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An Interdisciplinary Examination of U.S. Child Care and Suggested Federal Intervention

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Abstract:

Despite long standing issues that parents, children, and the workforce face in the U.S. child care system, federal intervention has remained minimal. My interdisciplinary capstone project examines the ways in which the federal government can intervene in the child care market and attempt to improve access to quality child care throughout the United States. I propose firstly, that the federal government incentivize state and local policymakers to reform their zoning laws and promote an increase of child care options in regions where choice is limited. Secondly, I propose funding professionalization of the childcare workforce, to increase their wages, training, and support. Most importantly, I conclude that meaningful change would require federal investment at a level we as a nation have historically been unwilling to make.
Abstract

Despite longstanding issues that parents, children, and the workforce face in the U.S. child care system, federal intervention has remained minimal. My interdisciplinary capstone project examines the ways in which the federal government can intervene in the child care market and attempt to improve access to quality child care throughout the United States. I propose firstly, that the federal government incentivize state and local policymakers to reform their zoning laws and promote an increase of child care options in regions where choice is limited. Secondly, I propose funding professionalization of the childcare workforce, to increase their wages, training, and support. Most importantly, I conclude that meaningful change would require federal investment at a level we as a nation have historically been unwilling to make.

Introduction

In 1972, the Comprehensive Child Care Act passed through Congress and arrived on President Nixon’s desk. The act would have created a national network of federally-funded child care centers, provided assistance to welfare recipients and served single and working parents on a sliding-scale payment system. It would have distributed funds through grants to communities, allowing for the program to be locally administered. Instead, right wing activists engaged in a letter-writing effort and circulated leaflets in the weeks before Nixon’s decision on whether to sign the bill into law or veto it, comparing the Act to "youth programs in Nazi Germany and to indoctrination of the young in the Soviet Union and other Communist countries."¹ Opponents declared it would destroy the nuclear family, allowing middle class parents to “farm out their children while they pursue individual careers.”² In the end, President Nixon, who originally

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supported universal child care, vetoed the Act. In his veto message, Nixon decried the $2 billion expenditure as “unreasonable,” and stated that universal child care has “family weakening implications” as it could promote women entering the workforce.

Since then, there has been no major effort to propose a national child care system in the United States, despite continuing issues within the current child care industry and the burdens it poses for families nationwide. In 2018, 51% of families lived in child care deserts, defined as an area where “a ratio of more than three young children for every licensed child care slot.” 83% of surveyed families with a child under the age of 5 reported that “finding quality, affordable child care was a serious problem in their area.” This presents a clear picture of government inaction in overhauling the childcare system when a need is evident.

In 2018, President Trump approved an increase of $2.4 billion for the Child Care Development Fund (CCDF), which is an important federal funding stream to provide child care to low-income households. The Economic Policy Institute estimates that via a multitude of funding streams, the federal government spends about $22.2 billion on child care annually. However, the Trump Administration continues to stress decreasing the costs associated with child care, and increasing the number of child care facilities, as main priorities.

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In February of 2019, the Trump Administration released a memo detailing its perspective on the child care landscape, where they acknowledge that the cost of care acts as a barrier to access, often leading women to remain at home rather than part of the workforce. The memo derides as one of the primary drivers of such high costs is something that many in the field believe is quite necessary: regulation. This memo goes on to detail the inefficiencies that regulations can produce, and while only explicitly providing zoning regulations as an example of potentially harmful regulations, states that regulations involving minimum staff-to-child ratios often drive up the cost of care and decrease the number of center-based care facilities available, suggesting that these laws may too be unnecessary.\(^8\) The Trump Administration’s 2021 budget proposal flatlines CCDF funding, and proposes a $1 billion one-time investment in states to build their supply of child care options.\(^9\)

The concept of reform to the child care and pre-k sector has been increasingly discussed as the 2020 Presidential election unfolded, and both current and former Democratic contenders for the nomination have developed opposing positions on child care regulations. Elizabeth Warren’s plan, the most thorough of any 2020 contenders’ proposals, calls for increased regulations and higher standards in the workforce while simultaneously providing universal access to childcare, which would cost an estimated $700 billion over the next ten years.\(^10\) This would represent a drastic increase in federal spending and intervention in the child care market, akin in potential magnitude only to the 1972 Comprehensive Child Care Act vetoed by Nixon.

\(^8\) Council of Economic Advisors, “Work and the Cost of Child Care.”
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To Warren, the federal government currently doesn’t do enough to guarantee quality care, and solving this issue requires increasing standards and funding.

For my capstone, I am examining the relationship between standards, regulations, and the market. This relationship has led to two viewpoints as to how the U.S. should go about increasing access to high quality child care: do away with unnecessary regulations while maintaining states’ rights to decide on child care standards as to drive the costs for consumers down, or increase federal regulation as well as funding and subsidies to ensure access to quality, affordable care. Examining the nexus of quality, federal interventions, and the market allows for a better understanding of what the potential ramifications of each pathway are, and potential steps we can take to achieve increased access and quality. Partisan stances on regulation have left little room for discussing meaningful first-steps for federal intervention. My capstone acts as this intervention, contributing a more nuanced stance on the role of the federal government in the child care market to the existing literature base.

Scope of Research & Research Questions

The central research question I explore through this capstone is:

Can federal intervention in the U.S. child care market improve access and quality in a way that is both feasible and warrants increased costs?

Prior to drawing any conclusions, I will conduct an extended literature review, seeking to answer the following questions as to inform my later policy recommendations

1. What are current plans of 2020 presidential candidates for reform in the child care market, and how are those plans informed by current issues within the child care sector?

