

Working Parents, Child Care, and Paid Family Leave in Rhode Island



#RIWorkingParents

#RICares4ChildCare

#ThinkBabies

June 4, 2018

A special thank you to



THE ANNIE E. CASEY
FOUNDATION

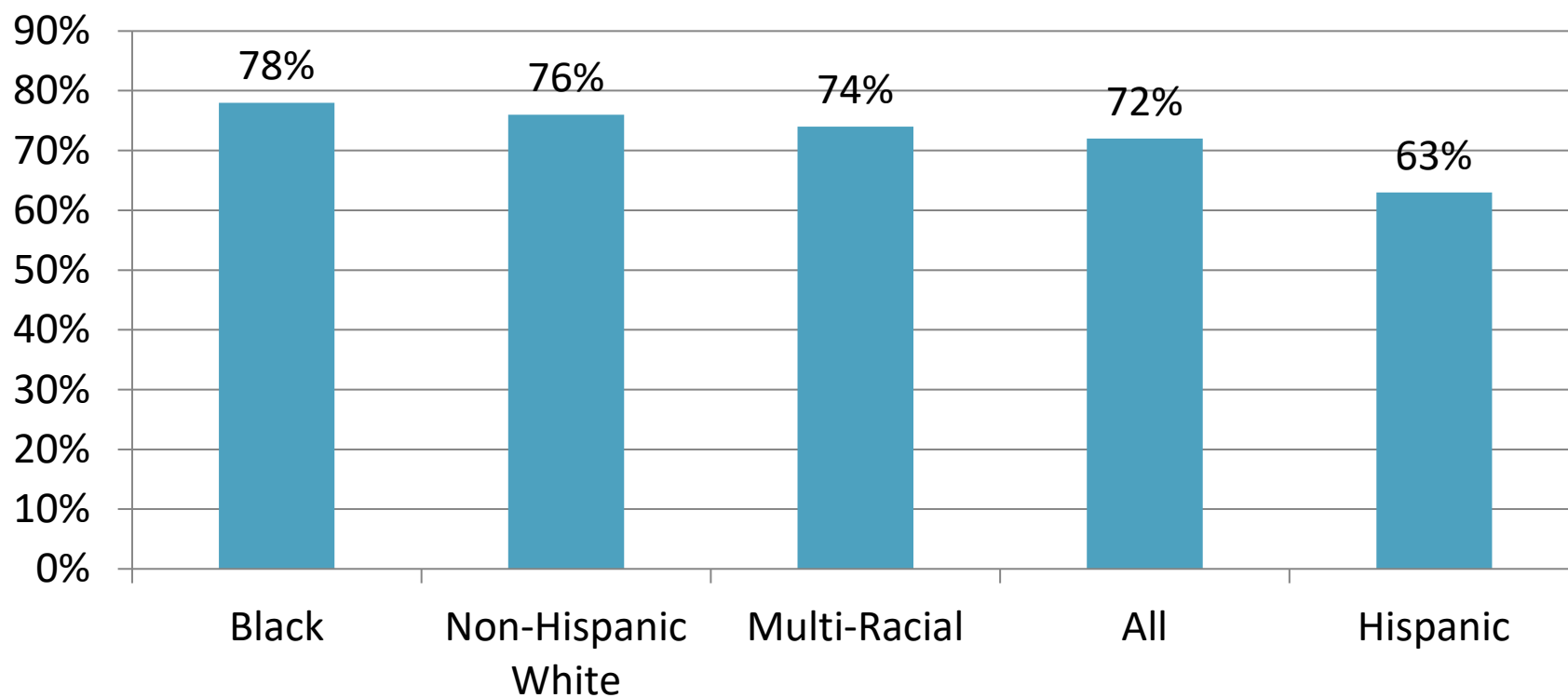
for their support of this *Issue Brief*

Working Parents

- Children need economic security and consistent, nurturing care from their parents.
- Working parents need high-quality child care and paid family leave to meet dual obligations of work and family.

Majority of Parents are in Workforce

**Children Under Age 6 with All Parents in the Workforce,
Rhode Island, 2012-2016**

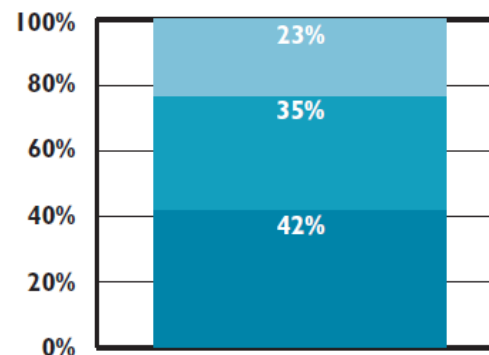


Low-Income Families & Low-Wage Jobs

- 42% of children under age six are low-income (< \$41,560).
- 77% of low income children have working parents.
- Two-thirds of low-wage workers in the U.S are women and 80% have a high school diploma or higher.
- Mothers with low-wage jobs are disproportionately women of color.

