements; (b) conform to lot size, building size, setbacks, and lot coverage standards applicable to the zoning district except if the structure is a legal nonconforming structure; (c) is certified by the department of children, youth, and families licensor as providing a safe passenger loading area; (d) include signage, if any, that conforms to applicable regulations; and **(e) limit hours of operations to facilitate neighborhood compatibility, while also providing appropriate opportunity for persons who use family day-care and who work a nonstandard work shift.**

(3) A county or city may also require that the family day-care provider, before state licensing, require proof of written notification by the provider that the immediately adjoining property owners have been informed of the intent to locate and maintain such a facility. **If a dispute arises between neighbors and the family day-care provider over licensing requirements, the licensor may provide a forum to resolve the dispute.**

(4) Nothing in this section shall be construed to prohibit a county or city from imposing zoning conditions on the establishment and maintenance of a family day-care provider's home in an area zoned for residential or commercial use, so long as such conditions are no more restrictive than conditions imposed on other residential dwellings in the same zone and the establishment of such facilities is not precluded. As used in this section, "family day-care provider" is as defined in RCW 43.216.010. [2018 c 58 § 22; 2007 c 17 § 13; 2003 c 286 § 5; 1995 c 49 § 3; 1994 c 273 § 17.]

Endnotes

FURTHER RESEARCH

Endnotes

1 The Coronavirus Aid, Relief, and Economic Security (CARES) Act, March 27, 2020 (P.L. 116-136), https://www.acf.hhs.gov/occ/data/2020-cares-act-ccdbg-supplemental-funding-allocations-states-and-territories; The FY2021 Coronavirus Response & Relief Supplemental Appropriations (CRRSA) Act, December 27, 2020 (P.L. 116-260), https://www.acf.hhs.gov/occ/data/crrsa-2021-allocations-states-and-territories; and the American Rescue Plan Act (ARPA), March 11, 2021, P.L. 117-2), https://www.acf.hhs.gov/occ/data/arpa-supplemental-stabilization-and-ccdf-discretionary-funding-allocation-tables-states

2 Alabama Department of Human Resources, Temporary Assistance for Stabilizing Child Care (TASCC) Grants. https://dhr.alabama.gov/child-care/

3 Ibid.

4 Alabama School Readiness Alliance 2023 Child Care Provider Survey Summary, April 2023. https://users.neo.registeredsite.com/0/8/7/11474780/assets/Child_Care_Provider_Survey_Analysis_April_15_2023.pdf

5 Ibid.

6 March 2023 Child Care Provider Listening Session notes.

7 Alabama School Readiness Alliance 2023 Parent Child Care Survey Summary, April 2023. https://users.neo.registeredsite.com/0/8/7/11474780/assets/Child_Care_Parent_Survey_Analysis_April_15_2023.pdf

8 U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics, October 2023. https://data.bls.gov/pdq/SurveyOutputServlet

9 U.S. Bureau of Labor Statistics, Labor Force Statistics from the Current Population Survey, November 2023. https://data.bls.gov/timeseries/LNS14000000

10 U.S. Bureau of Labor Statistics, Local Area Unemployment Statistics, 1976 –October 2023. https://data.bls.gov/pdq/SurveyOutputServlet

11 Governor Ivey Announces Alabama Boasts One of the Lowest Unemployment Rates in the Nation, April's Unemployment Rate at New Record Low of 2.2%, May 19, 2023. https://governor.alabama.gov/newsroom/2023/05/governor-ivey-announces-alabama-boasts-one-of-the-lowest-unemployment-rates-in-the-nation-aprils-unemployment-rate-at-new-record-low-of-2-2/

12 IPUMS CPS – University of Minnesota, U.S. Census Bureau. https://cps.ipums.org/cps/

13 Ibid.

14 Ibid.

15 Ibid.

16 U.S. Census Bureau, Census Household Pulse Survey, April 26 – May 8, 2023. https://www.census.gov/data/tables/2023/demo/hhp/hhp57.html

17 U.S. Census Bureau, Census Household Pulse Survey, April 26 – May 8, 2023. Table 7a. Anyone in Household Teleworked or Worked from Home in the Last 7 Days, by Select Characteristics. https://www2.census.gov/programs-surveys/demo/tables/hhp/2023/wk57/employ7a_week57.xlsx

18 Alabama Works Press Release, April 2, 2021. https://alabamaworks.com/2021/04/02/unemployed-underemployed-alabamians-say-transportation-childcare-and-concerns-over-losing-government-benefits-are-barriers-to-jobs/

19 Report: Alabama parents miss work for child care issues at highest rate in nation, AL.Com, February 9, 2023. https://www.al.com/news/2023/02/report-alabama-parents-miss-work-for-child-care-issues-at-highest-rate-in-nation.html

20 Alabama School Readiness Alliance 2023 Parent Child Care Survey Summary, April 2023. https://users.neo.registeredsite.com/0/8/7/11474780/assets/Child_Care_Parent_Survey_Analysis_April_15_2023.pdf

21 U.S. Census Bureau, Table B23008, Age of Own Children Under 18 Years in Families and Subfamilies by Living Arrangements by Employment Status of Parents, 2021 American Community Survey, 1 Year Estimates. https://data.census.gov/table?q=b23008&g=0400000US01&tid=ACSDT1Y2021.B23008

22 U.S. Census Bureau, Table B23008, Age of Own Children Under 18 Years in Families and Subfamilies by Living Arrangements by Employment Status of Parents, 2021 American Community Survey, 1 Year Estimates. https://data.census.gov/table?q=b23008&tid=ACSDT1Y2021.B23008