2. What is the state of child care in America?
3. What regulations and standards exist today in the child care market?

4. What does current scientific research tell us is developmentally appropriate for children and what constitutes “high quality” care?

5. What is the relationship between the cost of care, regulations, and the quality of the care provided?

In the United States, the vast majority of children are not cared for in traditional daycare centers. For the sake of my project, I am exploring potential regulations for child care centers as well as other forms of child care such as family-based and home-based care, as I seek to understand issues that new parents face and the child care market as a whole. My research examines potential federal actions and regulations as compared to county- or state-level regulations.

Furthermore, a distinct component of my project is its aim to examine the feasible, rather than aspirational. A complete overhaul of the child care market is not likely to occur, nor is a drastic increase in U.S. spending and regulation of child care, as is sought by advocates such as Senator Warren. My project examines what, with a limited budget, the federal government can do to increase access to quality child care in the U.S. It puts contemporary policy proposals in the context of our existing knowledge base of what quality care is, and how regulations relate to cost and quality, to better understand what potential next steps the federal government can consider taking.
Structure of Essay

The essay is broken up into three substantive sections, policy recommendations, and a conclusion, as follows:

1) A review of policy proposals
2) The state of child care in America
3) What we know about quality child care
4) Personal policy recommendations
5) Limitations and conclusions

Methodology

This project relies heavily on secondary sources. The only primary sources I used are existing legislation regulating the child care market, as well as policy proposals for potential reforms.

This interdisciplinary capstone brings together the discussion of research relating to the cost and quality of child care, public policy, and child development. Bringing together such diverse bodies of literature develops a more nuanced understanding of the role that regulation and federal intervention plays in the child care market, and why it can act both as a positive force as well as a negative one. This approach allows me to better inform my final conclusions and proposal for reform to federal intervention in the child care market.

A Review of Policy Proposals

On February 24th, 2020, over a year after officially announcing his candidacy for President, Vermont Senator Bernie Sanders released his own plan for universal child care. On his website’s issues section, his plan for child care was listen eleventh, in between “Expand Social
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Security” and “Justice and Safety for All.” 11 This prioritization stands in contrast to that of Senator Elizabeth Warren, who clearly made universal child care a focusing point of her campaign as her first spending policy proposal. Other candidates who focused largely on child care, such as Senator Kirsten Gillibrand, also received fading support. Presumptive Democratic nominee Joe Biden has yet to release any substantive plan for child care reform.

This is indicative of a long-standing political trend: even with Democratic candidates who tend to support child care reform and expanding access to care and pre-k, the issue is frequently quickly set aside for more “pressing” issues; its discussion is limited typically to one question, if that, during a presidential debate. By the end of the campaign cycle, discussions surrounding reform have been tabled. Scholars agree that media has an important impact on policy, and prior research shows that media attention can influence policy changes; historical examples suggest this correlation may carry over to the media’s influence on changing child and family policy. 12 Thus, it is significant that the remaining candidate for the democratic ticket, Joe Biden, has spent little time focusing on child care as compared to many other issues. His most formidable opponent, Bernie Sanders, too chose to sideline discussions surrounding child care.

Presumptive Democratic Joe Biden has remained rather nebulous in his plans for increasing access to child care, although he still maintains access as an ideal and supports expanding universal pre-k programs nationwide. Therefore, I conduct an analysis of two opposing policies that have been outlined by leading political figures: Senator and former Presidential Candidate Elizabeth Warren and President Donald Trump. I use Senator Warren’s comprehensive proposal as a point of comparison with how the Trump Administration has

Solotar previously and continues planning on impacting the child care market. Senator Warren’s plan was a main focal point of her campaign, was released months before Senator Sanders’, and is thorough and has even been introduced into congress. It serves as an apt example of a progressive’s desire to reform the federal government’s role in the U.S. child care system, and a good counterpoint to the Trump Administration’s generally opposing policies.

<table>
<thead>
<tr>
<th>General approach (key points in policy platform)</th>
<th><strong>Warren</strong></th>
<th><strong>Trump</strong></th>
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<tbody>
<tr>
<td>Wants to focus on increasing affordability and quality of child care, with large increase in federal intervention via funding and regulations.</td>
<td></td>
<td>Has historically increased funding for child care modestly – 2021 budget proposal keeps funding for CCDBG and Head Start stagnant</td>
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<tr>
<td>Would cost of child care so families below 200% of federal poverty line pay $0, and no family spends more than 7% of their annual income on child care.</td>
<td></td>
<td>Offer $1 billion one-time investment for states to revamp the child care system, increasing access. Want employers to fund child care.</td>
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<tr>
<td>Would establish federal standards inspired by Head Start and U.S. Military child care standards.</td>
<td></td>
<td>Build supply of child care options – low income and rural areas.15</td>
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<tr>
<td></td>
<td></td>
<td>Hesitant to increase regulations in the market. Believes there should additionally be reforms that decrease regulations to increase market options.</td>
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<tr>
<th>Would focus on professionalization of the child care workforce – hoping to raise wages of similarly-credentialed child care workers to match their K-12 teacher counterparts and provide opportunities for continued training and learning.¹³</th>
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<tr>
<td>Estimated to cost $700 billion over the first decade.¹⁴</td>
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<tr>
<td>Has noted that reform to zoning laws would allow for more center-based and family-based care to open. The Council of Economic Advisers has implied that adult:child ratios unnecessarily drive up costs.¹⁶</td>
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<tr>
<td>White House aide has said the ratios weren’t targeted despite memos/statements going to the contrary.¹⁷</td>
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<td>Implies opposing professionalization of the workforce – thinks requiring degrees will drive workers out and create increased costs and debt.¹⁸</td>
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<td>Seeks to reorganize funding funnels to streamline the process.</td>
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¹⁶ Council of Economic Advisors, “Work and the Cost of Child Care.”