Low-Income Children by Parental Employment, Rhode Island, 2011-2015

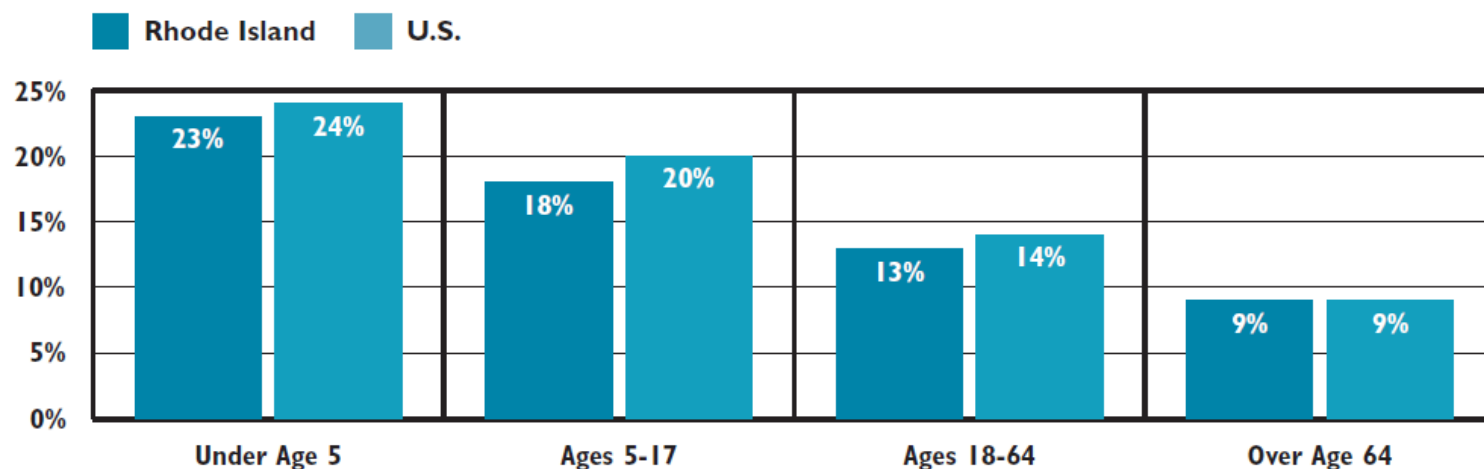
- Not Employed
- Employed Part-Time or Part-Year
- Employed Full-Time, Year-Round



Source: National Center for Children in Poverty. (2018). *50-State Data: Parental employment of children under age 18, by income level*. Retrieved May 25, 2018, from www.nccp.org/tools

Children & Poverty

Percent of People Living in Poverty by Age, Rhode Island and U.S., 2012-2016



Source: U.S. Census Bureau, American Community Survey, 2012-2016, Table DP03.

- In the U.S. and Rhode Island, the younger you are, the more likely you are to live in poverty.

Child Care Affordability

Average Annual Cost for Licensed Child Care, Rhode Island, 2015

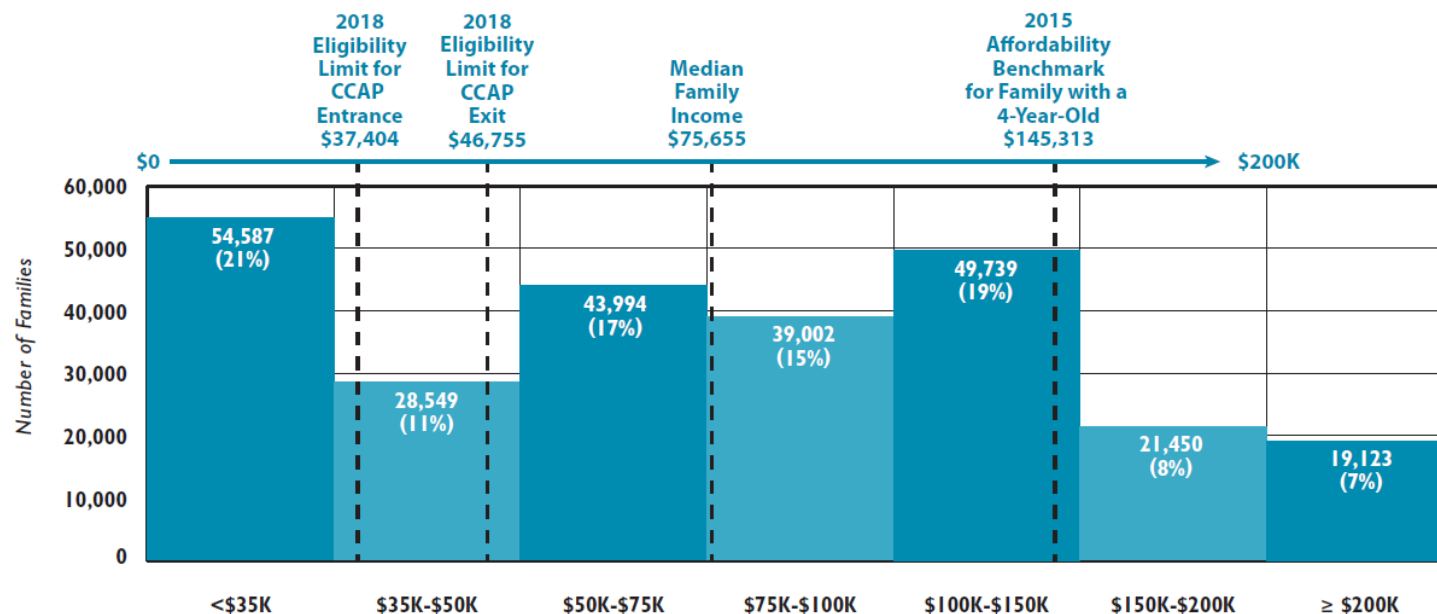
PROGRAM TYPE	COST PER CHILD
Child Care Center (infant care)	\$12,091
Child Care Center (preschool care)	\$10,172
Family Child Care Home (preschool care)	\$8,655
School-Age Center-Based Program (child age 6-12)	\$7,775

Source: Rhode Island KIDS COUNT analysis of average weekly rates from Bodah, M. M. (2015). *Statewide survey of childcare rates in Rhode Island*. Kingston, RI: University of Rhode Island.

