

UCLA

Reports

Title

Access to Child Care in Los Angeles County: Recent Trends and COVID-19 Implications

Permalink

<https://escholarship.org/uc/item/1rd639b8>

Authors

Bhusal, Samikchhyal
Blumenberg, Evelyn
Brozen, Madeline

Publication Date

2021-06-08



UCLA Lewis Center
for Regional Policy Studies

Access to Child Care in Los Angeles County: Recent Trends and COVID-19 Implications

June 2021





Table of Contents

Highlights.....	4
Background.....	5
Child Care Types, Licensing, and Land Use Regulations.....	6
The State of Child Care.....	7
Child Care in Los Angeles County.....	10
Child Care Funding: Local, State, and Federal Programs.....	12
COVID-19 and Child Care.....	14
Child Care Closures in Los Angeles County since March 2020.....	15
Policy Responses: Federal, State, and Local.....	17
Recommendations.....	19
References.....	21



Background

Affordable and accessible child care is essential infrastructure. Approximately one-third of the workforce in the U.S. are working parents (Dingel, Patterson, & Vavra, 2020). Without reliable, accessible, and affordable child care, working outside of the home is challenging or even impossible, particularly for mothers who continue to have disproportionate responsibility for the care of children (Altintas & Sullivan, 2016). Particularly for single parents, moreover, child care costs and responsibilities are challenging and pose a barrier to parents’ employment opportunities. Quality child care keeps children safe and healthy, and plays a key role in children’s brain development (First 5 LA, n.d). Conversely, the lack of affordable child care can keep women out of the labor force with negative consequences for parents, children, and the economy, overall (Morrissey, 2017).

Many parents have difficulty finding child care they can afford. Child care is unaffordable for middle- and low-income families. At the same time, many child care providers struggle to keep their doors open, particularly in low-income neighborhoods where residents are most in need of affordable care. While parents pay a lot for child care, wages among workers in the child care sector are low (Center for the Study of Child Care Employment, 2020). Women constitute approximately 93% of the child care workforce, with roughly 40% of the workforce women of color (Jessen-Howard, Malik, & Falgout, 2020; Center for the Study of Childcare Employment, 2018). In general, child care requires a great amount of time and human resources, making high-quality child care expensive. Government support for child care — subsidies for both families and providers — is minimal. These dynamics have resulted in a decline in child care supply.

Given persistent challenges in the child care industry, this report provides an overview of the current landscape of the child care sector in Los Angeles County and the impacts of COVID-19 on the sector. This report builds on the 2017 assessment of child care and development needs conducted by the Los Angeles County Child Care Planning Committee, L.A. County Office for the Advancement of Early Care and Education, and First 5 LA.

The State of Child Care

The child care sector in the U.S. is struggling now as it was before the COVID-19 pandemic. According to the U.S. Department of Health and Human Services, the number of licensed home-based child care centers decreased by 44% between 2005 to 2017 (Vesoulis, 2020). Recent research from the Center for American Progress shows that more than 50% of Americans live in child care deserts — neighborhoods with more than three children under the age of 5 for every one licensed child care slot (Jessen-Howard and Workman, 2020).

Why the decline in the number of child care centers? Parents from various income groups are searching for affordable care, and yet high-quality child care is challenging and expensive to provide. High operation costs and barriers to entry limit child care supply (Child Care Aware of America, 2019). Long work shifts for child care workers make it difficult to attract a new generation of workers to this sector. Furthermore, child care providers receive woefully low wages. In the U.S., an early educator/child care sector worker earns a median wage of \$11 per hour, forcing many early childhood educators to rely on public assistance to support their families (U.S. Bureau of Labor Statistics, 2019). Furthermore, the child care sector is time- and resource-intensive (Center for the Study of Child Care Employment, 2020). As a result, despite high fees for parents, early educators struggle to stay in business. To increase child care supply, policymakers have recommended large-scale investment in the child care workforce (ChildCare Aware of America, 2019).

