

Children Receiving Child Care Subsidies

DEFINITION

Children receiving child care subsidies is the number of children receiving child care that is either fully or partially paid for with a child care subsidy through the Rhode Island Department of Human Services' Child Care Assistance Program (CCAP). Child care subsidies can be used for care in a licensed child care center, a licensed family child care home, or by a license-exempt provider (family, friend, or neighbor).

SIGNIFICANCE

Families rely on child care to enable them to work and to provide the early education experiences needed to prepare their children for school. Yet the high cost of child care puts quality care out of reach for many low-income families. State child care subsidy programs help low-income families access child care.¹

Child care is the biggest living expense in most family budgets. In Rhode Island, nine out of 10 families cannot afford the average cost of child care for one infant.² A 2019 Rhode Island study of families with children under age six found that affordable child care was consistently reported as the greatest family need.³ Using the federal child care affordability guideline (no more than 7% of family income should be spent on child care), a Rhode Island family would need to earn at least \$197,000 to afford the average

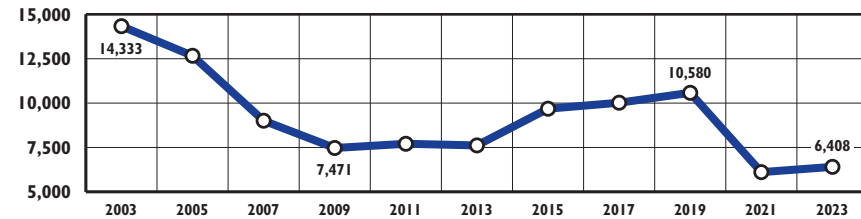
annual cost for one infant at a licensed center in 2021.^{4,5}

Rhode Island's payment rates for child care providers do not meet the federal benchmark established to ensure low-income families have equal access to the child care market. Inadequate payment rates make it difficult for families to find a program that will accept a subsidy and prevent child care programs from offering competitive wages to recruit and retain qualified early educators.⁶ Nationally, funding for state child care subsidy programs is so low that less than 20% of federally income-eligible children and families actually receive assistance. A 2021 report from the U.S. Treasury identifies several market failures that make the current child care system "unworkable" for most families.⁷

Child care educators, almost all of whom are women, and are disproportionately Women of Color, are responsible for the safety, health, learning, and development of our youngest children yet make very low wages and many are not able to meet their basic needs.⁸ At least 15 states fund wage supplements designed to improve qualifications and retention of child care teachers.⁹

In Rhode Island in 2022, the median hourly wage was \$13.97 for a child care educator, in the same range or lower than cashiers, fast food cooks, and retail salespeople.¹⁰


Child Care Subsidies, Rhode Island, Selected Years 2003-2023



Source: Rhode Island Department of Human Services, December 2003 - December 2023.

- ★ In Rhode Island, the number of children receiving a child care subsidy is less than half the number in 2003. In December 2023, there were 6,408 child care subsidies in Rhode Island, down 39% from 2019 (pre-pandemic) and 55% from the 2003 peak.¹¹
- ★ As of December 2023, 24% of children participating in CCAP were enrolled in programs with high-quality BrightStars ratings (four or five stars). Preschool-age children were more likely to be enrolled in a high-quality program (27%) than infants and toddlers (18%) or school-age children (24%). Between 2022 and 2023, the percentage of infants and toddlers in high-quality child care programs declined from 21% to 18% while the percentage of school-age children in high-quality programs increased from 19% to 24%.¹²
- ★ In December 2023, more than half (52%) of subsidies were used by families with incomes at or below the federal poverty level (FPL) and only 5% were used by families with incomes over 200% FPL. Three out of four (75%) child care subsidies were used by low-income working families not receiving cash assistance and 18% were used by families receiving cash assistance. Another 7% of child care subsidies were used for children involved in the child welfare system.¹³


Average Annual Cost for Full-Time Child Care, Rhode Island, 2021

PROGRAM TYPE	COST PER CHILD
Child Care Center (infant care)	\$13,780
Child Care Center (preschool care)	\$11,700
Family Child Care Home (preschool care)	\$9,750
School-Age Center-Based Program (child age 6-12)	\$8,684

Source: Rhode Island KIDS COUNT analysis of average weekly rates from Public Consulting Group. (2021). *Rhode Island Department of Human Services (DHS) 2021 Child care market rate survey report*. Retrieved April 2, 2022, from www.dhs.ri.gov

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Table 34.