| Strengths | Senator Warren’s plan would cap household spending on child care at 7 percent of annual income – the number that the U.S. Department of Health and Human Services has deemed the cap for considering child care affordable.  
Would look to work with communities to maintain local control over childcare, while working within new federal guidelines.  
Focuses on the child care workforce, as well as children and families, all as significant stakeholders in thinking about federal intervention. | Federal funding has increased as compared to historic levels, but remains substantially lower than what Warren and others are proposing, making it easier to secure approvals.  
Hopes to largely keep regulations as a states’ issue, meaning limited federal hurdles.  
Focuses on parents – “Put Parents First” is the principle of his administration’s reform.  
Parents represent a numerically large proportion of overall stakeholders.  
Modernizing regulations is a nonpartisan issue – seeking to reform zoning restrictions, for example, could be universally accepted. |

20 “White House Principles for Child Care Reform.”
| Solotar | Vulnerabilities | Taxpayer cost – Warren’s plan would call for an unprecedented level of federal investment in the child care market that may be unattainable. This cost would be footed by Warren’s wealth tax, which is itself another hurdle and assumption. Raises standards for the child care workforce, which may cause a contraction in the size of the workforce. Warren’s plan calls for aligning standards with Head Start Standards—which seek for all teachers to be credentialed and either on track to earn or already obtaining an associates or baccalaureates degree. This does not include much of the workforce, as well as many of those working in family-based care. Would presumably take many years to plan, create, and then implement. | Does not focus on workforce – salary or professionalization. While children are of course mentioned in these proposals, their focus largely is secondary to parents and national workforce participation. Decreasing already limited standards – relating to teacher ratios for example – might be dangerous and go against a child’s best interests. Does little to “shake up” the child care market and address major concerns. |

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<tr>
<th>Philosophy/Values</th>
<th>Views children and families as primary stakeholders – said in her announcement of her plan, “We must do better for our kids — and our parents.” Additionally, sees workers as stakeholders, who need higher wages and opportunities for increased training. Sees child care as a public good, necessitating federal investment.</th>
<th>Focuses on child care as a benefit for increasing parental participation in the workforce. Believes child care options should be expanded and funded through the public market.</th>
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| Existing regulations | To receive funding from the CCDF, states are required to outline certain regulations, but child care providers are essentially held to no federal guidelines. States must have standards in 10 different health and safety areas. They must require background checks, and properly report potential child abuse. States are required to establish licensing guidelines, as well as training requirements. An understanding of what these state guidelines and regulations is included in a later portion of this proposal. | 22 Elizabeth Warren, “My Plan for Universal Child Care,” *Medium* (blog), February 19, 2019, https://medium.com/@teamwarren/my-plan-for-universal-child-care-762535e6c20a.
24 “Child Care and Development Block Grant Act (CCDBG) of 2014: Plain Language Summary of Statutory Changes,” Office of Child Care |
| Regulations | Training: Warren seeks to invest in worker training and professional development for the child care workforce. She looks to Head Start standards for guidance in developing federal standards, implying the possibility that teachers would be required to attain an associates or baccalaureate degree. | Training: Seeks to use grants to incentivize states to apply apprenticeship models to the child care workforce, instead of promoting college degrees or other forms of accreditation. |
| Add/Keep/drop | Pay for workers: Would federally require an increase in pay for child care workers to levels comparable to similarly accredited k-12 teachers. | Pay for workers: Does not meaningfully address workforce pay. Seeks to maintain nonexistent legislation on increasing child care pay. |
| | Cost to parents: Would increase federal funding and presence as to cap spending on child care at 7% of annual income. | Cost to parents: Seeks to decrease federal guidelines as to increase access and lower costs |
| | Standards/Quality: Would create federal standards for safety and quality based on the U.S. military child care programs and Head Start programs. | Standards/Quality: Decrease federal guidelines for receiving CCDF or CCDBG. Would use a $1 billion grant to incentivize states to decrease regulations deemed unnecessary. |
As outlined above, Senator Warren’s plan would significantly change the federal government’s role in overseeing and funding the child care market. It would borrow from Head Start standards, and develop a federal system of child care regulations for improving quality in the child care market that has yet to exist. Furthermore, it would require a historic investment in child care.

In contrast, President Trump’s recent proposals and actions represent relative apathy in enacting federal intervention, instead focusing on changes that could decrease the cost of child care without meaningfully affecting quality. Dr. Edward Zigler, psychologist and former director of the Office of Child Development, noted that one of our nation’s greatest issues with child policy “has been in neglecting or ignoring incontrovertible research findings when developing policy and allocating research funding.” 25

Inserting these policies into the conversation with what we already know about quality care, studies on the relationship between cost, quality, and regulations, as well as an understanding of the state of child care in America today, allows me to best discuss where federal intervention is both feasible and useful. These elements were kept in mind when

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carrying out an extensive literature review into the field’s prior research, and helped inform my own policy recommendations later on in this capstone.

State of Child Care in America: Where do the Kids go?