- Average annual cost for an infant is more than tuition and fees at public colleges.
- Average cost for two children (infant and four-year-old) is higher than an average mortgage payment and is twice the median rent.

Child Care Affordability

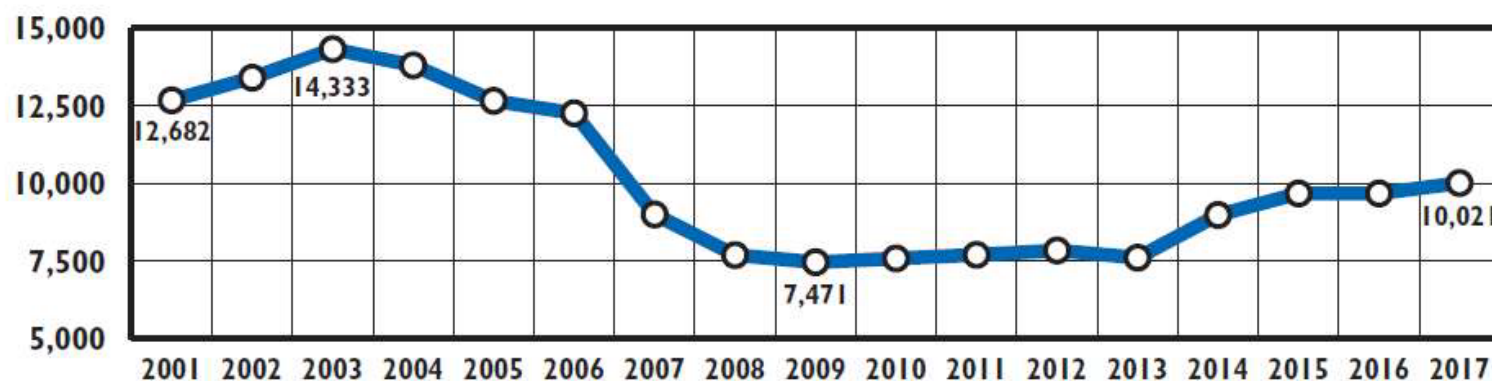
Rhode Island Families by Income Level and Child Care Affordability, 2012 - 2016



- Federal guideline: families should spend no more than 7% of income on child care.
- This means a family would need to earn \$145,000 to afford the cost of child care for one four-year-old.
- Only 15% of families have incomes at or above this level.

RI Child Care Assistance Program (CCAP)

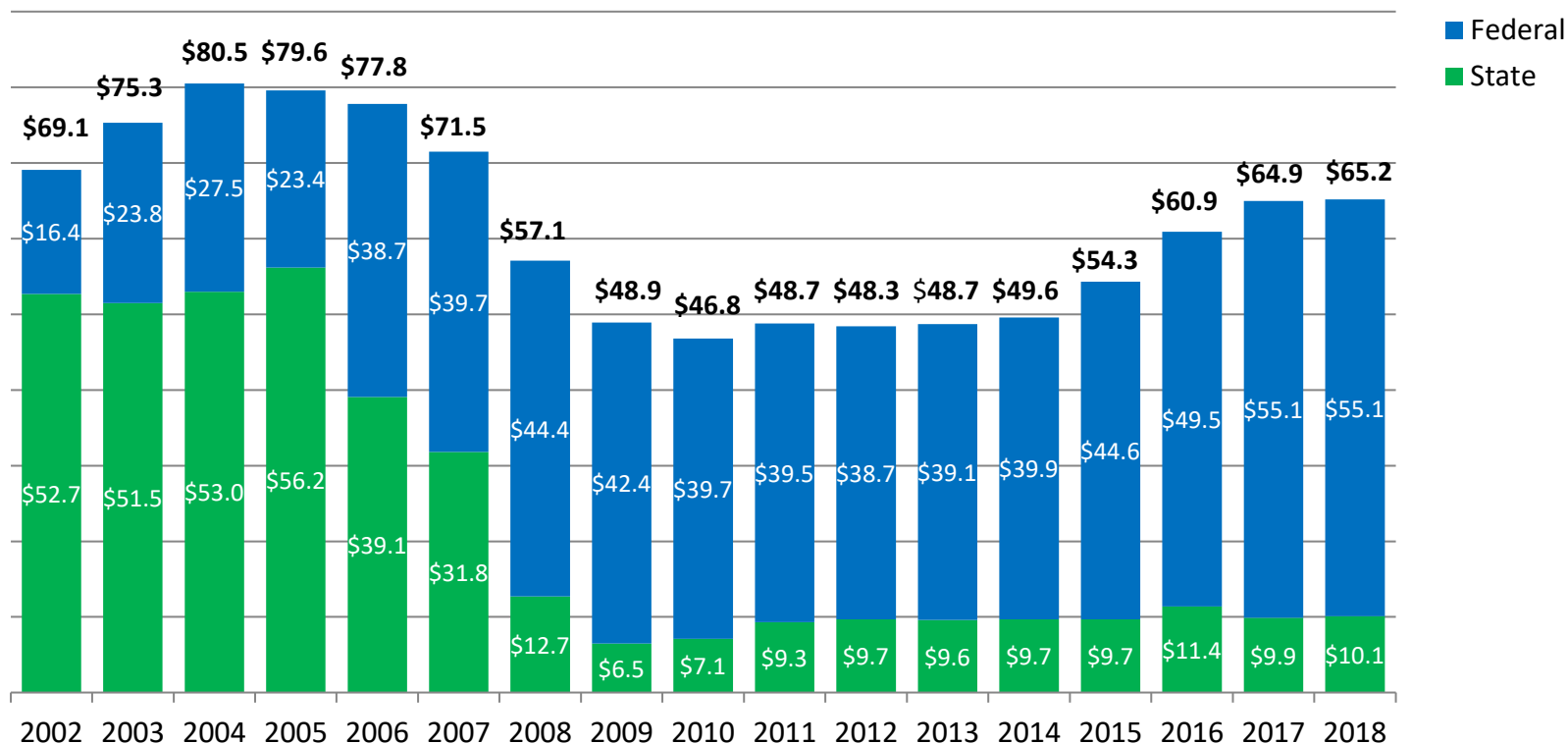
Child Care Subsidies, Rhode Island, 2001-2017



