Child Care Costs in Montgomery County, Georgia

Local communities in Montgomery County and throughout Georgia are better off when families have affordable child care that meets their needs and fosters strong child development. The U.S. Department of Health and Human Services considers **no more than 7% of family income** to be affordable for child care. Data from the Women's Bureau, U.S. Department of Labor's National Database of Childcare Prices shows that child care prices make up a substantial share of family incomes in Montgomery County, Georgia and have increased over the past several years.

Median Child Care Prices by Age and Care Setting in Montgomery County

	Center-based care			Home-based care		
	2018 (\$)	2022, estimated (\$)	Share of median family income in 2022, estimated	2018 (\$)	2022, estimated (\$)	Share of median family income in 2022, estimated
Infant	\$5,167	\$5,754	8.7%	\$4,623	\$5,149	7.8%
Toddler	\$4,895	\$5,452	8.2%	\$4,623	\$5,149	7.8%
Preschool ¹	\$4,895	\$5,452	8.2%	\$4,623	\$5,149	7.8%
School-age before & after care	\$4,623	\$5,149	7.8%	\$4,623	\$5,149	7.8%

Notes: Child care prices are derived from Georgia's Market Rate Survey from 2016-2017. Prices are median yearly prices for one child at the market rate. Child care prices are presented in 2018 and 2022 real dollars using the CPI-U for child care (at the national level). For more details about the National Database of Childcare Prices, see

https://www.dol.gov/sites/dolgov/files/WB/media/NationalDatabaseofChildcarePricesTechnicalGuideFinal.pdf.

Median child care prices as a share of median family income in 2022 are calculated by dividing the median child care prices (adjusted for inflation to 2022 dollars) from the National Database of Childcare Prices by the median family incomes from the 2022 American Community Survey 5-year estimates.

Source: Data on county-level median child care prices are from the National Database of Childcare Prices 2016-2018, Women's Bureau, U.S. Department of Labor, <u>https://www.dol.gov/agencies/wb/topics/featured-childcare</u>. Data on county-level median family income are from the Census Bureau, 2022 American Community Survey 5-year estimates, Table B19113, <u>data.census.gov</u>.

When parents struggle to find affordable child care, it means serious consequences for Georgia's economy:

- A 2021 survey of Georgia parents found that more than **1 in 3** respondents quit work, did not take a job, or significantly altered their job for child care reasons.²
- Economic activity annually in the state lost **\$1.75 billion** due to challenges resulting from underinvestment in child care.³









Chronic underfunding is compromising the well-being of Early Childhood Education teachers, children, and families in Georgia:

- Georgia reimburses child care providers at only the 25th percentile of the market rate for payment in the child care assistance program, well below the federal standard of what child care providers need to support their staff.⁴
- The median hourly wage of a typical child care worker in Georgia in 2022 was **\$11.71**, or **\$24,357** yearly for a child care worker working full-time year-round.⁵
- Quality Care for Children surveyed child care providers across Georgia to gauge their anticipated impact of federal stabilization grants coming to an end, finding 82% reported they may need to increase tuition, 30% say they may have to serve fewer children, and 36% say they may have fewer toys and materials for children to use while learning.⁶
- The same survey finds **44%** of child care providers in Georgia may have to cut teacher wages, and **36%** anticipate they may need to lay off teachers.

Georgia's leaders can take full advantage of the substantial resources available to enact bold solutions that equitably invest in the future of our families and build a robust child care infrastructure.

Policymakers should:

- Make significant investments with state funds over the long term in Georgia's early childhood and education system, including responsibly allocating some of its historic budget surplus towards child care.^{7,8}
- Strengthen the early care workforce with compensation strategies such as higher wages, bonuses and ongoing supplements, and support systems including educational pathways, recruitment strategies, benefits, and professional development options.⁹
- Adequately fund the Child Care and Parent Services (CAPS) program and increase reimbursement rates for providers with a combination of state and federal dollars to serve more families with low incomes, particularly families with infants and toddlers.

¹ For children not in Georgia's Pre-K Lottery or federally funded Head Start.

https://www.decal.ga.gov/documents/attachments/GAMR2021_Rept_Final_5-9-2022.pdf.

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² Georgia Early Education Alliance for Ready Students, "CHECKING IN: How Georgia's Families are Navigating Child Care and Employment Impacts in the Era of COVID-19" (September, 2021), <u>https://geears.org/publications/checking-in-how-georgias-families-are-navigating-child-care-and-employment-impacts-in-the-era-of-covid-19/</u>.

³Hanah Goldberg, Tim Cairl, and Thomas J. Cunningham, "Opportunities Lost: How Child Care Challenges Affect Georgia's Workforce and Economy" (Georgia Early Education Alliance for Ready Students and METRO Atlanta Chamber), <u>https://geears.org/wp-content/uploads/Opportunities-Lost-Report-FINAL.pdf</u>.

⁴Georgia Department of Early Care and Learning, "Georgia Child Care Market Rate Survey 2021" (January 2022),

⁵National Women's Law Center's calculation based on the U.S. Department of Labor, 2022 May National Occupational Employment & Wage Statistics (OEWS) data for Georgia, available at https://www.bls.gov/oes/current/oes_ga.htm. Full-time, year-round is defined by the BLS as 2,080 hours per year. ⁶ Quality Care for Children conducted a survey in September 2023. Survey results are based on 684 total responses covering 85 of Georgia's 159 counties, including 353+ centers and 227+ family child care learning homes. See

⁷ Ife Finch Floyd, "Overview: 2023 Fiscal Year Budget for the Georgia Department of Early Care and Learning" (Georgia Budget and Policy Institute, February 21, 2022), <u>https://gbpi.org/overview-2023-fiscal-year-budget-for-the-georgia-department-of-early-care-and-learning/</u>.

⁸ Danny Kanso, "Georgia's \$16 Billion Question: Will the State Equitably Invest in Its People?" (Georgia Budget and Policy Institute, October 31, 2023), https://gbpi.org/georgias-16-billion-question-will-the-state-equitably-invest-in-its-people/.

⁹ Georgia Infant-Toddler Coalition, "2023-24 Policies Priorities" (2023), <u>https://geears.org/wp-content/uploads/Final-Policy-Priorities-2023-24-GA-IT-Coalition-1.pdf</u>.