While this capstone is examining regulations within the child care market, it is important to acknowledge and understand that today, the majority of child care settings are unregulated. This includes relative care (e.g. a grandparent or other relative taking care of the child) as well as unregulated family day care providers, defined as those who “care for two or more children outside of the child’s home.”26 About 13 percent of children in 2005 were taken care of in nonrelative home-based “family day care.” An additional one quarter of children under the age of 5 were taken care of in center-based arrangements, with the rest watched by their mothers and other relatives such as grandparents or siblings. As will be described below, the amount of time children spend in nonparental care, and the type of care chosen, varies along many classifications including maternal employment, geographic residency, race, and income.

In 1980, 50% of single women with children were part of the workforce; this number increased to 72% by 2009.27 This ramp up in women in the workplace has logically been met with an increase in nonmaternal care. Mothers who work full-time were more likely to utilize nonrelative care for their preschool aged children as compared to mothers who work part-time, supporting the notion that as mothers continue to enter the workforce, the need for child care increases.28 Furthermore, the cost and accessibility of childcare can have an effect on maternal

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workforce participation, with one study showing that the cost of childcare affects a mother’s decision to enter the workforce or apply for social welfare.29

As described above, as women leave their historical role as primary caretaker and enter the workforce, there is an increased need for child care. Where these children end up often is determined by what sort of care is accessible, and where parents send their children is often affected by income disparities – families in poverty with an employed mother tended to rely on relatives such as grandparents to a greater extent than those living above the poverty line, who are more likely to enroll their child in some form of organized care. While oftentimes this is by choice, it is known that low-income families spend a greater proportion of their income on childcare, and are more likely to seek out informal child care arrangements.30

The cost of center-based infant care can act as a barrier to entry for many low-income households. Child care is most expensive at the infant level, decreasing in toddler care and again at the pre-k age. A family of three, living at the federal poverty line, would need to spend 83% of their income on center-based toddler care.31 The type of care provided in these home-based care environments that is more frequently utilized by low-income households can be of varying quality, but research has shown it is often lower-quality than that provided by center-based care; one study found center-based care to provide children with more cognitive stimulation and better child-teacher interactions, while additionally tending to provide more structured academic activities and curricula.32

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29 Gorry and Thomas, “Regulation and the Cost of Childcare.”
31 Gorry and Thomas, “Regulation and the Cost of Childcare,” 4139.
Accessibility moves beyond cost. Another barrier to entry for regulated child care is physical access, with families oftentimes living in locations that don’t have regulated care nearby. In 2018, 51% of families lived in child care deserts, defined as an area where “a ratio of more than three young children for every licensed child care slot.”

Hispanic and Latino families are disproportionately affected by child care deserts; those who are in the bottom quintile of income, across suburban, rural, and urban neighborhoods, are more likely to live in a child care desert than their top quintile counterparts. While child care centers and homes are necessary for providing quality care to children, they are often seen as a nuisance in neighborhoods, and can be opposed by residents as a potential source of traffic and noise. Oftentimes, this can lead to zoning regulations that prohibit center-based and family-based centers from establishing themselves in those neighborhoods. The result of these compounding issues is a lack of accessible, quality care; 83% of surveyed families with a child under the age of 5 reported that “finding quality, affordable child care was a serious problem in their area.”

The Child Care Workforce

Historically, there has been a delegitimization of the child care workforce and the amount of work that goes into caring for a child, and acknowledging the lack of support, both financial as well as professional, that child care workers receive is crucial in understanding how the child care market currently operates. At the introduction of the 2018 `Early Childhood Workforce

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Index is the notion that child care workers are unable to receive “professional pay” for their work due to inadequate public financing.\(^{37}\)

Demographically, the child care workforce is composed predominantly of women; approximately 40% of the workforce is women of color.\(^{38}\) In one study conducted in a New England city, none of the child care workers interviewed earned over $30,000 annually. Many received salaries that were below the poverty line.\(^{39}\) This pattern of low wages has been observed nationally as well: In 2017, the median hourly wage for a child care worker was $10.72, compared to $18.12 for all occupations and $31.29 for kindergarten teachers. This wage represented a 7 percent increase from 2015 levels, adjusted for inflation, yet still places child care workers at the bottom second percentile for annual income sorted by occupation.\(^{40}\) The low pay of child care workers is not only a personal strain on the works, but also has an effect on the care children receive, as well: the low pay of child workers is correlated to increased turnover and decreased commitment levels.\(^{41}\)

A quick note on nomenclature: the varied environments and standards that exist within the child care sector further complicate how we describe the child care workforce. Are they teachers? Early childhood educators? Caregivers? As will be argued in this paper, members of the child care workforce deserve to have their work recognized as being educational in value, with practices rooted in research on child development. They are indeed responsible for teaching children. However, having to date not received widespread recognition of said work, in neither


\(^{38}\) Whitebook et al., 4.


\(^{40}\) Whitebook et al., “Early Childhood Workforce Index 2018.,” 32.

\(^{41}\) Gorry and Thomas, “Regulation and the Cost of Childcare,” 4139.
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terminology nor in wages, I believe it would be unfitting to use the term “educator.” I will thus refer to the workforce as “child care workers” throughout the paper, with an understanding that this term inevitably minimizes the value of the work performed by child care workers, and the caveat that I hope the workforce be rightfully recognized as early childhood educators in the future.

Funding Streams, Regulation, and Accreditation

Federal funding for child care in the United States is highly fragmented and therefore aggregating and deciphering exactly how much the Federal Government spends annually is difficult to ascertain. One study that attempts to estimate federal spending on early childhood education pegs annual spending at approximately $22.2 billion for 2017, with an additional $11.8 billion spent by states. The regulations attached to receiving these funds are perhaps the most noticeable role the federal government plays in regulating child care. A better understanding of federal intervention can be seen by looking at the regulations for two of the primary funding streams, Head Start & Early Head Start, as well as the Child Care and Development Block Grant.

