

Impact of Child Care Stabilization Grants on Programs Serving Infants and Toddlers: How Grants Helped Programs and Families, and How the End of Grants Will Hurt Them

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The infant and toddler years are the most impactful for child development and the lack of investment in those years is the most impactful for economic development—research demonstrates that babies’ brains develop fastest from birth to age three, and also shows that the nation’s infant-toddler child care crisis costs \$122 billion in lost earnings, productivity, and revenue every year.ⁱ

Safe, quality child care that serves infants and toddlers can happen in child care centers and family child care homes, as well as in the context of family, friend, and neighbor care. Safety and quality both require low staff-to-child ratios and small group sizes to support adequate supervision and critical interactions and relationship development. This places necessary constraints on capacity and supply, and also makes infant and toddler care the most difficult for families to find, and the most expensive for families to afford.ⁱⁱ At the same time, educators working with infants and toddlers are paid even less than their already underpaid peers working with older children—even though the science of early learning is as complex for children from birth through age three as it is for children in preschool, kindergarten, and the early grades.

In the midst of these challenges, exacerbated by the pandemic and resulting staffing shortages and program closures, federal child care relief made a tremendous difference for programs serving infants and toddlers and their families. Recent data from the Administration for Children and Families indicates that more than 220,000 child care programs nationwide received child care stabilization grants, helping them keep their doors open to serve children and families, including those with infants and toddlers.ⁱⁱⁱ

As the end of the stabilization grants loom, however—with some states having already provided the last of the funds to programs—the National Association for the Education of Young Children (NAEYC) took a deeper look at ECE field survey data¹ specifically focused on respondents working with infants and toddlers, to understand more about:

- › the educators working with infants and toddlers who participated in the ECE field survey
- › the impact of the stabilization grants on these educators and programs, and
- › the impact on these educators, programs, and families as stabilization funds run out.

¹Of the 12,897 total respondents to NAEYC’s ECE Field Survey from November 2022, 9,377 (73%) indicated that they work in a program serving infants and toddlers. Of those 9,377, 33% identified as directors / administrators; 35% identified as early childhood educators; and 17% as family child care owner / operators; the rest identified as coaches, professional developmental specialists or other staff. Of the 3,520 respondents who reported that they did not work in programs serving infants and toddlers, 1,435 reported that they were in a school-based setting.

Survey Respondents: Programs Serving Infants and Toddlers

Respondents to the November 2022 NAEYC ECE Field Survey working with infants and toddlers differ from other survey respondents in programs not serving infants and toddlers in meaningful ways:

- › They are more likely to report working in a minority-owned business (30.1% vs. 9.4%)
- › They are more likely to report being in the field five years or less (23.2% vs. 13.1%)
- › They are more likely to report working in programs eligible to serve children receiving subsidies (80.5% vs. 53.3%)
- › They are more likely to report working in programs currently serving children receiving subsidies (73% vs. 47.2%)

A recent report from the Urban Institute finds that, compared with the US adult population, infant-toddler teachers in center-based child care were more racially and ethnicity diverse; they are more likely to be Black or Hispanic/Latino and less likely to be White, and 30 percent speak a language other than English.^{iv}

Thirty percent of survey respondents working with infants and toddlers work in family child care homes. They are also working in programs that are disproportionately likely to be experiencing a staffing shortage:

- › **61.8% of respondents working in programs serving infants and toddlers reported that their programs were experiencing a staffing shortage**, compared to 46.1% of respondents working in non-infant/toddler serving programs (inclusive of those working in school-based settings).

- › Because of the depth of the challenges of staffing shortages in programs serving infants and toddlers, even respondents in infant/toddler serving programs receiving stabilization grant funds reported high levels of staffing shortages (64%).

Of those reporting a staffing shortage, 40.6% were reporting a longer waitlist for families; at the same time, 41.4% were reporting that they were under-enrolled relative to their preferred capacity — these are two sides of the same coin. **The staffing shortages are causing both under-enrollment and longer waitlists.**

“Although we are not at capacity due to staffing shortages, we are in a position to provide additional infant spaces in our community for when we are able to secure qualified staff.” - Child care center director, California

Financial Challenges for Educators Serving Infants and Toddlers

Average wages for infant and toddler care are at the bottom of the occupational ladder at a median hourly wage of \$11 an hour with more than half relying on public assistance even before the COVID-19 pandemic.^v These low wages disproportionately impact women of color.^{vi}

- › Nearly one-third of NAEYC survey respondents working in programs serving infants and toddlers reported that they experienced financial insecurity in the last year.