Source: Rhode Island Department of Human Services, December 2001–December 2015, September 2016, December 2017. Data for December 2016 was not available.

- Working families with incomes $\leq 180\%$ FPL are eligible for CCAP. They may continue receiving CCAP until family income is $> 225\%$ FPL (graduated phase-out).
- When the *Starting Right* law passed in 1998, the plan was to expand CCAP to all families $\leq 250\%$ FPL, but RI only reached 225%. In 2007, families with incomes $> 180\%$ FPL were cut from the program. In 2013, CCAP families were allowed to retain subsidy until family income $> 225\%$ FPL.

Rhode Island Child Care Assistance Program Financing by State Fiscal Year* (in millions)



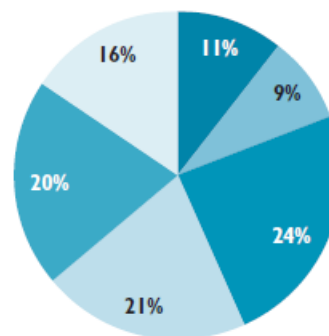
- Rhode Island spends 18% less overall and 82% less in state funding on CCAP than we did in 2005.

Sources: Rhode Island House Fiscal Rhode Island Enacted Budgets. Note: FY 2002– 2017 are final expenditures. FY18 is budget as of May 2018 Caseload Estimating Conference.
Prepared by Rhode Island KIDS COUNT, 2018

RI Child Care Assistance Program

- 87% of children receiving CCAP in Rhode Island were in low-income working families; 9% were in families participating in RI Works; 5% were in foster care.
- Among families receiving CCAP, 43% were eligible for child care subsidy with no co-payment (RI Works, DCYF Foster Family, and Working Family < 100% FPL).
- 57% of families receiving CCAP pay a portion of the cost of care (ranging from 2% to 14% of family income).

Families Using Child Care Subsidies by Eligibility/Income Level, Rhode Island, 2017



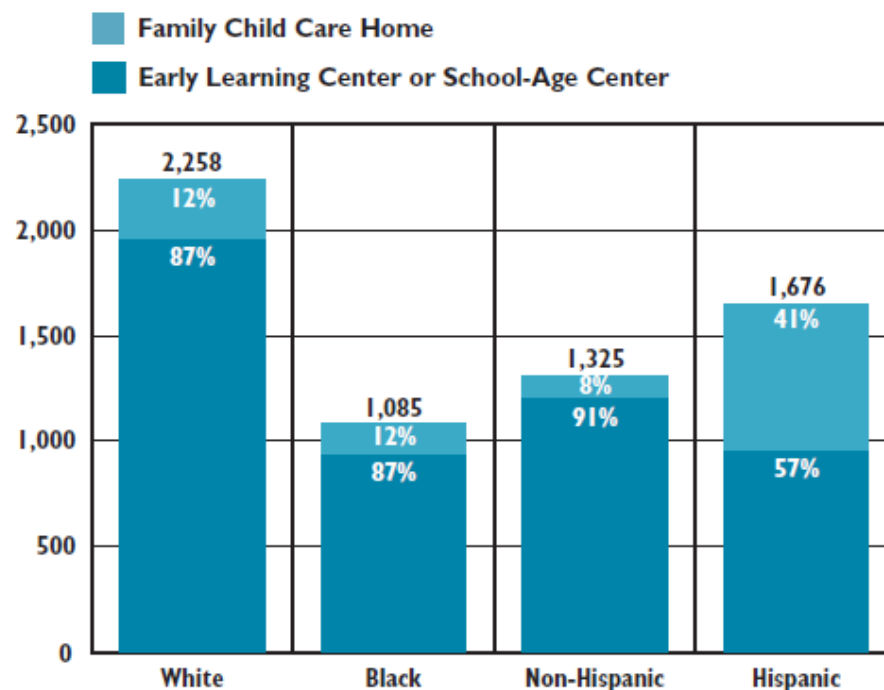
11% (687) DCYF Foster Family
 9% (575) RI Works Family
 24% (1,561) Working Family < 100% FPL
 21% (1,335) Working Family 100 – 150% FPL
 20% (1,325) Working Family 150 – 200% FPL
 16% (1,009) Working Family 200 - 225% FPL