The Child Care & Development Block Grant Act (CCDBG) provides funding for and authorizes the Child Care Development Fund (CCDF), a partnership between the federal and state governments to provide access to child care for low-income families, as well as improve the quality of child care available in the market. For the 2020 fiscal year, funding stood at $5.826 billion from the federal government. Part of this funding goes directly to low-income families,

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42 Gould and Blair, “Who’s Paying Now?”
44 First Five Years Fund, “ABCs of Federal Early Learning and Care Funding Streams,” December 18, 2019.
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giving them the ability to choose what form of child care they prefer. In 2015, nearly 340,000
child care providers served families receiving CCDF subsidies; 25% of these providers were
center-based, while 75% were various home-based providers. In addition, CCDBG funding can
be used by states to improve the general quality of child care available, such as through increased
teacher training.\textsuperscript{45}

The CCDF gives states near autonomy in regulating and setting standards within the child
care market. Indeed, the laws that form the CCDF expressly prohibit federal standards in areas
such as ratios and group sizes - the CCDF simply requires states to create their own standards in
various areas, and report those to the federal government. The CCDF requires states to have
orientation training for workers regarding health and safety standards, yet the mode of this
training as well as the regulations surrounding it (e.g. # of hours spent training) is also left up to
states to decide; their decision simply must be reported on CCDF forms.\textsuperscript{46}

Thus, as outlined above, states are given vast discretion as to how they perceive to best
regulate the child care market, leading to stark differences between states’ regulatory
environments and frameworks. For example, in Georgia, the staff:child ratio for center-based
care of infants under 12 months is 1:6, and rises up by each age group of 1 year until reaching
1:10 for two-year old children. Children may be in group sizes double the maximum ratio.\textsuperscript{47} In
contrast, Connecticut, which is more highly regarded for regulating child care, dictates that all
care for children under three must meet a staff:child ratio of 1:4.\textsuperscript{48} This means that by

\textsuperscript{45} Office of Child Care, “Child Care and Development Fund Final Rule Frequently Asked Questions.”
\textsuperscript{46} Office of Child Care.
\textsuperscript{47} Georgia Department of Early Care and Learning, “Rules and Regulations: Child Care Learning Centers,” Pub. L.
\textsuperscript{48} State of Connecticut Office of Early Childhood, “Statutes and Regulations: Child Care Centers and Group Child
Care Homes” (2019), 31.
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comparison, infants in Georgia could be cared for 50% more children than staff versus infants in Connecticut, and that disparity rises to 150% by the age of two.

Head Start (HS) & Early Head Start (EHS) fund organizations that provide care to children under the age of five; HS programs are primarily center-based. For the 2020 fiscal year, federal funding for both HS and EHS stood at approximately $10.613 billion. Created as part of President Lyndon Johnson’s War on Poverty, Head Start serves families living below the federal poverty line, with the goal of providing quality care for low-income children that will improve their academic, physical, and social-emotional development. Furthermore, programs are designed to engage with families and offers support in areas such as financial and housing security, as well as medical and dental care, all with the goal of providing children with a quality, stable home environment.

Head Start programs are held to their own set of national standards and regulations— for example, they have their own cap on child:staff ratios and group sizes, but state that programs must defer to the stricter governing guidelines: HS or the standards of whichever state the program is in. By this logic, Head Start programming has relatively high standards when compared to the typical regulations mandated by states. However, it should be kept in mind that Head Start programs seek to serve families living below the poverty line, and even within this subset of the population, only serves a fraction of those eligible. In 2017, Head Start

49 First Five Years Fund, “ABCs of Federal Early Learning and Care Funding Streams.”
50 Brademas, Children, Families, and Government, 133-134.
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programming served 732,711 children, just 31% of all entitled to its services. EHS served 154,352 children, merely 7% of those eligible.53

Already noted, roughly 13% of children under the age of 5 are taken care of regularly in home-based family daycare. In contrast with center-based care which is required to meet state regulations, many family daycare providers are completely unregulated, which poses tremendous risks when it comes to the health, safety, and development of children. Coupled with the aforementioned information that shows how low-income families are less likely to enroll their children or be able to afford center-based facilities, it paints a clear picture of disparities that exist within our child care system.

Quality Care & Standards

Central to progressive Democrats’ reforms to the child care market are changes that focus on improving the quality of child care. Language around “quality” is similarly embedded in funding through the CCDBG. Most generally, child care needs to provide a clean and safe environment for children, with a structured day incorporating developmental learning, activities, and play. Quality can be split into two sets of variables. The first is structural quality, which are often measured by regulable features such as group size, training, and ratios. The second is process quality, which relates to the interactions between workers and children, and the program itself.54 In this section, a deeper understanding of quality in nonparental child care will be discussed. The discussion will be tailored to markers of quality relevant to my research and later policy recommendations.