Child Care Subsidies, Rhode Island, December 2023

CITY/TOWN	SUBSIDY USE BY CHILD RESIDENCE*			TOTAL CHILD CARE SUBSIDIES	SUBSIDY USE BY PROGRAM LOCATION			
	UNDER AGE 3	AGES 3-5	AGES 6-12+		CENTER	FAMILY CHILD CARE	LICENSE EXEMPT	TOTAL CHILD CARE SUBSIDIES
Barrington	1	7	6	14	33	0	0	33
Bristol	5	9	13	27	27	0	0	27
Burrillville	5	11	14	30	31	0	0	31
Central Falls	59	81	110	250	176	62	0	238
Charlestown	3	2	0	5	2	0	0	2
Coventry	15	39	32	86	86	0	0	86
Cranston	105	143	149	397	458	189	0	647
Cumberland	15	33	46	94	132	0	0	132
East Greenwich	3	5	3	11	46	0	0	46
East Providence	50	68	81	199	223	5	0	228
Exeter	4	6	0	10	5	0	0	5
Foster	1	0	1	2	5	0	0	5
Glocester	1	6	4	11	10	0	0	10
Hopkinton	2	2	1	5	4	1	0	5
Jamestown	1	1	0	2	0	0	0	0
Johnston	32	47	37	116	207	26	0	233
Lincoln	21	22	33	76	79	10	0	89
Little Compton	0	0	0	0	0	0	0	0
Middletown	11	21	22	54	101	0	0	101
Narragansett	3	1	0	4	0	0	0	0
New Shoreham	0	0	0	0	0	0	0	0
Newport	33	50	67	150	118	0	6	124
North Kingstown	25	18	11	54	49	0	0	49
North Providence	35	45	33	113	97	2	0	99
North Smithfield	4	7	6	17	13	0	0	13
Pawtucket	190	266	271	727	671	79	0	750
Portsmouth	3	3	2	8	6	0	0	6
Providence	585	772	970	2,327	1,198	1,099	5	2,302
Richmond	4	2	1	7	0	0	0	0
Scituate	1	3	2	6	1	0	0	1
Smithfield	6	6	8	20	29	0	0	29
South Kingstown	6	10	8	24	41	6	0	47
Tiverton	2	5	4	11	8	2	0	10
Warren	8	13	11	32	29	1	0	30
Warwick	44	85	105	234	357	13	0	370
West Greenwich	1	2	0	3	7	0	0	7
West Warwick	41	69	80	190	159	8	0	167
Westerly	10	17	18	45	52	0	0	52
Woonsocket	82	182	226	490	417	16	0	433
DCYF	159	210	80	449	NA	NA	NA	NA
Undetermined Address	2	4	0	6	NA	NA	NA	NA
Out-Of-State	NA	NA	NA	NA	1	0	0	1
Four Core Cities	916	1,301	1,577	3,794	2,462	1,256	5	3,723
Remainder of State	501	758	798	2,057	2,415	263	6	2,684
Rhode Island	1,578	2,273	2,455	6,306	4,878	1,519	11	6,408

Source of Data for Table/Methodology

Rhode Island Department of Human Services, December 2023.

DCYF is the number of children in the care of the Department of Children, Youth and Families who are receiving child care subsidies.

Out-of-State is subsidies used by Rhode Island resident children who attend child care located outside of Rhode Island; they are included in the total count for Rhode Island.

Core cities are Central Falls, Pawtucket, Providence, and Woonsocket.

NA=Not applicable

Subsidy data by age of child are reported by the child's residence. Subsidy use by program type is reported by location of the program.

*Total subsidy use by program location does not match total subsidy use by child residence, because children may be enrolled in more than one program.

The average annual cost for full-time child care was determined by multiplying the average weekly tuition rate by 52 weeks (for infants and preschoolers). For school-age children, the annual cost was determined by multiplying the average weekly tuition for before and after school care by 39 weeks and adding 13 weeks of average school vacation/summer camp tuition.

References

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