Challenges faced by child care providers have direct economic effects on parents looking for child care. A nationally representative study from the Survey of Income and Program Participation (SIPP) in 2019 found that working families spend approximately 10% of their average family income for child care, which is 40% greater than the definition of affordable child care by the U.S. Department of Health and Human Services (Malik, 2019). According to Health and Human Services, child care is affordable if it costs less than 7% of a family’s income (Malik, 2019). In California, the annual average cost for infant care and child care for 4 year olds is \$16,945 and \$11,475, respectively (Economic Policy Institute, 2020). Costs may vary by city and by local demand for child care. According to the Economic Policy Institute, for Californians, infant care constitutes 25% of median family income (Economic Policy Institute, 2020). Families with an infant *and* a 4-year-old spend 42% of their incomes on child care. In L.A. County, the annual average cost for child care for early care is \$14,309 at early care centers and \$9,816 at family child care homes (Los Angeles County, 2017). For preschoolers, the annual average cost of care is \$10,303 at center-based care and \$8,579 at family care homes. Families with median family incomes spend between 16% and 26% of their incomes on child care; this percentage increases to 45% among parents with two children (Los Angeles County, 2017). Data on average costs of child care suggest that affordability concerns limit parents’ access to child care.

As highlighted in **Figure 1**, a variety of factors determine access to child care. As described throughout this brief, household characteristics — including household income and the number of children — affect access to care. But there are many additional factors at play. For example, families without access to an automobile may experience limited child care options compared to families with car access. Similarly, parental preferences — including for the type of care, location, and language of provider — are also important. Additionally, provider characteristics, e.g., the programming at child care centers, number of available slots, and provider schedules, influence parents’ access to child care. For instance, low-income families with irregular work schedules face additional difficulties finding suitable child care. Finally, policy supports (or the lack of) influence whether families receive quality child care. For instance, child care subsidies for both providers and families could ease the financial burden on child care centers and families, enhancing wider access to child care. In sum, access to child care is affected by a multitude of factors including household needs and preferences, available provider options, and government supports and subsidies.

between child care supply and children potentially needing care. We estimate the slots for each center based on state licensing requirements; we find that the county’s 6,285 child care centers can provide a maximum of 219,057 child care slots.³ The number of young children, however, is significantly greater than the number of child care slots. ACS data from 2018 show a total of 652,589 children under the age of 5 in L.A. County.⁴ In other words, if all parents with children under 5 wanted licensed child care, the existing supply would meet only 33% of the demand (See **Figure 3**).

Of course, many families do not need or want to enroll in formal child care. Some parents may want to care for their children at home or have other family members provide care. According to the results of a National Household Education Surveys Program from 2016, 35.9% of preschoolers receive child care in organized care facilities and family child care homes (U.S. Department of Education and National Center for Education Statistics, 2016). This figure underestimates the demand for organized care since some families may prefer to send their children to licensed and family centers if slots were available at a reasonable cost. Extrapolating from these data, in L.A. County, 234,279 children (35.9% of the total number of children under 5) would need child care slots. Even based on this optimistic estimate, only 93% of Los Angeles’s children have a childhood slot for them. There are a few caveats concerning the 35.9% estimate from the National Household Education Survey. First, it is likely that if child care was accessible and affordable, more than 35.9% of children under 5 would receive center-based child care. Second, the percentage of children in child care is unevenly distributed by income; the percentage of children receiving center-based care is much higher for high-income families (U.S. Department of Education and National Center for Education Statistics, 2016). Third, the spatial distribution of child care centers in the county is uneven, and our estimates do not reflect spatial disparities in child care access across neighborhoods (Child Care Resource Center, n.d). For example, if a child care slot is available but located 15 miles away from where the parent lives or works, this is likely not a realistic option for that parent.

Additionally, our estimate does not capture other potential barriers to accessing care for the following reasons:

- Available child care may not match child care demand by age. Numerous studies show even greater shortages of care for infants and toddlers (Jessen-Howard, Malik, & Falgout, 2020).
- Higher costs can hinder families with children from accessing child care.
- For some families, language barriers can also prevent easy access to child care.

3. Total capacity is the sum of capacities for infant centers, day care centers, and family child care homes.

4. This study only includes children of two age categories: under 3 years, and 3- and 4-year-olds.

Table 1.
Federal, state, and local level programs for child care.

