



TheChildren'sAgenda

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Executive Summary: Declining Child Care Options for Young Children

Pre-K Expansion and the Birth-3 Gap in Rochester, NY

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Executive Summary

Child care across the state and nation suffers from an extraordinary lack of public resources. Greater investments from local, state, and federal partners are needed to stabilize our community's child care system, allow child care workers to earn a living wage, and ensure children receive the care and support they need to thrive.

Child care is a critical support for families with parents participating in the labor force and children in need of a safe and developmentally appropriate environment. Research shows that high quality child care can improve school readiness and support the educational attainment of children.¹ It is also key to expanding the workforce for employers.

Unfortunately, the child care system in Rochester and Monroe County is experiencing considerable strain. While capacity has increased over the past several years for preschool aged children, options for infant and toddler care have declined significantly in the city of Rochester.

The purpose of this report is to inform leaders in Rochester, Monroe County, and New York State about the growing shortage of regulated care for young children, and to identify policies that can strengthen this crucial support for families.

Children receiving formal or regulated care before entering the K-12 school system are predominantly participating in one or more of the following settings²:

- Infant and toddler programs for children ages 6 weeks to 3 years in a child care center.
- Home-based care for children 6 weeks to 5 years, in Family or Group Family settings.
- Preschool (or Pre-K) programs for children ages 3 or 4 in a school, a child care center or a community-based organization.
 - Some of these programs operate through publicly funded Universal Pre-K (UPK) or Early Pre-K (EPK) funding³, while others are dependent on family fees and/or child care assistance programs.

This report explores the interactions between these three systems that have contributed to a significant decline in infant/toddler and home-based care in Rochester, even as preschool care is growing. Note that in this report “infant and toddler care” refers to care provided in a child care center to children age 6 weeks

¹ See <https://pediatrics.aappublications.org/content/140/2/e20171488>

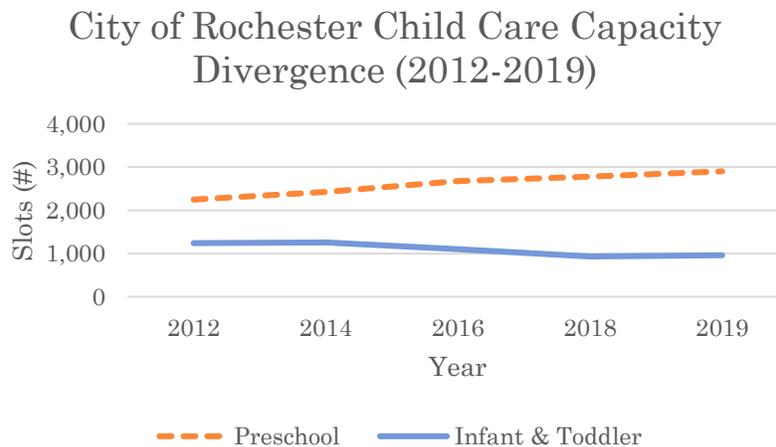
² See <https://ocfs.ny.gov/main/childcare/regs/417-FDC.pdf>

³ Though the NYS Education Department refers to 3 year old Pre-K as “Expanded Pre-K”, a clearer and more common usage in the Rochester area is “Early Pre-K”.

through the child's 3rd birthday. The comparable age group in home-based child care is children age 6 weeks through the child's 2nd birthday.

Major Findings

1. While Rochester has relatively high overall child care capacity relative to suburban Monroe communities and other upstate cities, there is a shortage of care options for children under age three. **There are approximately 9,000 children under age 3 in Rochester at any given time, but there are only 959 child care center slots for children 6 weeks to 3 years within city limits.**
2. The number of licensed preschool slots in child care centers located in the city of Rochester increased considerably (27%) from 2012 to 2019 while the number of infant and toddler slots decreased by 23% over the same period.
3. Home-based child care capacity in Rochester fell by nearly 25% from 2012 to 2019.
4. Turnover of home-based child care is a great concern in Rochester. There were 467 regulated family and group family child care programs in Rochester in 2012; by 2019, 336 (72%) had closed.
5. Expansions in New York State funded 3 and 4 -year-old Pre-K unintentionally incentivized providers to reduce infant/toddler care which has much higher costs and less stable funding sources than Pre-K.
6. State funded universal three and four-year -old Pre-K (EPK and UPK), while laudable, does not completely replace a robust child care system. Pre-K's limitations include: not providing care and education for infants and toddlers, not accommodating most parents' daily work schedule, and only providing care for approximately 70% of work days throughout a calendar year. Better coordination between EPK/UPK and child care is needed to fill these gaps for families.