23 U.S. Census Bureau, American Community Survey 1-Year Estimates Public Use Microdata Sample 2021. https://data.census.gov/

24 U.S. Census Bureau, American Community Survey 1-Year Estimates Public Use Microdata Sample 2021. https://data.census.gov/

25 Bipartisan Policy Center, Child Care Gap Assessment. https://childcaregap.org/

26 Ibid.

27 Bipartisan Policy Center, Child Care in 35 States: What we know and don't know, QUANTIFYING THE SUPPLY OF, POTENTIAL NEED FOR, AND GAPS IN CHILD CARE ACROSS THE COUNTRY, November 2021. https://childcaregap.org/report.html

28 Bipartisan Policy Center, Alabama Profile. https://childcaregap.org/assets/onePagers/Alabama.pdf

29 Bipartisan Policy Center, Mapping Methodology. https://bipartisanpolicy.org/wp-content/uploads/2020/10/Child-Care-Mapping-Methodology-1.pdf

30 Bipartisan Policy Center, Alabama Profile. https://childcaregap.org/assets/onePagers/Alabama.pdf

31 Bipartisan Policy Center, Child Care Gap Assessment. https://childcaregap.org/

32 Ibid.

33 Bipartisan Policy Center, Child Care Gap Assessment. https://childcaregap.org/

34 Bipartisan Policy Center, Economic impact of America's Child Care Gap. https://bipartisanpolicy.org/download/?file=/wp-content/uploads/2021/11/BPC-Economic-Impact-Report_R01-1.pdf

35 Bipartisan Policy Center, Child Care Gap Assessment. https://childcaregap.org/

36 Ibid.

37 Ibid.

38 Ibid.

39 Alabama Department of Human Resources, Licensed Child Care Program Data 2013- 2023.

40 Alabama Child Care Safety Act of 2018. https://legiscan.com/AL/text/HB76/id/1731209

41 Alabama Department of Human Resources, Licensed Child Care Program Data 2013- 2023 (May 2023).

42 Measuring and Mapping Child Care Access in Alabama, the University of Alabama and the University of Kansas, School of Education and Human Sciences, 2021. https://geographyedu.org/measuring-and-mapping-child-care-access-report/

43 Ibid.

44 Ibid.

45 U.S. Census Bureau, Census Economic Survey, Table ECB2100CBP All Sectors: County Business Patterns, including ZIP Code Business Patterns, by Legal Form of Organization and Employment Size Class for the U.S., States, and Selected Geographies: 2021. https://data.census.gov/

46 Ibid.

47 U.S. Department of Health and Human Services, Office of Planning, Research & Evaluation (OPRE), Enrollment Size and Subsidy Density of Child Care Centers Receiving Child Care Subsidies in 2019. https://www.acf.hhs.gov/opre/infographic/enrollment-size-and-subsidy-density-child-care-centers-receiving-child-care

48 Ibid.

49 U.S. Department of Health and Human Services, National Center on Early Childhood Quality Assurance, Guidance on Estimating and Reporting the Costs of Child Care, January 2018. https://childcareta.acf.hhs.gov/resource/guidance-estimating-and-reporting-costs-child-care

50 Alabama School Readiness Alliance, Child Care Provider Survey Summary, April 2023. https://users.neo.registeredsite.com/0/8/7/11474780/assets/Child_Care_Provider_Survey_Analysis_April_15_2023.pdf

51 U.S. Bureau of Labor Statistics, Standard Occupational Classification code, Child Care Workers. May 2022. http://www.bls.gov/soc/home.htm

52 Ibid.

53 Alabama Department of Human Resources, Licensed Child Care Program Data 2013- 2023.

54 Alabama Department of Human Resources, Licensing Overview. https://dhr.alabama.gov/child-care/licensing-overview/

55 Alabama Department of Early Childhood Education, Alabama Connections for Early Care and Education 2019 Preschool Development Grant Birth to Five (PDG B-5) Needs Assessment Report. https://children.alabama.gov/wp-content/uploads/2021/09/22.-Educators-Preschool-Development-Grant-2019-PDG-B-5-Needs-Assessment-Report.pdf

56 U.S. Department of Health and Human Services, National Center on Early Childhood Quality Assurance, Addressing the Decreasing Number of Family Child Care Providers in the United States, March 2020. https://childcareta.acf.hhs.gov/sites/default/files/public/addressing_decreasing_fcc_providers_revised_march2020_final.pdf

57 The Alabama Department of Human Resources and the Department of Early Childhood Education, Alabama Quality STARS. https://alabamaqualitystars.org/

58 Ibid.

59 U.S. Department of Health and Human Services, National Center on Early Childhood Quality Assurance, Addressing the Decreasing Number of Family Child Care Providers in the United States, March 2020. https://childcareta.acf.hhs.gov/sites/default/files/public/addressing_decreasing_fcc_providers_revised_march2020_final.pdf

60 Alabama School Readiness Alliance, Child Care Provider Survey Summary, April 2023. https://users.neo.registeredsite.com/0/8/7/11474780/assets/Child_Care_Provider_Survey_Analysis_April_15_2023.pdf

61 U.S. Census Bureau, Census Economic Survey, Table CB2100CBP All Sectors: County Business Patterns, including ZIP Code Business Patterns, by Legal Form of Organization and Employment Size Class for the U.S., States, and Selected Geographies: 2021. https://data.census.gov/