Federal programs	State programs	Local programs
Child Care Development Block grant	California State Preschool Programs	Quality Start Los Angeles
Child and Dependent Care Tax Credit	Alternative Payment Program	
Head Start and Early Head Start	Family Child Care Home Education network	
The Partnership		

Source: Pew, Child Care Resource Center (CCRC), and LA County Needs Assessment.

L.A. County is also eligible for child care support programs from the state of California. For example, California State Preschool Programs provide part- and full-time child care for children 3 and 4 years old. Alternative Payment, a voucher program, is another support for child care for low-income families in California (Los Angeles County, 2017). Other state support in California includes Family Child Care Home Education Networks. Child care support programs within California have been mostly piecemeal approaches. It is worth noting that the recent Master Plan for Early Learning and Care for the State of California proposes to unify child care funding and child care programs to improve access and equity (Alcala et.al., 2020).

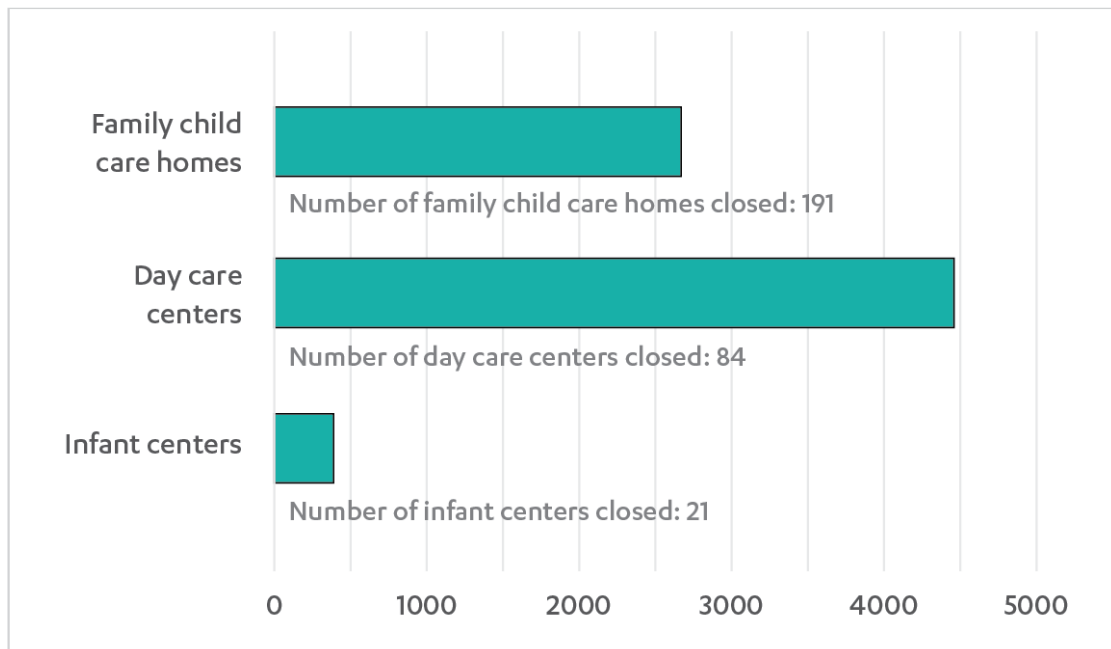
A variety of other federal sources, including development block grants and federal tax credits, provide funding. One such federal support, the Child Care Development Block grant, or CCDBG, provides funding for local agencies to administer vouchers to families to cover the cost of child care. The CCDBG is a federal grant that provides assistance for child care. This funding can be used by states to allocate subsidies, fund referral services, and provide quality child care. Funding for the CCDBG, however, is limited; only one in six eligible children receive child care subsidies through the CCDBG (Hamm et.al., 2019). The Child and Dependent Care Tax Credit (CDCTC) — a program that the Biden administration has expanded upon in 2021 — allocates nonrefundable credit for parents with children or other dependents (Silva, 2021; Currier & Kypa, 2017)). Other federally led child care support programs include the Head Start program (early care and education for children aged 3 to 5 of low-income families) and the Early Head Start program (care for children under 3 years).