How Child Care Stabilization Grants Helped Programs, Educators, and Families

Given this challenging landscape, the reach and impact of federal child care relief funding on programs serving infants and toddlers has been extensive, and positive. Nationally, in the ECE field survey, *only 9% of respondents from programs serving infants and toddlers reported not receiving stabilization funds, compared to nearly one-quarter of those in programs not serving infants and toddlers.*

- › Of those receiving grants, **28% of respondents from programs serving infants and toddlers said their programs “would be closed without the support.”** This is more than twice as many as those from non-infant/toddler serving programs who said their programs would be closed (11%).^{vii}

- › Respondents indicated that their programs were most likely to use stabilization grant funds for supplies, bonuses for existing staff, and baseline wage increases.
- › **52.1% of respondents working in programs serving infants and toddlers received more money from a wage increase or supplement in the last year, compared with 41% of those in non-infant/toddler serving programs.**

How the End of Child Care Stabilization Grants Will Hurt Programs and Families

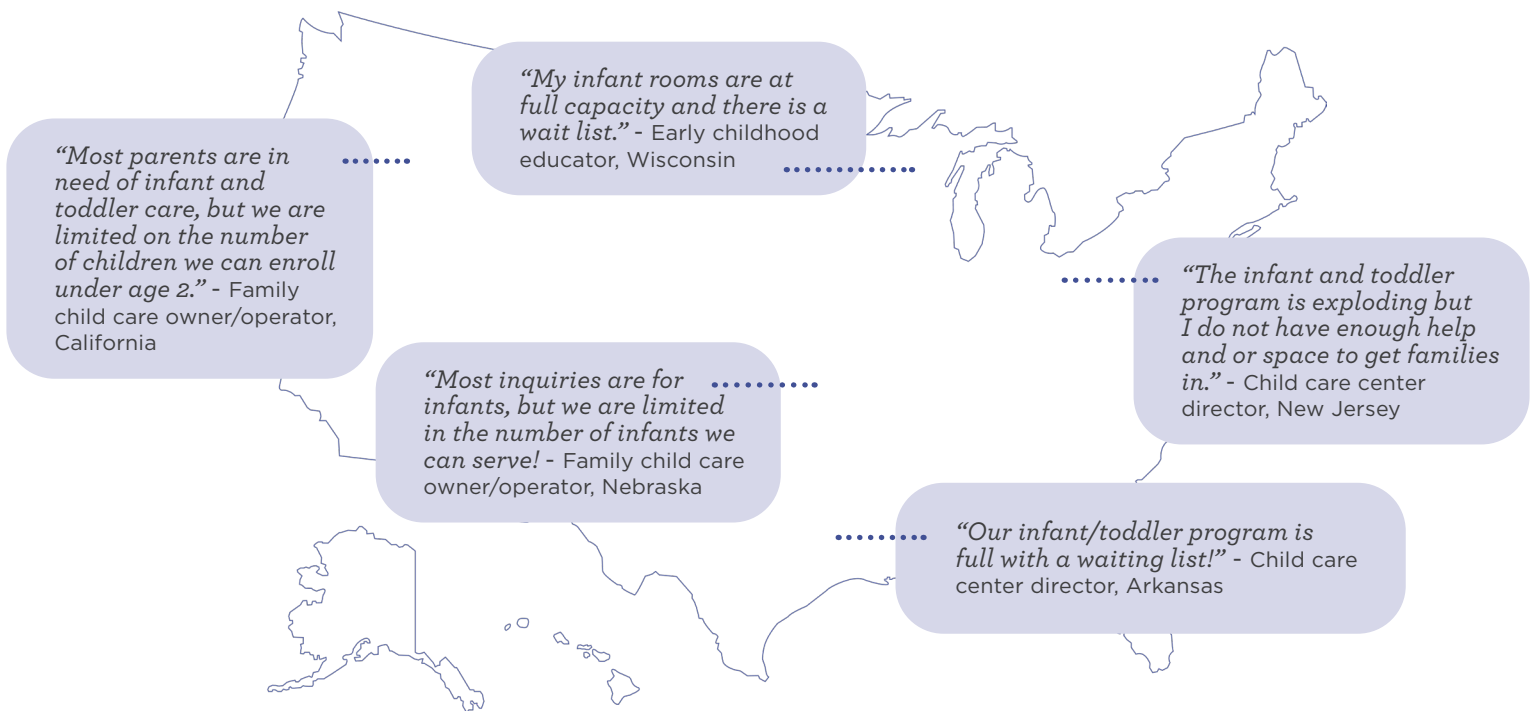
The substantial benefits of stabilization grants experienced by programs serving infants and toddlers also means that there may be substantial losses ahead for them when stabilization grants end.

Only 1 in 4 respondents working with infants and toddlers said their program “will be fine” when the stabilization grants end. That means major impacts for the other 75% of programs, educators, and families. For example:

- **More than one-third of respondents from programs serving infants and toddlers (34.5%) reported that their program will be forced to raise tuition for working parents** — at a time when infant/toddler tuition is already unaffordable for far too many families.