53 First Five Years Fund, “ABCs of Federal Early Learning and Care Funding Streams.”
54 Bigras et al., “A Comparative Study of Structural and Process Quality in Center-Based and Family-Based Child Care Services,” 131.
The National Association for the Education of Young Children (NAEYC) utilizes accreditation standards that incorporate markers of quality child care, and is largely regarded as a “gold standard” for child care centers. NAEYC accreditation requires a thorough assessment of a program along hundreds of markers, but the requirements set by NAEYC all fall into ten categories:\(^5^5\)

1) Relationships  
2) Curriculum  
3) Teaching  
4) Assessment of Child Progress  
5) Health  
6) Staff Competencies, Preparation, and Support  
7) Families  
8) Community Relationships  
9) Physical Environment  
10) Leadership and Management

One can notice patterns that emerge within this set of requirements. Firstly, the physical setting is important: children need to be taken care of in a setting that is safe, spacious and sanitary, with easily accessible toilets and hand-washing.\(^5^6\) Next, the curriculum as well as leadership structure are crucial components, serving as the support system and structure that will scaffold child development within the classroom. Thirdly, and of particular importance to this capstone, is the role of the child care workers in providing quality care to children – something that can be seen across multiple standard categories: teaching, relationships, assessment of child progress, staff competencies, community relationships, and leadership and management. Further discussion of the role of child care workers will be discussed in later sections.

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\(^5^5\) National Association for the Education of Young Children, *NAEYC Early Learning Program Accreditation Standards and Assessment Items* (National Association for the Education of Young Children Washington, DC, 2018).  
\(^5^6\) Read, Gardner, and Mahler, *Early Childhood Programs*, 52.
Child development is shaped by a complex convergence of numerous factors, some biological and others environmental; for the sake of this paper, I will be primarily focusing on environmental elements that are related to experiences within child care.\textsuperscript{57} Children learn through many methods: listening to adults talk, taking part in standardized literacy instruction, but also largely through play. School readiness often incorporates a combination of standards drawing on a child’s physical, social, and cognitive skillsets.\textsuperscript{58}

In the most basic sense, child care needs to provide children with a safe environment, be informed by child development, and promote health.\textsuperscript{59} Oftentimes, this “learning” that children partake in is self-driven – mastery of one’s own environment has been a cornerstone of child development theory since first laid out by Piaget.\textsuperscript{60} However, there is much that child care facilities, and child care workers, can do to facilitate such growth. For example, children can benefit from rooms that are arranged by “interest centers” – distinct areas that promote imaginative play, writing, working with scientific materials, among others.\textsuperscript{61} A child care worker can help scaffold a young child’s learning by providing children with activities and structure that promote mental growth and are aligned with their cognitive development.

**High Quality Care: What’s the Point?**

Central to a discussion of understanding the federal government’s role in the child care market, and ideas surrounding increasing public spending on child care, is knowing whether or


\textsuperscript{60} Shonkoff and Phillips, *From Neurons to Neighborhoods*, 27.

\textsuperscript{61} Zigler, Singer, and Bishop-Josef, *Children’s Play*, 36.
not these “ideals” of quality serve any purpose. In other words, what exactly is the benefit of high quality care, and how much of a difference does it make?

Before discussing the divergent outcomes driven by disparities in high and low quality child care experiences, one must first discuss the benefits and drawbacks of nonparental child care. Indeed, as previously noted, Nixon’s decision to veto the Comprehensive Child Care Act was in part driven by a concern that has been ever-present in American history, of mothers not being the sole caretaker of their children. However, it has been shown that it is the quality and the experiences within this nonparental care that shape a child’s development, not enrollment in nonparental care itself.62 Furthermore, the existence of nonparental child care allows for greater workforce participation; the cost of child care has been found to predict the workforce participation of mothers of preschool-aged children – that is, expensive child care acts as a deterrent to workforce participation, while inexpensive child care promotes the employment of mothers.63 In summation, enrollment in high quality nonparental child care will not adversely affect, and may even enhance, the development of a child, and the existence of affordable child care aids in the workforce participation of mothers.

Research has established that high-quality child care is correlated to better childhood development in areas such as language and social skills.64 Longitudinal studies examining the effects of child care on later life outcomes tend to support the idea that high-quality care does indeed carry long-term individual as well as societal benefits. One such study, conducted by the National Institute of Child Health and Human Development (NICHD) examined whether or not

the effects of early child care experiences carried through to children by the age of 15. Exposure to child care wasn’t related to academic outcomes at age 15; rather, exposure to high-quality child care was found to be related to higher cognitive-academic achievement, across an economically diverse sample.\textsuperscript{65} For high-risk populations, such as children from low income families and children at risk for developmental problems, evidence strongly supports the notion that high-quality child care carries academic and social-emotional benefits through childhood and even adulthood.

The High/Scope Perry Preschool Initiative of the 1960s served as a landmark case to promote public investment in high-quality care. The initiative was an intensive intervention for that incorporated both high-quality center-based care, as well as home visits by teachers and parental participation in group meetings with other parents. Those chosen to participate were low-income, black, and with low IQ scores. The study found that the high-quality care provided led to many societally desirable outcomes as compared to the control group: lower incarceration rates, higher graduation rates, increased earnings, among others. The benefit to the public was estimated to be a return of $7.16 for every dollar invested.\textsuperscript{66} Further analyses have predicted lower rates of return, but still at the level of statistical significance, especially when it comes to decreases in incarceration.\textsuperscript{67} Economists estimate the long-term rate of return for high-quality early education is as high as 16\%.\textsuperscript{68} Conversely, low-quality care can prove detrimental: a lack of language stimulation can affect language development and cognition; high turnover rates in


\textsuperscript{66} Greg Parks, \textit{The High/Scope Perry Preschool Project} (US Department of Justice, Office of Justice Programs, Office of Juvenile ..., 2000).


child care centers can lead to insecure attachment. Thus, it is important to note that it is access to *quality* child care, not just child care itself, that should be a priority.