In sum, while there are a number of existing programs to subsidize child care costs and centers, there is not nearly enough support. There is a patchwork of funding to support child care, but a comprehensive program to ensure universal child care access is missing.

Child Care Closures in Los Angeles County Since March 2020

The child care sector has seen a significant number of closures since the onset of the COVID-19 pandemic. According to a survey by the National Association for the Education of Young Children, approximately 100,000 child care centers have closed nationally. In California, a total of 4,873 child care centers closed between January 2020 to January 2021 (California Child Care resource & Referral, 2021). Data for L.A. County also show significant numbers of closures. These closures do not capture temporary suspensions of operations due to COVID-19 exposure. License data from the California Department of Social Services show that, from the beginning of March 2020 to the end of April 2020, 41 child care centers closed in L.A. County. By the end of December 2020, this figure had grown to 296 child care centers — 191 family child care homes, 21 infant centers, and 84 day care centers. Based on capacity caps issued by the California Department of Social Services, these closures resulted in a potential loss of 7,498 child care slots; 4,489 slots in day care centers, 380 slots in infant care, and 2,629 slots in family child care homes (Figure 4). In terms of the number of child care slots, day care centers, typically larger operations in commercial locations, experienced the greatest loss of capacity; although day care centers comprise 42% of all child care centers, they were responsible for 60% of the lost slots.

Figure 4. Number of child care center slots lost from March to December 2020 in Los Angeles County.



Source: [California Department of Social Services](#)

Policy Responses: Federal, State, and Local

At the federal level, there have been limited efforts to address challenges faced by the child care sector. In March 2020, the House passed the Coronavirus Aid, Relief, and Economic Security Act (CARES) Act. The CARES Act allocated \$3.5 billion for the Child Care and Development Block Grant.⁵ Through the federal CARES Act, California received \$350.3 million for child care services (Legislative Analyst’s Office, n.d). States were allowed to use funds from the CARES Act to support child care for children of health employees, emergency responders, sanitation workers, or for operational costs of child care programs. California allocated \$50 million from the CARES Act fund to support operational costs, such as the purchase of supplies and in-depth cleaning services (McHenry and Smith, 2020). The state allocated an additional \$100 million to provide child care support for essential workers. The remainder of California’s child care funding from the CARES Act was used for family fee waivers, stipends for child care providers, and supplies. While some state-level funding was disbursed, child care providers reported not being able to access state- or county-level funds (Dale, 2020).

In December 2020, Congress passed a second COVID-19 relief package, which included \$10 billion of funding for the child care sector (Leonhardt, 2020). Most of this funding will be allocated as grants to child care providers through the Child Care and Development Block Grant, or CCDBG. Child care advocates argued that the \$10 billion in funding for child care relief was insufficient to keep child care providers in business (Khan, 2020).

In March 2021, the Biden administration approved a COVID-19 stimulus bill that included \$39 billion for child care providers (D’Souza, 2021). Of the \$39 billion, \$24 billion is dedicated to stabilize the child care industry and the remaining \$15 billion is allocated for CCDBG (D’Souza, 2021). These funds are expected to help child care providers pay for operational costs, such as rent, utilities, protective equipment, and payroll. Additionally, this stimulus bill expanded the child tax credit from \$3,000 per child to \$3,600 per child (Lawder, 2021). Child care advocates consider the recent child care relief programs as long overdue payment for a struggling industry and working families (D’Souza, 2021).

In Los Angeles, the city and the county also launched a few measures to support child care. In April 2020, Mayor Garcetti created the L.A. Emergency Child Care Connection program providing a \$100 stipend per shift for hospital employees to support costs of child care and access to enhanced child care referral programs (Dale, 2020). In September 2020, county officials

5. The CCDBG is a federal grant that provides assistance for child care. This funding can be used by states to allocate subsidies, fund referral services, and provide quality child care.