62 Ibid.

63 The Coronavirus Aid, Relief, and Economic Security (CARES) Act, March 27, 2020 (P.L. 116-136), https://www.acf.hhs.gov/occ/data/2020-cares-act-ccdbg-supplemental-funding-allocations-states-and-territories

64 The FY2021 Coronavirus Response & Relief Supplemental Appropriations (CRRSA) Act, December 27, 2020 (P.L. 116-260), https://www.acf.hhs.gov/occ/data/crrsa-2021-allocations-states-and-territories

65 American Rescue Plan Act (ARPA), March 11, 2021, P.L. 117-2), https://www.acf.hhs.gov/occ/data/arpa-supplemental-stabilization-and-ccdf-discretionary-funding-allocation-tables-states

66 Alabama Department of Human Resources, Child Care Subsidy Payments, July 2022. https://dhr.alabama.gov/wp-content/uploads/2022/06/2022_06_24_14_42_03.pdf

67 Alabama Department of Human Resources, Temporary Assistance for Stabilizing Child Care (TASCC) Grant I. July 2020. Announcement, https://dhr.alabama.gov/alabama-dhr-announces-grants-providing-temporary-assistance-for-stabilizing-child-care/; Guidance https://dhr.alabama.gov/wp-content/uploads/2020/07/TASCC-Grant-Guidance.pdf

68 Alabama Department of Human Resources, Temporary Assistance for Stabilizing Child Care (TASCC) Grant II. April 2021. Announcement, https://dhr.alabama.gov/alabama-dhr-announces-second-round-of-pandemic-grants-for-child-care-providers/

69 Alabama Department of Human Resources, Family Child Care Enhancement (FCCE) Grant. May 2021. https://dhr.alabama.gov/wp-content/uploads/2021/05/FCCE-Grant-App-5-21.pdf

70 Alabama Department of Human Resources, Provider Payment Rates, April 2022. https://dhr.alabama.gov/wp-content/uploads/2019/11/Provider-Rates-with-QRIS-Tiers-April-1-2022-b.pdf

71 Alabama Department of Human Resources, Temporary Assistance for Stabilizing Child Care (TASCC) Grant IV. May 2022. https://dhr.alabama.gov/wp-content/uploads/2022/05/TASCC-4-Grant-Guidance.pdf

72 Alabama Department of Human Resources. Child Care Providers Encouraged to Apply for DHR Grants, May 2023. https://dhr.alabama.gov/child-care-providers-encouraged-to-apply-for-dhr-grants/

73 Alabama Department of Human Resources, Child Care Stability Grants. September 2023. https://dhr.alabama.gov/wp-content/uploads/2023/09/September-2023-Child-Care-Stability-Grant-Announcement.pdf

74 Alabama Department of Human Resources, Child Care Workforce Stabilization Grants. October 2021. https://dhr.alabama.gov/wp-content/uploads/2021/11/TCR_ccws-grant-application-Final-1.pdf

75 Alabama Department of Human Resources. Alabama DHR Increases Bonuses for Child Care Workers, July 2022. https://dhr.alabama.gov/alabama-dhr-increases-bonuses-for-child-care-workers/

76 Alabama Department of Human Resources. Child Care Assistance for Healthcare Community, May 2020. https://dhr.alabama.gov/child-care-assistance-for-healthcare-community/

77 Alabama Department of Human Resources. Income Eligibility and Fee Criteria. January 2022. https://dhr.alabama.gov/wp-content/uploads/2020/10/ChildCareFactSheet-Jan-2023-c.pdf

78 Alabama Department of Human Resources. Alabama Quality STARS Incentive Payment Information. October 2021. https://alabamaqualitystars.org/alabama-quality-stars-bonus-incentive-schedules/

79 The Child Care and Development Block Grant, 42 U.S. Code Subchapter II–B, https://www.law.cornell.edu/uscode/text/42/chapter-105/subchapter-II-B

80 Ibid.

81 U.S. Department of Health and Human Services, Administration for Children and Families (ACF), Office of Child Care, 45 CFR Part 98, RIN 0970–AC67, Child Care and Development Fund (CCDF) Program, Final Rule, September 30, 2016. https://www.gpo.gov/fdsys/pkg/FR-2016-09-30/pdf/2016-22986.pdf

82 Ibid.

83 Alabama Department of Human Resources, 2021 Child Care Market Rate Survey Final Report, https://dhr.alabama.gov/wp-content/uploads/2021/06/Alabama-2021-Child-Care-Market-Rate-Survey_June-29_FINAL.pdf

84 U.S. Census Bureau, Household Pulse Survey Data Series. https://www.census.gov/programs-surveys/household-pulse-survey/data.html

85 Ibid.

86 U.S. Census Bureau, Household Pulse Survey, Table 2. Paying for Childcare and Cost in the Last 7 Days, by Select Characteristics, April 26 – May 8, 2023.