Recommendations

State Policy and Funding Recommendations

1. New York State should make a meaningful commitment to establishing universal child care throughout the state by 2028, with down payments in every state budget until then, including a statewide co-pay cap, increased funding for QualitystarsNY, and universal access place-based pilots.

2. The New York State Child Care Availability Task Force should prioritize infant and toddler child care in its recommendations. The true cost of care for young children is astonishingly high, and will only rise as we take the necessary steps to improve compensation for the child care workforce. Any model to achieve universal child care should start with the youngest children.

3. New York State should explore replacing its market rate methodology with a cost-of-care reimbursement model. New York State's child care assistance or subsidy program, part of the state's Office of Children and Family Services (OCFS), currently establishes a "market rate" based on a survey of the prices charged by child care providers in different regions of New York State. This model does not account for the circumstances experienced by high poverty communities with expansive Pre-K programs like Rochester. As Pre-K becomes more universally accessible in New York, more communities might experience declines in birth-to-3 child care capacity as providers convert infant/toddler rooms to Pre-K classes since funding for Pre-K is more stable and sufficient to cover the actual costs of care. **Shifting to a cost-of-care reimbursement model, particularly for providers serving low-income communities, could increase the prevalence of infant/toddler care in many high-needs communities across New York State.** This shift would necessitate considerably higher rates for infant and toddler care, and lower rates for preschool age child care. As this model is developed, attention should be directed to ensuring that private pay families are held harmless and are not expected to pay out of pocket for the increased infant/toddler rate.

4. New York State should also consider determining eligibility for child care assistance for entire communities based on poverty rates. One potential way to ensure that private pay families are not penalized by a change to cost-based reimbursement is to create something like community eligibility for child care assistance in high poverty communities across the state. This approach, similar to the way that the federal government provides free meals to students in high-poverty school districts, would allow all families living in high poverty areas to receive subsidized child care. This approach would target resources to high poverty regions, and, if structured properly, could further efforts to achieve socio-economic and racial desegregation.

Local Policy and Funding Recommendations

Monroe County and the Rochester City School District are the major government actors with the ability to strengthen our child care system, while the City of Rochester also plays a significant role. There are specific actions these governmental bodies can take to ensure that Rochester's young children benefit from consistent, coordinated, and high quality child care.

- 1. The Rochester City School District should continue to partner with community-based organizations (CBOs) to provide EPK and UPK programming.** While this report identifies several negative trade-offs that resulted from RCSD's decision to partner heavily with CBOs, that partnership is still an enormous positive for Rochester. Had the district expanded Pre-K without them, Rochester may have experienced a greater decline in child care throughout the community. This commitment is under threat over the next several years due to the district's challenging financial position and declining enrollment.
- 2. RCSD and Monroe County should explore establishing contracted child care/Pre-K networks from infancy to school entry.** These networks, comprised of home-based child care, center-based care, and district-operated Pre-K programs, would ensure that families can receive high-quality child care from infancy through age 5, and that Pre-K programming is supported by after-school care and throughout school breaks. Home-based child care providers and child care centers that entered into these networks would contract with Monroe County and RCSD to provide care before children entered school and during breaks in education. These contracts should also contain certain quality standards and other expectations for care tied to higher reimbursement.
- 3. Monroe County and the Child Care Council (CCC) should explore strategies to better connect families with child care options and assistance paying for the cost of care.** The processes of identifying a child care provider and receiving a child care subsidy are largely disconnected from one another. Co-locating CCC staff at County facilities and County staff at the Child Care Council could help streamline the process of obtaining child care for low-income families.
- 4. As detailed in The Children's Agenda's 2019-20 City Budget Analysis⁴, the City of Rochester should use its resources to better support child care businesses that seek to operate within city limits.** This would include establishing a small, revolving loan fund for capital improvements to child care facilities (including home-based programs), allowing home-based child care businesses to access existing small business grant and loan programs, and connecting youth to careers in early childhood through recreation centers, libraries, and job fairs.

⁴ See <https://thechildrensagenda.org/publications/2019-2020-report-tca-review-of-city-of-rochesters-budget/>