When stabilization grants end, the workforce impacts will be likewise substantial and inequitably felt by educators working with infants and toddlers, which will lead to negative impacts for both the supply and quality of infant / toddler child care and early learning programs:

- 29.8% of respondents from programs serving infants and toddlers reported their program will have to cut wages and/or be unable to sustain wage / salary increases (compared to 17.3% of programs not serving infants and toddlers)
- 24.7% of respondents from programs serving infants and toddlers reported their programs will have to reduce benefits to staff (compared to 12.9% of programs not serving infants and toddlers)
- 21% of respondents from programs serving infants and toddlers reported their program will lose staff (compared to 15.1% of programs not serving infants and toddlers)



Educator Recruitment and Retention

In addition to these challenges, burnout is a real, across-the-board challenge as well: as with all respondents, a vast majority of those working with infants and toddlers (79.7%) believe that burnout/exhaustion is “greatly” or to “some extent” leading to problems retaining qualified teachers, which leads to additional problems with supply now, and ahead.

The pandemic has already shone a spotlight on the need for and the limited availability of infant and toddler child care. Yet if additional resources are not invested, the availability and affordability of infant/toddler child care may continue to worsen:

- › **31.4% of respondents in programs working with infants and toddlers reported that they are considering leaving their program or closing their family child care home**, compared to 22.6% of respondents from non-infant and toddler serving programs.

- › 43.5% of respondents in infant/toddler programs who work in minority-owned businesses are considering leaving, along with:
 - 29.4% of those who have worked in the field five years or less
 - 30.1% of those working in family child care settings.

These substantial losses would:

- › Create massive pipeline challenges
- › Decrease the field’s celebrated diversity
- › Diminish families’ choices for child care settings
- › Increase educator turnover
- › Add to instability

Conclusion

It is critical to ensure that the particular needs of infants and toddlers, and the educators working with them, are intentionally and specifically addressed. There are multiple actions that federal, state, and local policymakers can take to support and invest in early childhood education programs and educators supporting infants, toddlers, and their families. One key, specific policy step is to incentivize and support educators working with infants and toddlers through targeted wage increases, access to benefits, loan forgiveness, scholarships, and subsidy rate increases.

Another key step is increasing federal investment in child care, including through the Child Care and Development Block Grant (CCDBG), Head Start and Early Head Start, and the Preschool Development Grant (PDG) in support of a robust mixed-delivery system that supports programs serving infants and toddlers.

In addition, one of the lessons elevated in the pandemic is that we don’t have care on one hand and education on the other; care and education go hand-in-hand, which is why it is particularly important to ensure that investments in child care for infants and toddlers and investments in preschool for three and four year olds move together as part of a continuum of support for children from birth to kindergarten, including center- and family-based child care and Head Start and Early Head Start.

Investing in pre-K that is provided in centers and homes alongside schools is both critical and doable.^{vii} At the same time, investing in PreK, even mixed delivery PreK, without simultaneous investments in child care that supports access to quality for infants and toddlers would further destabilize a child care system that is already struggling to survive. Infant toddler care is costly, and the revenue from older classrooms is frequently necessary in allowing programs to be able to afford to offer infant and toddler care; losing those older classrooms makes it difficult to operate without more money for the infant toddler classrooms and for converting classrooms into additional infant toddler spaces.

“With universal preschool offered through the public schools, the community-based child care sector will lose children in the older classes that support our ability to provide infant and toddler programs.”

- Child care center director, California

“I worry about the affordability of providing infant and toddler care, and how long we will be able to do so.” - Early childhood educator, Maine

NAEYC will continue to partner with our Affiliates and partners around the country to center the voices of early childhood educators working with infants and toddlers, and to support increased investment in their education and compensation in order to increase families' equitable access to quality child care and early learning across all states and settings.

Endnotes

ⁱCouncil for Strong America (2023). \$122 Billion: The Growing, Annual Cost of the Infant-Toddler Child Care Crisis. Retrieved via: <https://www.strongnation.org/articles/2038-122-billion-the-growing-annual-cost-of-the-infant-toddler-child-care-crisis>

ⁱⁱChild Care Aware of America. (2019). The U.S. and the high cost of child care. <http://usa.childcareaware.org/advocacy-public-policy/resources/research/costofcare/>

ⁱⁱⁱhttps://www.acf.hhs.gov/sites/default/files/documents/occ/National_ARP_Child_Care_Stabilization_Fact_Sheet.pdf

^{iv}Sandstrom, Heather, Michelle Casas, and Cary Lou. A National Look at Infant-Toddler Teachers in Child Care Centers. Urban Institute (2023). Retrieved via: <https://www.urban.org/research/publication/national-look-infant-toddler-teachers-child-care-centers>

^vWhitebook, M., Austin, L., Amanta, F. (2015). The Center for the Study of Child Care Employment. "Addressing Infant Toddler Teacher Compensation." <http://cscce.berkeley.edu/addressing-infant-toddler-compensation/>

^{vi}Center for the Study of Child Care Employment, Institute for Research on Labor and Employment, University of California, Berkeley. Early Childhood Workforce Index 2018. <https://cscce.berkeley.edu/early-childhoodworkforce-2018-index/>

^{vii}PreK in Family Child Care project. <https://www.erikson.edu/research/prek-in-family-child-care-project-pkfcc>