87 Ibid.

88 Committee for Economic Development (CED) of The Conference Board, the Alliance for School Readiness, Alabama Partnership for Children, and Voices for Alabama's Children, Child Care Affordability Calculator. https://alavoices.org/child-care/

89 The Child Care and Development Block Grant, 42 U.S. Code Subchapter II–B, https://www.law.cornell.edu/uscode/text/42/chapter-105/subchapter-II-B

90 Alabama Department of Human Resources, Child Care Subsidy Income Eligibility and Fee Criteria. https://dhr.alabama.gov/wp-content/uploads/2020/10/ChildCareFactSheet-Jan-2023-c.pdf

91 Alabama Department of Human Resources, June 2022; 2022 Alabama Kids Count Data Book, Voices for Alabama's Children, 2023. https://alavoices.org/2022-alabama-kids-count/

92 The Child Care and Development Block Grant, 42 U.S. Code Subchapter II–B, https://www.law.cornell.edu/uscode/text/42/chapter-105/subchapter-II-B

93 U.S. Census Bureau, Table B17024, Age by Ratio of Income to Poverty Level in the Past 12 Months, 2021 American Community Survey, 1 Year Estimates. https://data.census.gov/table?q=b17024&g=0400000US01&tid=ACSDT1Y2021.B17024

94 Governor Kay Ivey Announces "Success Plus" Initiative to Prepare State's Workforce, May 18, 2018. https://governor.alabama.gov/newsroom/2018/05/governor-kay-ivey-announces-success-plus-initiative-to-prepare-states-workforce/

95 Governor Ivey Shares Progress Report on Attainment Goal, Alabama Workforce Skills Up, July 14, 2022. https://governor.alabama.gov/newsroom/2022/07/governor-ivey-shares-progress-report-on-attainment-goal-alabama-workforce-skills-up/

96 Who Cares About Childcare? Public Affairs Research Council of Alabama Annual Forum, March 2023. https://parcalabama.org/who-cares-about-childcare-parca-annual-forum-2023/

97 Alabama Department of Early Childhood Education, Connections for Early Care and Education, 2019 PDG B-5 Needs Assessment Report, https://children.alabama.gov/wp-content/uploads/2021/09/22.-Educators-Preschool-Development-Grant-2019-PDG-B-5-Needs-Assessment-Report.pdf

98 Alabama Department of Early Childhood Education, Connections for Early Cre and Education, 2019 PDG B-5 Strategic Plan Report, 2021. https://children.alabama.gov/wp-content/uploads/2021/09/22.-Educators-Preschool-Development-Grant-2019-BDG-B-5-Strategic-Plan-Report.pdf

99 Alabama Department of Early Childhood Education, Connections for Early Care and Education, 2019 PDG B-5 Needs Assessment Report, https://children.alabama.gov/wp-content/uploads/2021/09/22.-Educators-Preschool-Development-Grant-2019-PDG-B-5-Needs-Assessment-Report.pdf

100 U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Care, Preschool Development Grant Birth through Five Grant Competition, FY2018 PDG B-5 Grant Awardees. https://www.acf.hhs.gov/occ/grant-funding/preschool-development-grant-birth-through-five-grant-competition

101 U.S. Department of Health and Human Services, Provider Cost of Quality Calculator, https://childcareta.acf.hhs.gov/pcqc

102 At least 18 states have completed a cost model report: California, Connecticut, Delaware, District of Columbia, Georgia, Illinois, Kansas, Kentucky, Maryland, Minnesota, New Mexico, New York, North Carolina, Oklahoma, Oregon, Pennsylvania, Virginia, Washington. (This does not include the "narrow cost analysis" required under the FY2022-2024 Child Care and Development Fund (CCDF) State Plan, which some states included in their market rate survey reports).

103 U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Care, COVID Investments in Child Care: Supporting Children, Families, and Providers, May 2023. https://www.acf.hhs.gov/occ/infographic/covid-investments-child-care-supporting-children-families-and-providers

104 The Nevada Registry. Telehealth Services Benefit Program available to Registry members. https://www.nevadaregistry.org/news-updates/what-is-the-telehealth-services-benefit-program/

105 Optima Benefits and Payroll is available to answer questions 585-506-4000 or info@optimabenefitsgroup.com. Group discounts are possible.

106 DC Announces Free Health Insurance for Child Care Workers and their Families, Under 3 DC, September 20, 2022. https://under3dc.org/healthcareforchildcareworkers/

107 Washington State Department of Children, Youth, and Families, Child Care Workers May Be Eligible for $0 Health Care Premiums, March 10, 2022. https://www.dcyf.wa.gov/news/child-care-workers-may-be-eligible-0-health-care-premiums; Health Care Premium Assistance for Employees of Child Care Facilities, https://www.wahbexchange.org/partners/sponsors/childcare/

108 Elharake JA, Shafiq M, Cobanoglu A, Malik AA, Klotz M, Humphries JE, et al. Prevalence of Chronic Diseases, Depression, and Stress Among US Childcare Professionals During the COVID-19 Pandemic. Prev Chronic Dis 2022;19:220132. https://www.cdc.gov/pcd/issues/2022/22_0132.htm

109 922 KAR 2:160. Child Care Assistance Program. https://apps.legislature.ky.gov/law/kar/titles/922/002/160/

110 U.S. Department of Health and Human Services, Office of Child Care, Webinar: Exploring Strategies to Increase Compensation and Benefits for the Early Childhood Workforce, September 14, 2022. https://www.youtube.com/watch?v=EgbxukatKsY

111 Andrea Day, Director, Kentucky Division of Child Care, information shared at the T.E.A.C.H. conference on April 27, 2023 in Chapel Hill, NC.