n = 6,492

RI Child Care Assistance Program

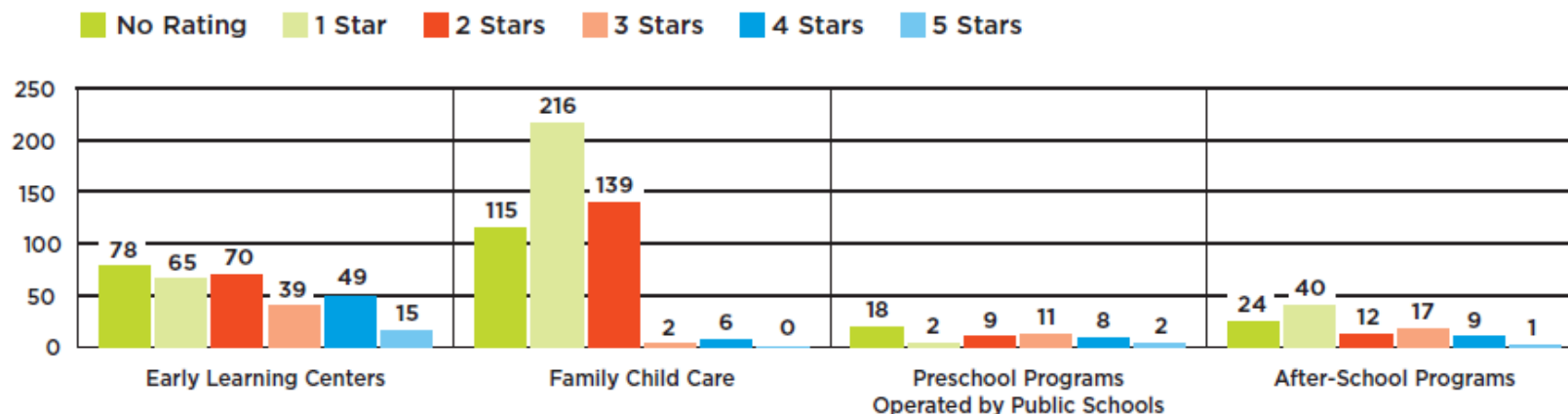
- The majority of children (77%) receiving CCAP are enrolled in early learning or school-age centers. Another 22% are enrolled in family child care homes.
- Although the majority of Hispanic/Latino children are enrolled in centers, they are much more likely to be enrolled in family child care homes (41%) than Non-Hispanic/Latino children (8%).
- Approximately 61% of family child care providers in RI speak only Spanish or are bilingual in Spanish and English.

Type of Child Care Used by Family's Race and Ethnicity, Rhode Island, 2017



BrightStars, Rhode Island's Quality Rating and Improvement System

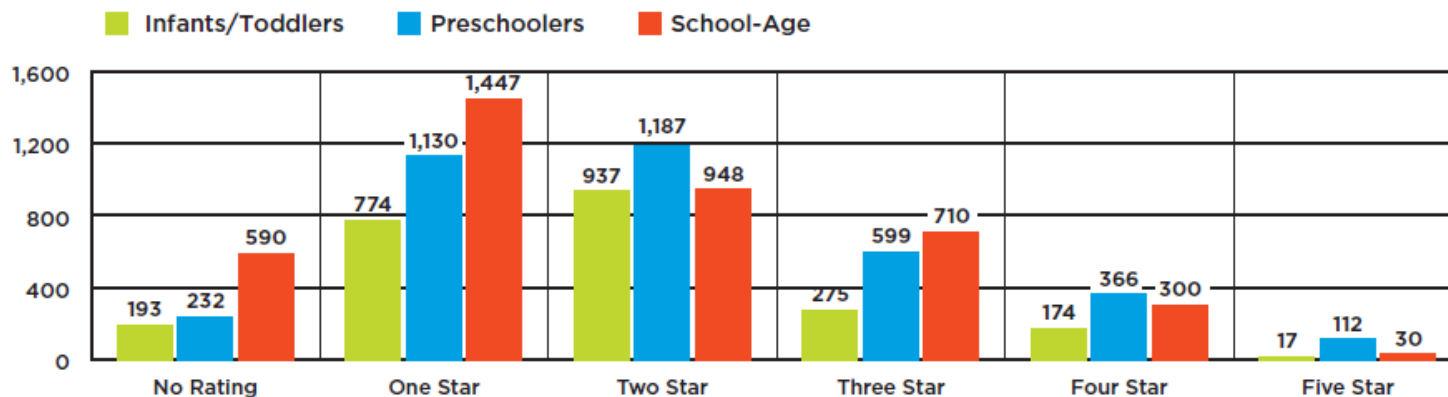
BRIGHTSTARS RATINGS, RHODE ISLAND, JANUARY 2018



- Decades of research have shown that high-quality early care and education programs help children gain skills and knowledge prior to school entry and produce positive outcomes that last well into the school years.
- Across the U.S. and Rhode Island, high-quality early learning programs are difficult for parents to find and to afford.