Recommendations

The impact of the pandemic on the child care sector is significant and has had cascading effects on working families, mothers in particular. These effects are likely to be felt for years to come. Child care providers are struggling to stay open and parents must face hard decisions about how to manage their jobs and, at the same time, care for their children. As the region works to recover from the devastating effects of the pandemic, child care access must be a key focus. The region’s economy cannot recover if working parents do not have affordable and accessible child care.

As this report suggests, while many piecemeal supports for child care exist, a comprehensive plan for universal child care is missing. A systematic approach is necessary to improve child care. While no single policy intervention will address issues concerning the child care sector, a multipronged approach can help cities and states expand child care supply, attract and retain child care providers, and increase child care assistance. The Center for American Progress (CAP) has written extensively about the child care crisis and recommendations, and these recommendations echo CAP’s policy suggestions. As policymakers work to shape the COVID-19 recovery and strengthen child care access overall, the following recommendations are critically important:

1. **Expand financial support for child care providers and parents with children.** Given the demand, the number of families who receive subsidies must increase. Child care subsidies should serve more children, including children of parents who are looking for jobs. Child care assistance should prioritize the lowest-income families because they likely need immediate cash over future tax credits. At the same time, there also is a dire need for public support for child care centers to offset increased costs. Providing quality child care is expensive, and additional financial support will help child care providers on thin profit margins remain in the industry (Hamm et.al., 2019). Financial support for families and centers should consider the actual costs of child care (relative to income) and the actual operating costs for child care providers (Hamm & Workman, 2020).
2. **Ensure just compensation and better working conditions for early educators.** Qualified early educators are essential to the child care industry. Currently, early educators are not well paid. Thus, cities and states should prioritize offering financial support that allows providers to pay a living wage to child care workers.
3. **Address barriers to unionize child care workers.** Unionized work forces can help achieve living wage and improved working conditions (Hamm et.al., 2019). Unions also improve the power of workers in the child care industry to negotiate with the state. Currently, structural barriers, such as the decentralized nature of child care, limit child care providers’ participation in unions. Policy researchers recommend that elected leaders identify barriers

References

Alcala, L., Kubinec, J., Atkin, C., Karoly, L., King, C., Muenchow, S., & Stipek, D. (2020). *Master Plan for Early Learning and Care for the State of California*. WestEd for the California Health and Human Services Agency.

Altintas, E., & Sullivan, O. (2016). Fifty years of change updated: Cross-national gender convergence in housework. *Demographic Research*, 35, 455–470. <https://www.jstor.org/stable/26332084>

Bureau of Labor Statistics. (2021). *The Employment Situation- February 2021*. <https://www.bls.gov/news.release/pdf/empsit.pdf>

California Department of Social Services (n.d). *Types of Child Care in California*. CA.Gov. <https://www.cdss.ca.gov/inforesources/child-care-licensing/resources-for-parents>

California Child Care resource & Referral. (2021). *FCCH COVID-19 Supply Graphs*. <https://rrnetwork.org/assets/general-files/California.pdf>

Center for the Study of Child Care Employment (2020). *Why Do Parents Pay So Much for Child Care when Early Educators Earn So Little*. Berkeley:author.

Center for the Study of Child Care Employment (2018). *Early Childhood Workforce Index*. Berkeley:authors.

Child Care Aware of America. (2019). *The Child Care Supply Crisis: Why Deregulation Is Not the Answer*. Arlington: authors.

Child Care Alliance Los Angeles. (2020). *Quality Start Los Angeles*. Los Angeles: authors.

ChildCare.Gov (n.d). *Child Care Licensing & Regulations*. Administration for Children and Families & Office of Child Care. <https://www.childcare.gov/index.php/consumer-education/child-care-licensing-and-regulations>

Child Care Law Center (n.d). *Know the Law for Planners*. Berkeley:authors. <https://www.childcarelaw.org/contact-us/>

Child Care Resource Center(n.d). *Child Care Deserts in Northern Los Angeles and San Bernardino Counties*.