112 ECE Shared Resources Platform, CCA Global for Social Good, participating states. https://www.ecesharedresources.com/working-with-us/partners-impact/

113 Bipartisan Policy Center, Child Care Gap Assessment. https://childcaregap.org/

114 Alabama Department of Human Resources, Licensed Child Care Program Data 2013- 2023.

115 U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Care, COVID Investments in Child Care: Supporting Children, Families, and Providers, May 2023. https://www.acf.hhs.gov/occ/infographic/covid-investments-child-care-supporting-children-families-and-providers

116 Texas Workforce Commission, Texas Workforce Commission Provides Additional Support for Creation and Expansion of Child Care Businesses in Texas, June 1, 2022. https://www.easttexasworkforce.org/texas-workforce-commission-provides-additional-support-for-creation-and-expansion-of-child-care-businesses-in-texas

117 Ibid.

118 Montana Department of Public Health and Human Services, Early Childhood and Family Support Division, Child Care Provider Financial Assistance Program. https://b24081b8-d272-4938-b37f-4bcab877b515.usrfiles.com/ugd/b24081_aa758396dba542e8855de4ab4ec0a438.pdf

119 Cabinet for Health and Family Services, Division of Child Care, One-time Start Up Grants for Family Child Care Homes, https://www.chfs.ky.gov/_layouts/download.aspx?SourceUrl=https://www.chfs.ky.gov/agencies/os/oas/Documents/Revised%20-%20Family%20Child%20Care%20Provider%20Start%20Up%20Grant%20Application.docx

120 Tennessee Department of Human Services, Child Care Incentives, Grants and Supports, Child Care Enhancement Grants. https://www.tn.gov/humanservices/for-families/child-care-services/child-care-resources-for-providers/wages--mini-grants-and-more.html

121 Alabama School Readiness Alliance, Child Care Provider Survey Summary, April 2023. https://users.neo.registeredsite.com/0/8/7/11474780/assets/Child_Care_Provider_Survey_Analysis_April_15_2023.pdf

122 University of Alabama Child Care Physical Needs Survey, 2021. Summary Results. https://users.neo.registeredsite.com/0/8/7/11474780/assets/AL_Child_Care_Capacity_Summary_Sept_7_2022.xlsx

123 Alabama Department of Human Resources, Temporary Assistance for Stabilizing Child Care (TASCC) Grants. https://dhr.alabama.gov/child-care/

124 Erikson Institute, The Shifting Supply of Regulated Family Child Care in the U.S., 2021. https://www.erikson.edu/wp-content/uploads/2021/03/The_shifting_supply_of_regulated_FCC_in_the_US_2021_LITREVIEW.pdf

125 U.S. Department of Health and Human Services, National Center on Early Childhood Quality Assurance, 2021. Addressing the Decreasing Number of Family Child Care Providers in the United States. https://childcareta.acf.hhs.gov/sites/default/files/new-occ/resource/files/addressing_decreasing_fcc_providers_revised_march2020_final.pdf

126 California Health and Safety Code § 1597.30 et seq.; California Health and Safety Code §1597.40; California Health and Safety Code §1597.45

127 Conn. Gen. Stat. § 8-2. Conn. Gen. Stat. Ann. § Sec. 19a-87b.

128 Kentucky Revised Statutes § 199.8982

129 New Jersey Title 40 - Municipalities and Counties Section 40:55D-66.5b; 40:55D-66.5a. Findings, declarations

130 New York N.Y. Soc. Serv. Law § 390(12)(a)

131 Oklahoma, HB2452 enacted in 2023.

132 Oregon O.R.S. § 329A.440

133 Washington State RCW 36.70A.450

134 Zoom meeting with Ben Gies, Prichard Committee, Kentucky Zoning October 6, 2021.

135 National Institute for Early Education Research (NIEER), THE STATE OF PRESCHOOL 2022, April 2023. https://nieer.org/wp-content/uploads/2023/05/YB2022_FullReport.pdf

136 Alabama Department of Human Resources, Alabama Child Care and Education Professional Development System, 2022. https://www.alabamapathways.org/api/file/s/Alabama-Pathways-Report

137 Ibid.

138 Ibid.

139 Alabama Department of Human Resources, https://www.alabamapathways.org/

140 Alabama Department of Human Resources, Alabama Child Care and Education Professional Development System, 2022. https://www.alabamapathways.org/api/file/s/Alabama-Pathways-Report

141 The National Workforce Registry Alliance, Powerful ECE Registry Data is Key to Informing Workforce Compensation Policy and Strategies, December 9, 2022. https://www.registryalliance.org/the-power-of-registry-data-to-inform-ece-workforce-compensation/

142 Ibid.

143 Alabama Department of Human Resources, https://www.alabamapathways.org/

144 Child Care Services Association, Raleigh, NC, National T.E.A.C.H. Center, T.E.A.C.H. Results. https://www.teachecnationalcenter.org/teach-early-childhood/results/

145 Alabama Partnership for Children, https://alabamapartnershipforchildren.org/our-work/t-e-a-c-h/#1553812436734-07727f9d-2a38

146 Child Care Services Association, Raleigh, NC, T.E.A.C.H. Early Childhood National Center, T.E.A.C.H. is more than scholarships. https://teachecnationalcenter.org/wp-content/uploads/2016/10/TEACH-WORK-FY17.pdf

147 Child Care Services Association, Raleigh, NC, T.E.A.C.H. Annual Compendium of State Accomplishments, December 2022. https://www.teachecnationalcenter.org/wp-content/uploads/2022/12/FY22-Compendium-FINAL-12.9.22-3.pdf

148 Alabama Partnership for Children, Retention Incentive Stipends. https://alabamapartnershipforchildren.org/wp-content/uploads/2022/12/2022-Retention-Incentive-Application.pdf

149 Alabama Department of Human Resources, Alabama Pathways, Alabama Child Care and Education Professional Development System, 2022. https://www.alabamapathways.org/api/file/s/Alabama-Pathways-Report

150 Alabama School Readiness Alliance, Alabama's First Apprenticeship for Early Childhood Educators Established, October 2021. https://www.alabamaschoolreadiness.org/alabamas-first-apprenticeship-for-early-childhood-educators-established/