Children in CCAP and Quality Care

CHILDREN RECEIVING CCAP BY BRIGHTSTARS QUALITY RATING OF PROGRAM, DECEMBER 2017

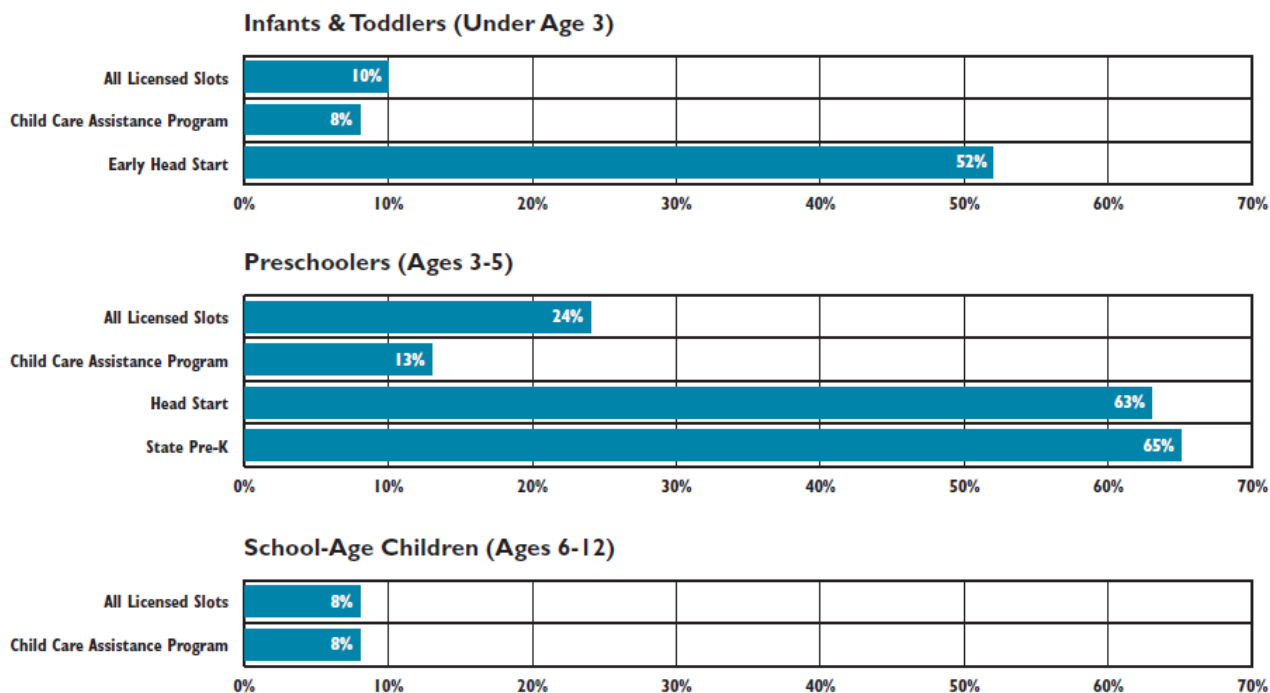


Source: Rhode Island Department of Human Services and Rhode Island Association for the Education of Young Children, Child Care Assistance Program enrollment by BrightStars program quality rating, December 2017.

- 8% of infants and toddlers, 13% of preschoolers, and 8% of school-age children are enrolled in high-quality child care programs.

Access to Quality Programs

Percent of Children in High-Quality Programs (4 or 5 Stars), Rhode Island, 2017

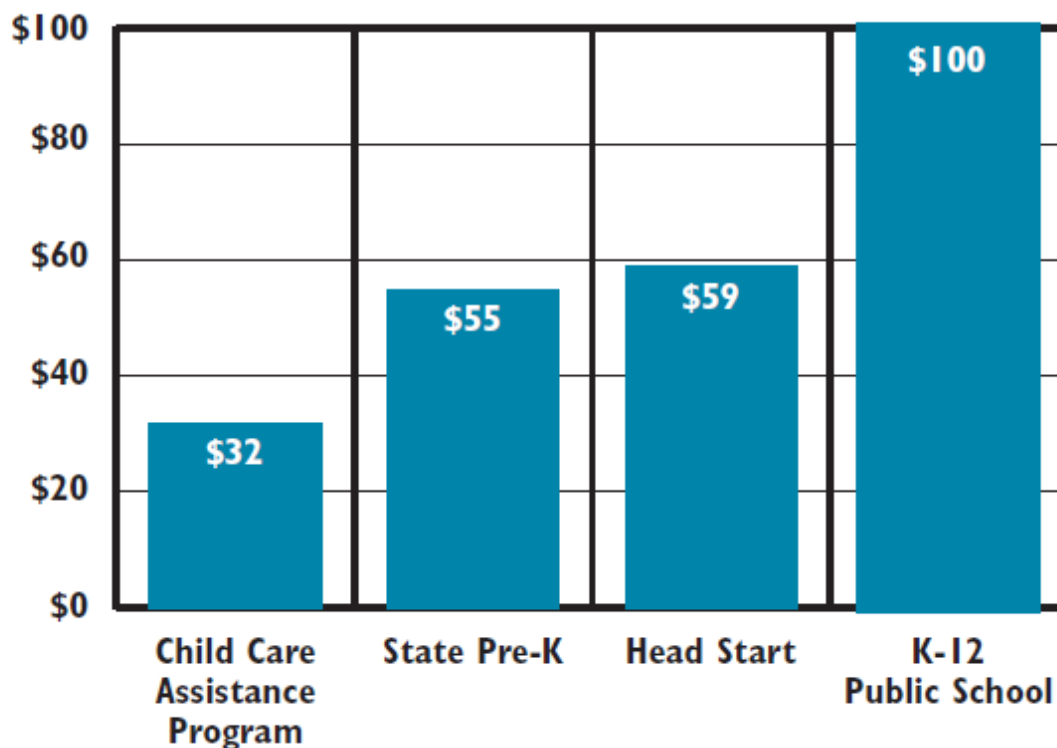


- High-quality programs are difficult to find and young children receiving CCAP are enrolled in lower-quality programs than those available to the general public.
- Children enrolled in Early Head Start, Head Start, and State Pre-K are much more likely to be enrolled in high-quality programs than children in only in CCAP.