**Personal Policy Recommendations for Federal Intervention**

**Recommendation 1: Reform Zoning Laws**

The first of my personal policy recommendations is a concerted focus on reforming zoning laws. Child care centers tend to be congregated in higher-income neighborhoods, leaving low-income parents with lower quality (or no) nearby options. Modernizing zoning laws is an area that can have across-the-aisle appeal. As has been previously noted, the conservative ideals surrounding states’ rights and open markets that have guided much of the Trump administration’s priorities in the child care market promote decreasing regulatory hurdles that may decrease the supply of child care, and their 2021 Budget Proposal includes a federal grant to increase the supply of child care. Yet while many of the reforms suggested by the Trump Administration have been seen as unsafe by child development experts, such as increasing the number of children allowed per staff member, zoning laws have been seen as an area for improvement by child care experts, as well. Indeed, Child Care Aware of America has suggested reforms that reduce the hurdles faced by insurance coverage and homeowners associations may help modernize America’s child care infrastructure. Furthermore, while the U.S. has shown

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general disinterest in increasing public spending on child care, programs that incentivize
reforming zoning laws can be seen as relatively inexpensive.

While child care centers, which tend to be more expensive and regulated, are perhaps
unsurprisingly less abundant in lower-income neighborhoods, it was found that home-based care
too is scarcer in low income neighborhoods where the need is arguably higher.73 Zoning laws
often fail to account for the contemporary strains within our child care market, one in which a
large number of children in nonparental care are cared for in a home-based environment.
Oftentimes, rental management firms and providers of low-income housing will bar tenants from
operating family-based care in their unit as a part of their lease agreement.74 The prohibition of
child care centers in public housing was found to be a limiting factor in care options for Aid to
Families with Dependent Children recipients in Illinois.75

Additionally, there seems to be little responsiveness of child care center density to
parental workforce participation in comparison to family-based care.76 Thus, incentivizing the
opening of child care centers, potentially via a tax credit, in a child care desert is a route worthy
of exploration. There is prior evidence as well that reform to zoning laws can help increase the
updated their zoning laws to allow child care in spaces zoned for offices, leading to a child care
facility to open up in an office park, serving 114 children.77

73 Queralt and Witte, “Influences on Neighborhood Supply of Child Care in Massachusetts,” 19.
75 Queralt and Witte, “Influences on Neighborhood Supply of Child Care in Massachusetts,” 22.
76 Queralt and Witte, 19.
77 K. Anderson and E. Dektar, Child Care and Community Development, Planning for Family Friendly Communities
The federal government can use financial incentives to encourage zoning at the state and county levels. According to news sources, the Trump administration reportedly had zoning laws in mind when it imagined a $1 billion competitive grant in 2019, whereby states could access this one-time grant by establishing “targets for reducing unnecessary regulatory or other requirements that limit the supply or increase the cost of child care.” 78 This grant would not only incentivize positive change within child care zoning laws, but the reward for making these changes would go towards increasing statewide access to child care, thus acting as an additional benefit to the state. Being a relatively low-cost option with support across the political aisle, I conclude that modernizing child care zoning laws is politically feasible, and would decrease providers’ barriers to entry and thus has the potential to increase access to child care.

Recommendation 2: Professionalization of the Workforce

Far too often, the burdens of an underfunded child care system fall on the backs of child care workers – a group that is underappreciated and underpaid. Furthermore, this inequity is compounded by the fact that this workforce is predominantly female, and largely women of color.

The second of my policy recommendations is a focus on professionalization of the child care workforce. The term “professionalization” may seem nebulous, but encompasses many changes that must occur in order to increase the standing of the child care workforce. Professionalization involves an understanding that the work done by child care workers isn’t “easy,” but is instead grounded in best practices and knowledge of child development. It incorporates increasing opportunities for workforce education, whether through subsidized credential programs or other forms of training. Child care workers play a crucial role in

78 Tamara Keith, “Exclusive.”
providing quality care to children, and that many benefits occur when workers are experienced and credentialed. One study, for example, found that the best structural predictors of quality in child care homes related to caregiver characteristics such as training or education. \(^{79}\) Research has shown that not only does a college-educated child care educator, but one who has specific training and certification in early childhood education, create “higher-quality learning experiences for children in their care.” \(^{80}\) While the exact training and credentials that correlate to high quality care may be debatable, it is widely agreed upon that a well-educated, trained, and supported child care worker will provide better care. There may be benefits to standardizing this training, making sure that it is rigorous across the board, the same way credentialing is for K-12 teachers across the United States.

It involves raising salaries to a livable wage – many have suggested they should be raised to the level of similarly-credentialed kindergarten teachers. As previously mentioned, the 2017 median hourly wage for a child care worker was roughly 66% below that of a kindergarten teacher. \(^{81}\) Certain structural indicators have been correlated to higher-quality care. In child-care centers, lower child:adult ratios are preferable \(^{82}\), as well as well-trained and experienced child care workers were correlated with higher-quality child care. A well-paid teacher might not only be more experienced or educated, but also will stay around longer. Indeed, it has been found that teachers receiving higher wages are less likely to leave their job as compared to lower-waged

\(^{79}\) Burchinal, Howes, and Kontos, “Structural Predictors of Child Care Quality in Child Care Homes,” 99.
\(^{82}\) Bigras et al., “A Comparative Study of Structural and Process Quality in Center-Based and Family-Based Child Care Services,” 135.
Solving for greater retention is of particular relevance to the child care sector, which has historically faced much higher turnover rates than most other sectors in the U.S. 84 Shonkoff & Phillips refer to regular caregivers and parents as “active ingredients” of environmental influence on a child’s cognitive growth – some have even gone so far as to say “without the caregiver-infant relationship, there would be no infant”. 85 I theorize that if child care workers are viewed in a more positive light and receive better treatment themselves, they will in turn be better caretakers for our nation’s children. Job satisfaction of child care workers has been linked to increases in process quality, buttressing this hypothesis. 86