151 Yellowhammer News, First Early Childhood Educator Apprenticeship established in Alabama, November 9, 2021. https://yellowhammernews.com/first-early-childhood-educator-apprenticeship-established-in-alabama/

152 Troy Today, TROY, partners establish first early childhood education apprenticeship, October 28, 2021. https://today.troy.edu/news/troy-partners-establish-first-early-childhood-education-apprenticeship/

153 Center for the Study of Child Care Employment, Worthy Work, STILL Unlivable Wages, The Early Childhood Workforce 25 Years after the National Child Care Staffing Study, 2014. https://cscce.berkeley.edu/publications/report/worthy-work-still-unlivable-wages/

154 Louisiana School Readiness Tax Credits, https://www.revenue.louisiana.gov/IndividualIncomeTax/SchoolReadinessTaxCredit

155 Louisiana School Readiness Tax Credits, §6106. Credit for child care directors and staff. http://legis.la.gov/Legis/Law.aspx?d=453235

156 Louisiana School Readiness Tax Credits, Louisiana Department of Revenue and Louisiana Department of Education. Louisiana School Readiness Cost Distribution Table, 2023. https://www.ced.org/pdf/SRTC_Tax_Credit_Slide_April_14_2023.pptx

157 Louisiana Department of Education, School Readiness Tax Credit Guidance, June 2020. https://www.louisianabelieves.com/docs/default-source/early-childhood/school-readiness-tax-credits-(srtc)-guidance.pdf?sfvrsn=5

158 Maine Department of Health and Human Services, Early Childhood Educator Workforce Salary Supplement Program. https://www.maine.gov/dhhs/ocfs/provider-resources/early-childhood-educator-workforce-salary-supplement-program

159 Illinois Department of Human Services, Division of Early Childhood, Great START Wage Supplement Program. https://www.ilgateways.com/financial-opportunities/great-start

160 Child Care Services Association, North Carolina Child Care WAGE$ Program. https://www.childcareservices.org/programs/wages/

161 Child Care Services Association, Infant-Toddler Educator AWARD$® Plus. https://www.childcareservices.org/programs/awards/

162 U.S. Census Bureau, Census Household Pulse Survey October 18 - October 30, 2023. Table 3a. Educational Attainment for Adults Not Working at Time of Survey, by Main Reason for Not Working and Source Used to Meet Spending Needs. https://www2.census.gov/programs-surveys/demo/tables/hhp/2023/wk63/employ3_week63.xlsx

163 U.S. Census Bureau, Census Household Pulse Survey ,October 18 - October 30, 2023. Table 1. Difficulty Paying Usual Household Expenses in the Last 7 Days, by Select Characteristics. https://www2.census.gov/programs-surveys/demo/tables/hhp/2023/wk63/spending1_week63.xlsx

164 U.S. Census Bureau, Census Household Pulse Survey, April 26 – May 8, 2023. Table 2. Paying for Childcare and Cost in the Last 7 Days, by Select Characteristics. https://www2.census.gov/programs-surveys/demo/tables/hhp/2023/wk57/educ2_week57.xlsx

165 Committee for Economic Development (CED) of The Conference Board, The Economic Role of Paid Child Care in the U.S. – A Report Series, Part I, 2022. https://www.ced.org/paidchildcare?page=part-1

166 Center on the Developing Child, Harvard University, Brain Architecture. https://developingchild.harvard.edu/science/key-concepts/brain-architecture/

167 Alabama Department of Early Childhood Education, Alabama's First Class Pre-K Program Outcomes and Impacts: A Summary of Most Recent Results, https://children.alabama.gov/wp-content/uploads/2021/09/Alabama-FCPK_Summary-of-Research-Evaluation-Results_January-2020.pdf

168 Alabama Department of Early Childhood Education, First Class Pre-K Funding and Access, 2022. https://children.alabama.gov/wp-content/uploads/2022/03/PK-Funding-Access-History.xlsx

169 Alabama Department of Human Resources, Child Care Income Eligibility and Fee Criteria. https://dhr.alabama.gov/wp-content/uploads/2020/10/ChildCareFactSheet-Jan-2023-c.pdf

170 The Child Care and Development Block Grant, 42 U.S. Code Subchapter II–B, https://www.law.cornell.edu/uscode/text/42/chapter-105/subchapter-II-B

171 U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation (ASPE), 2023 Federal Poverty Guidelines. https://aspe.hhs.gov/sites/default/files/documents/f7117d0642f0eeeb102c9b2c264f1aa2/detailed-guidelines-2023.xlsx

172 U.S. Census Bureau, Table S1903, Median Income in the Past 12 Months, 2021 American Community Survey, 1-Year Estimates. https://data.census.gov/table?q=s1903&g=040XX00US01$0500000,01&tid=ACSST1Y2021.S1903

173 U.S. Census Bureau, Table B17024, Age by Ratio of Income to Poverty Level in the Past 12 Months, 2021 American Community Survey, 1-Year Estimates. https://data.census.gov/table?q=b17024&g=040XX00US01$0500000,01

174 Ibid.

175 U.S. Census Bureau, American Community Survey Estimates, Public Use Microdata Sample 2021, Alabama. https://data.census.gov/

176 Ibid.

177 Alabama Department of Human Resources, Subsidy Overview. https://dhr.alabama.gov/child-care/subsidy-overview/

178 Urban Institute, CCDF Policies Database. June 2023. https://ccdf.urban.org/search-database

179 Alabama Family Central. https://alabamafamilycentral.org/

180 Alabama Department of Early Childhood Education, Preschool Development Grant Birth to Five Renewal Grant Proposal, 2022. https://children.alabama.gov/wp-content/uploads/2021/09/22.-Educators-Preschool-Development-Grant-Alabamas-PDG-B-5-Renewal.pdf