Child Care Funding

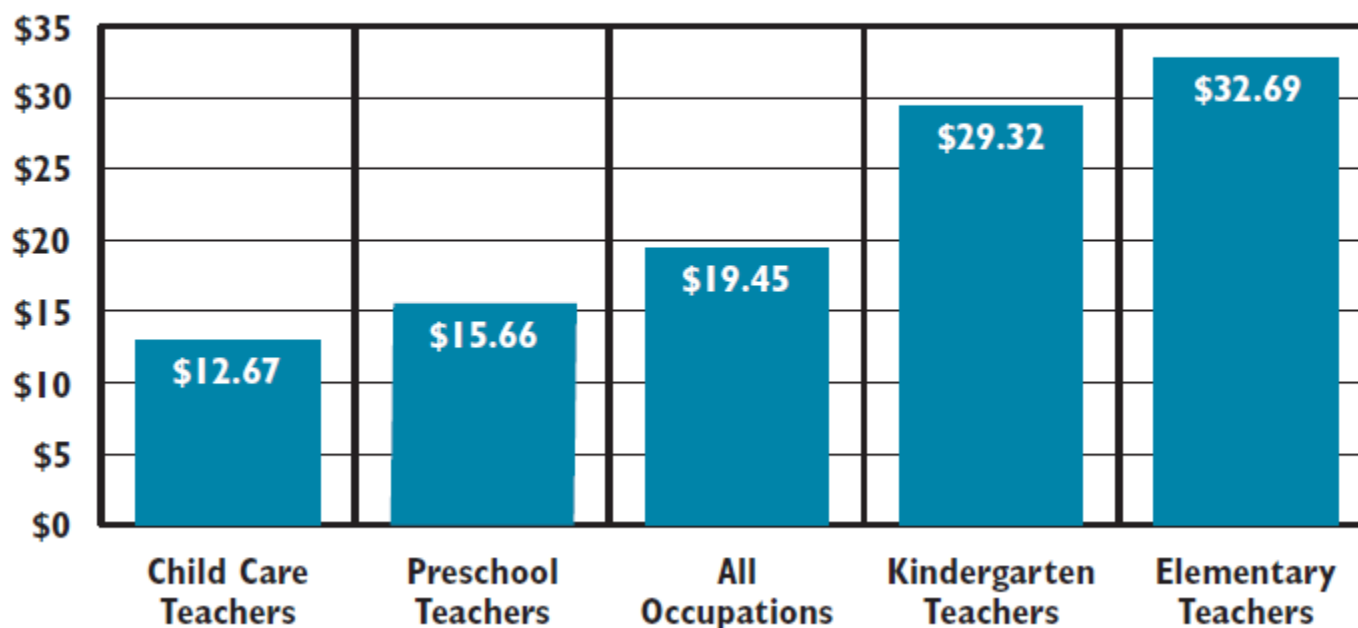
- CCAP funding per child is not enough for most programs to reach high-quality standards.
- CCAP infant/toddler rates are 24% the 2015 federal benchmark for access to quality care.
- CCAP preschool rates are 33% the 2015 federal benchmark for access to quality child care.

**Public Funding Per Child/Per Day,
Rhode Island, 2017**



Teacher Wages

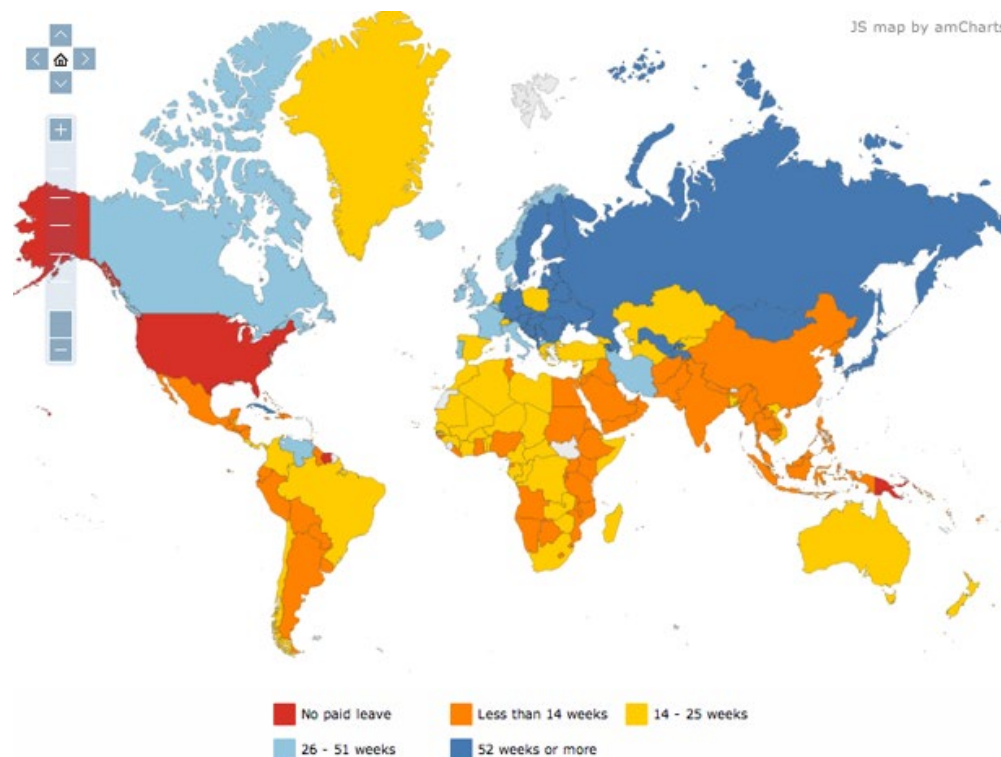
Hourly Wages by Occupation, Rhode Island, 2017