Hamm, K., Baider, A., White, C., Robbins K. G., Sarri, C., Stockhausen, M., & Perez, N. (2019). *America, It's Time to Talk About Child Care*. CaseForChildCare. <https://caseforchildcare.org/2020CaseForChildCare.pdf>

Hamm, K., & Workman, S. (2020). *6 State Strategies To Improve Child Care Policies During the Pandemic and Beyond*. Washington, DC: Center for American Progress. <https://www.americanprogress.org/issues/early-childhood/reports/2020/10/29/492546/6-state-strategies-improve-child-care-policies-pandemic-beyond/>

Jessen-Howard, S., Malik, R., & Falgout, MK. (2020). *Costly and Unavailable: America Lacks Sufficient Child Care Supply for Infants and Toddlers*. Washington, DC: Center for American Progress. <https://www.americanprogress.org/issues/early-childhood/reports/2020/08/04/488642/costly-unavailable-america-lacks-sufficient-child-care-supply-infants-toddlers/>

Jessen-Howard, S. & Workman, S. (2020). *Coronavirus Pandemic Could Lead to Permanent Loss of Nearly 4.5 Million Child Care Slots*. Washington, DC: Center for American Progress. <https://www.americanprogress.org/issues/early-childhood/news/2020/04/24/483817/coronavirus-pandemic-lead-permanent-loss-nearly-4-5-million-child-care-slots/>

Johnson, A. D. (2017). Child Care and Child Development in the United States. In *The Wiley Handbook of Early Childhood Development Programs, Practices, and Policies* (pp. 261–285). John Wiley & Sons, Ltd. <https://doi.org/10.1002/9781118937334.ch12>

Kasheen, J., Glynn, J.S., & Novello, A. (2020). *How COVID-19 Sent Women's Workforce Progress Backward*. Washington, DC: Center for American Progress. <https://www.americanprogress.org/issues/women/reports/2020/10/30/492582/covid-19-sent-womens-workforce-progress-backward/>

Khan, T. (2020). *Child Care Left Behind in COVID Relief Talks*. Prospect. <https://prospect.org/coronavirus/child-care-left-behind-in-covid-relief-talks/>

Lawder, D. (2021, March 08). *U.S. Can Deliver COVID-19 Aid Checks Quickly, But Child Tax Credit is Hurdle*. Reuters. <https://www.reuters.com/article/us-usa-biden-stimulus-payments/u-s-can-deliver-covid-19-aid-checks-quickly-but-child-tax-credit-is-hurdle-idUSKBN2B017S>

Legislative Analyst's Office (n.d). *COVID-19: Federal and State Actions Affecting K-12 Education and Child Care*. <https://lao.ca.gov/Publications/Report/4231>

Silva, D. (2021, March 16). *Biden’s Expanded Child Tax Credit Would be Dramatic Change for Many Americans, Experts Say*. NBCNews. <https://www.nbcnews.com/news/us-news/biden-s-expanded-child-tax-credit-would-be-dramatic-change-n1261247>

Stavley, Z. (2019, May 29). *Obstacles Deter Many California Child Care Providers From Building, Expanding Facilities*. EdSource. <https://edsource.org/2019/obstacles-deter-many-california-child-care-providers-from-building-expanding-facilities/612631>

Stavely, Z. (2020, August 03). *California Child Care Providers Losing Money, Risking Health During Pandemic*. EdSource. <https://edsource.org/2020/california-child-care-providers-losing-money-risking-health-during-pandemic/637458>

U.S. Bureau of Labor Statistics. (2019). *Occupational Outlook Handbook: Childcare Workers*. Washington, DC: authors. <https://www.bls.gov/ooh/personal-care-and-service/childcare-workers.htm>

U.S. Department of Education and National Center for Education Statistics. (2016). *Early Childhood Program Participation, Results from the National Household Education Surveys Program of 2016*. <https://nces.ed.gov/pubsearch/pubsinfo.asp?pubid=2019058>

Vesoulis, A. (2020, September 08). *COVID-19 Has Nearly Destroyed the Childcare Industry—and It Might Be Too Late to Save It*. TIME. <https://time.com/5886491/covid-childcare-daycare/>



UCLA Lewis Center
for Regional Policy Studies

2381 Public Affairs Building, Los Angeles, CA 90095
lewiscenter@luskin.ucla.edu
lewis.ucla.edu
© 2021