181 Alabama Department of Early Childhood Education, Governor Ivey Announces Creation of the Alabama Family Central Website, September 30, 2020. https://children.alabama.gov/7304/governor-ivey-announces-creation-of-the-alabama-family-central-website/

182 Help Me Grow National Center, Reflecting on 25 Years of the Help Me Grow Model and the Future of Family Engagement, January 24, 2022. https://helpmegrownational.org/reflecting-on-25-years-of-the-help-me-grow-model-and-the-future-of-family-engagement/

183 Alabama Help Me Grow. https://helpmegrowalabama.org/

184 Alabama Help Me Grow, Resources, FAQs. https://helpmegrowalabama.org/resources/faq-3/

185 Ibid.

186 Help Me Grow Alabama use the ASQ-3 and ASQ:SE-2 in English and Spanish, https://helpmegrowalabama.org/families/developmental-screenings/

187 Alabama Partnership for Children, Gail Piggott and Lindsey DeMarco, May 30, 2023.

188 Ibid.

189 Help Me Grow Utah: Engaging families with 'Books, Blocks & Balls, https://agesandstages.com/free-resources/success-stories/help-me-grow-utah-engaging-families-books-blocks-balls/

190 Help Me Grow Alabama, Books, Balls & Blocks- An Opportunity to Detect Development Delay, https://helpmegrowalabama.org/resources/bbb/

191 Ibid.

192 Alabama Partnership for Children, Gail Piggott and Lindsey DeMarco, May 30, 2023.

193 Ibid.

194 U.S. Department of Education, Child Care Access Means Parents in School (CCAMPIS). Applicant Information. https://www2.ed.gov/programs/campisp/applicant.html

195 U.S. Department of Education, Child Care Access Means Parents in School (CCAMPIS). Awards. https://www2.ed.gov/programs/campisp/awards.html

196 Ibid.

197 Campus Child Care Critical in Raising Single Mothers' Graduation Rates, Diverse Issues in Higher Education, June 6, 2018. https://www.diverseeducation.com/demographics/african-american/article/15102622/campus-child-care-critical-in-raising-single-mothers-graduation-rates

198 Texas Workforce Commission, Child Care Provider Expansion Initiative, Special Communication Toolkit for Workforce Boards: Employer-Child Care Business Partnerships. https://19993137.fs1.hubspotusercontent-na1.net/hubfs/19993137/Y2%20Module%20Files/Employer%20Partnership%20Communication%20Toolkit.pdf

199 Ibid.

200 Iowa Workforce Development, Iowa Works!, Gov. Reynolds awards $26.6M in Child Care Business Incentive Grants, September 13, 2022. https://www.iowaworkforcedevelopment.gov/gov-reynolds-awards-266m-child-care-business-incentive-grants

201 Kentucky Employee Assistance Child Care Partnership Program. https://legiscan.com/KY/text/HB499/id/2589646

202 Michigan Women's Commission, Michigan Tri-Share Child Care Program. https://www.michigan.gov/mwc/initiatives/mi-tri-share-child-care

203 North Dakota Public News Service, ND Rolls Out Child Care Cost-Sharing Program, March 13, 2023. https://www.publicnewsservice.org/2023-03-13/livable-wages-working-families/nd-rolls-out-child-care-cost-sharing-program/a83441-1

204 Texas Workforce Commission, TWC Approves Additional Funding to Support Employers, Child Care Providers, Families, March 7, 2023. https://www.easttexasworkforce.org/twc-approves-additional-funding-to-support-employers-child-care-providers-families

205 Texas Workforce Commission, Child Care Provider Expansion Initiative, Special Communication Toolkit for Workforce Boards: Employer-Child Care Business Partnerships. https://19993137.fs1.hubspotusercontent-na1.net/hubfs/19993137/Y2%20Module%20Files/Employer%20Partnership%20Communication%20Toolkit.pdf

206 Texas Workforce Commission, TWC Approves Additional Funding to Support Employers, Child Care Providers, Families, March 7, 2023. https://www.easttexasworkforce.org/twc-approves-additional-funding-to-support-employers-child-care-providers-families

207 Wisconsin Department of Children and Families, Partner Up! Grant Program. https://dcf.wisconsin.gov/childcare/projectgrowth/partner-up

208 Committee for Economic Development (CED) of The Conference Board, Tax Credit Corner – State Tax Credits for Child Care, https://www.ced.org/child-care-state-tax-credits

209 Committee for Economic Development (CED) of The Conference Board, Tax Credit Corner – State Tax Credits for Child Care, https://www.ced.org/images/uploads/State_list_of_employer_child_care_tax_credits_alpha_list_March_2023_U74108.xlsx

210 Sample employer child care survey for employees. http://cedcctoolkitid.com/__static/dd5c590e9764c54a8a33d37fd1ecd4c9/idaeyc-employer-child-care-needs-assessment-may-2023.docx?dl=1

211 Dependent Care Assistance Plans (DCAPs). http://cedcctoolkitid.com/__static/5270643ba9cffbe930d36adf592e769d/employer-tax-incentives-one-pager-may-2023(3).pdf?dl=1