Professionalization of the workforce also touches upon some of the terminological hazes that exist within the child care market: what do we call child care workers? Educator, teacher, daycare provider? Using terms such as “child care educator” elevates our understanding of the academic nature of child care, and continued discussion exists within the field as to what terminology is most fitting. Increased training within the workforce, and wages that match their equally-credentialed K-12 teacher counterparts, would buttress the notion that child care workers are indeed teachers and educators and should be referred to as such.

There are multiple steps that can be taken by the federal government to begin workforce professionalization. It is known that child care workers with a bachelor’s degree earn more than their counterparts with an associate’s degree, and in turn that those with an associate’s degree

85 Shonkoff and Phillips, 7, 27.
86 Bigras et al., “A Comparative Study of Structural and Process Quality in Center-Based and Family-Based Child Care Services,” 134.
earn more than those with no degree. Creating federal standards for credentials and training within the child care sector, *so long as the workforce receives financial support to obtain said credentials or degrees*, can act as a meaningful way to improve the education of child care workers and the care they provide, as well as buttress the notion that they are indeed educators, not just caretakers. Funding for CCDBG, which has increasing quality as one of its intended goals, can be increased to directly support the workforce, giving financial assistance to child care centers and workers to pursue higher education as well as credentialing and training programs.

It should be noted that many of the changes to professionalize the early childhood workforce are costly, and typically only included in the policy platforms of left-leaning candidates such as Elizabeth Warren and Bernie Sanders. Drastic increases to child care funding lack the across-the-aisle appeal of small picture changes such as my aforementioned zoning reform recommendation, and would require the federal government to play a leading financial and political role in the child care market that is yet to be seen. Furthermore, proposals that increase the wages of child care workers face an additional hurdle of on the surface seeming to not directly benefit children or parents, but only the workforce, meaning they may receive even less support, even though I have outlined above how greatly workforce reforms may affect all stakeholders within the child care market. Nevertheless, I view these changes as necessary to reforming the child care landscape, and increasing access to quality child care on a large scale.

**Limitations and Conclusions**

The ongoing COVID-19 pandemic has further illuminated many of the flaws I have discussed in this paper. Across the U.S., child care centers are having to shutter due to the crisis

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87 Whitebook et al., “Early Childhood Workforce Index 2018.,” 37.
and fear only having enough funds to survive two to three weeks without their typical enrollment given the razor-thin margins they already work with. They believe that most furloughed child care workers, who already receive low wages and deal with economic insecurity, will not return to the job afterwards.\textsuperscript{88}

In response to the pandemic and ongoing fears as to whether child care business can stay afloat, The Coronavirus Aid, Relief, and Economic Security Act, the $2 trillion relief package signed into law on March 27\textsuperscript{th}, 2020, included a $3.5 billion increase to the CCDBG intended to aid child care centers and provide operations for first responders and health care workers. Further assistance was provided through other funding channels, such as small business loans, as well.\textsuperscript{89} However, it is still yet to be seen how many child care homes and centers will be able to remain afloat amid the ongoing pandemic, and how the child care market may adjust afterwards. Senator Elizabeth Warren has called for the next relief bill to include a $50 billion bailout for the child care industry, amid reports that child care capacity in the U.S. may shrink as much as 50% without continued and increased support.\textsuperscript{90}

One of the goals for this capstone as I initially laid out was to develop suggestions for federal intervention that were practical, rather than aspirational. Over the course of this project, I have come to the conclusion that there are indeed small steps that can be taken to increase access to quality care. For example, zoning laws can be rewritten to account for a modern reality in


which there is a need for more local child care options, which may be artificially blocked from the market due to local restrictions.

Yet to partake in meaningful, structural change would require a drastic shift in the national mindset when it comes to child care. It would require a collective will to spend public dollars on child care, such as on professionalization of the workforce. Today, we have a fragmented regulatory system that allows for child care environments to exist that are in opposition to what experts say is appropriate and safe. At the same time, centers still often face financial strains in meeting regulations while already charging families high prices.91 I believe the only logical solution is recognizing child care as a public good and expanding public investment in child care.

It is unknown whether we can reach a point, as a nation, where we will support federal intervention on behalf of young children. When having these conversations regarding childcare, it is important to note that a plurality of Americans still believe that in a two-parent household, it is ideal for one parent to stay at home and take care of the children. Only 18% of those surveyed responded that having both parents work full-time is ideal, despite the reality that in most two-parent households both parents work at least part time.92 Partisanship remains high, which can act as an additional barrier to reaching this support.

There are great challenges that need to be surmounted to alter our child care system. But the research is clear: our current state of child care is broken: underfunded, unaffordable, and unregulated. Most generally, it has been found that regulations can increase the quality of child care - one study found that states with the strictest quality standards did indeed provide the

91 Gorry and Thomas, “Regulation and the Cost of Childcare,” 3.
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highest quality care.\textsuperscript{93} Quality child care is important, can have lasting impacts on individuals and by extension our society, and public investment has increased long-term returns. It is time that we think more closely about what the federal government can do to improve child care in America.

\textsuperscript{93} Phillips et al., “Within and beyond the Classroom Door,” 301.
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