212 Child and Dependent Care Tax Credit. https://www.irs.gov/forms-pubs/about-publication-503

213 Federal Employer-Sponsored Child Care Tax Credit. http://cedcctoolkitid.com/__static/5270643ba9cffbe930d36adf592e769d/employer-tax-incentives-one-pager-may-2023(3).pdf?dl=1

214 Ibid.

215 Bipartisan Policy Center. Work is Changing: How Will it Impact Child Care? June 22, 2021. Parent Survey Slidedeck. https://bipartisanpolicy.org/wp-content/uploads/2021/06/06.21_Webcast-Event-Slides_Sophie-pdf.pdf

216 Alabama Department of Early Childhood Education, Preschool Development Grant Birth to Five Renewal Grant Proposal, 2022. https://children.alabama.gov/wp-content/uploads/2021/09/22.-Educators-Preschool-Development-Grant-Alabamas-PDG-B-5-Renewal.pdf

217 Ibid.

218 Ibid.

219 North Carolina Department of Health and Human Services, Division of Child Development and Early Education, Child Care Statistical Report. https://ncchildcare.ncdhhs.gov/County/Child-Care-Snapshot/Child-Care-Statistical-Report

220 Alabama Department of Human Resources, Child Care Services Division, Find a Child Care Provider Page. https://dhr.alabama.gov/child-care/

221 Alabama Department of Human Resources, Child Care Services Division, Capacity by County. https://dhr.alabama.gov/wp-content/uploads/2023/03/Child-Care-Capacities-by-County.pdf

222 Measuring and Mapping Child Care Access in Alabama, the University of Alabama and the University of Kansas, School of Education and Human Sciences, 2021. https://geographyedu.org/measuring-and-mapping-child-care-access-report/

223 Ibid.

224 Alabama Quality STARS, https://alabamaqualitystars.org/

225 Alabama Pathway, https://www.alabamapathways.org/

226 Alabama Arise, Enhanced child care funding makes life better for Alabama's children and families, July 2, 2019. https://www.alarise.org/resources/enhanced-child-care-funding-makes-life-better-for-alabamas-children-and-families/#_ftn1

227 Alabama Department of Human Resources, Income Eligibility and Fee Criteria. https://dhr.alabama.gov/wp-content/uploads/2020/10/ChildCareFactSheet-Jan-2023-c.pdf

228 Alabama Arise, Enhanced child care funding makes life better for Alabama's children and families, July 2, 2019. https://www.alarise.org/resources/enhanced-child-care-funding-makes-life-better-for-alabamas-children-and-families/#_ftn1

229 Alabama Department of Human Resources, Presentation to the Alabama Child Care Roadmap Workgroup, March 10, 2023. https://users.neo.registeredsite.com/0/8/7/11474780/assets/ASRA_Presentation_Faye_Nelson_March_2023.pdf

230 Ibid.

231 Ibid.

232 Ibid.

233 Alabama Child Care Safety Act of 2018, https://legiscan.com/AL/text/HB76/id/1731209

234 Alabama Department of Human Resources, Child Care Program Trends 2013 – 2023.

235 Alabama Department of Human Resources, Temporary Assistance Stabilizing Child Care (TASCC), https://dhr.alabama.gov/child-care/

236 Alabama Department of Human Resources, Presentation to the Alabama Child Care Roadmap Workgroup, March 10, 2023. https://users.neo.registeredsite.com/0/8/7/11474780/assets/ASRA_Presentation_Faye_Nelson_March_2023.pdf

237 Alabama Department of Early Childhood Education, First Class Pre-K Funding. https://children.alabama.gov/wp-content/uploads/2022/03/PK-Funding-Access-History.xlsx

238 Alabama School Readiness Alliance, A $40 Million Win for Early Education and Care in Alabama, April 2022. https://www.alabamaschoolreadiness.org/a-40-million-win-for-early-education-and-care-in-alabama/

239 Alabama Legislative Services Agency, Education Trust Fund FY24 Comparison Spreadsheets. https://alison.legislature.state.al.us/fiscal-division-budget

240 New Mexico Legislative Finance Committee, 2021 Accountability Report Early Childhood. https://www.nmlegis.gov/Handouts/ALFC%20082421%20Item%203%20Early%20Childhood%20Accountability%20Report.pdf

241 Ibid.

242 New Mexico Constitutional Amendment 1, Land Grant Permanent Fund Distribution for Early Childhood Education Amendment, https://ballotpedia.org/New_Mexico_Constitutional_Amendment_1,_Land_Grant_Permanent_Fund_Distribution_for_Early_Childhood_Education_Amendment_(2022)

243 Ibid.

244 Alabama Legislative Services Agency, Kirk Fulford, Legislative Fiscal Officer, Alabama's Financial Condition, Presentation March 7, 2023. https://alison-file.legislature.state.al.us/pdfdocs/lsa/Fiscal/BudgetHearings/2023/LSA-Financial-Condition-FY24.pdf

245 Governor Ivey, Public Affairs Research Council of Alabama Annual Forum, March 2023. https://parcalabama.org/who-cares-about-childcare-parca-annual-forum-2023/

"Many Alabamians and others across the country face a dilemma in finding safe, reliable child care. As more and more Alabamians join the workforce, which is a very positive development for our state and quality of life, more working families will also need child care services. ***There is no better time than right now to address this fundamental need facing this state."***

— Alabama Governor
Kay Ivey

This publication is brought to you in partnership by:

Alabama School Readiness Alliance

www.alabamaschoolreadiness.org

VOICES FOR ALABAMA'S CHILDREN

www.alavoices.org

Alabama PARTNERSHIP FOR CHILDREN

www.alabamapartnershipforchildren.org