- To address the wage gap, some states provide targeted wage supplements or stipends to certain early care and education teachers to promote retention of qualified and effective early educators.

Paid Family Leave

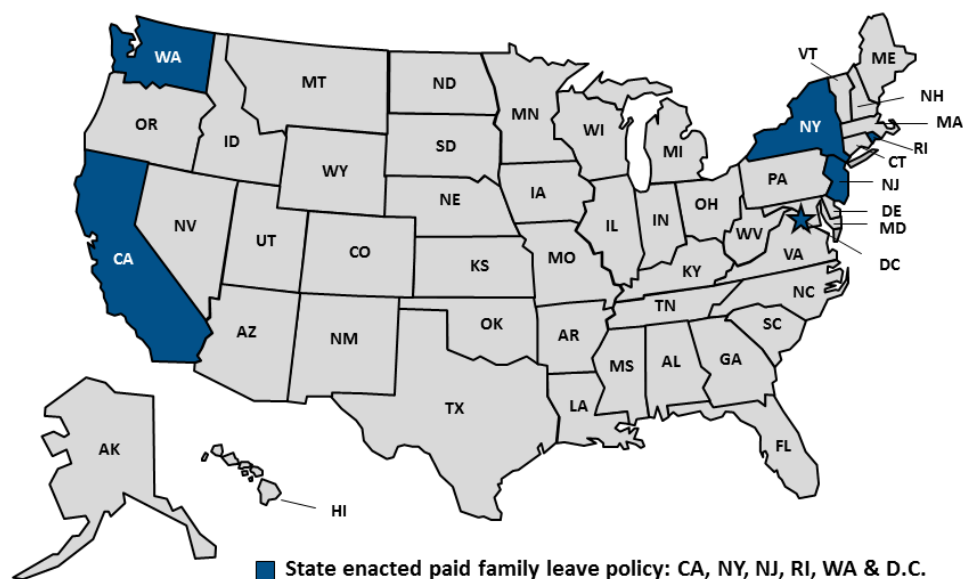
- The U.S. is one of only a handful of countries that do not provide any paid family leave. The 1993 federal *Family & Medical Leave Act* provides 12 weeks of unpaid leave. The Rhode Island 1987 *Parental & Family Medical Leave Act* provides 13 weeks of unpaid leave.
- Families in many economically-developed countries receive at least 6 months of paid family leave.
- Studies suggest 12 weeks is the minimum, and recommendations range from 6 to 12 months to promote improved outcomes for children.



Paid Family Leave

Figure 1

State Policies on Paid Family Leave, 2017

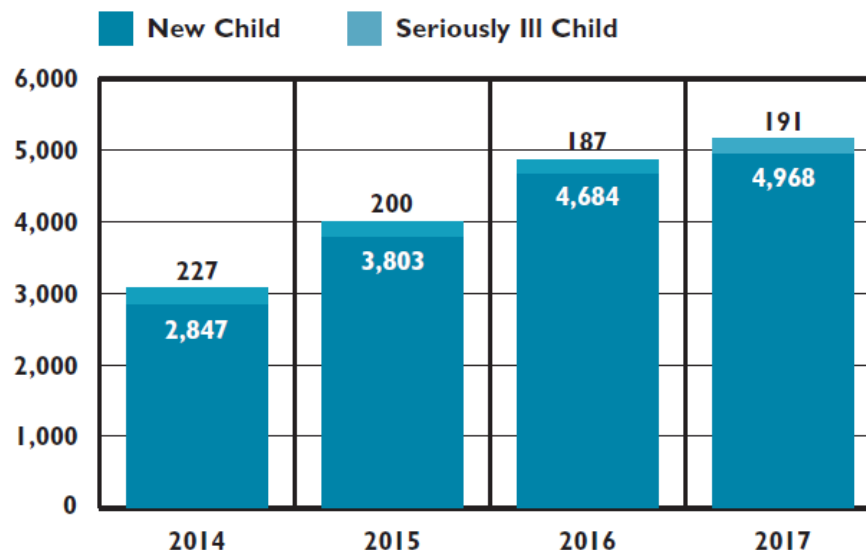


NOTE: New York law takes effect in 2018, and D.C. and Washington's benefits will be effective in 2020.
SOURCE: National Partnership for Women and Families. [State Paid Family Leave Insurance Laws](#). July 2017.

- In 2014, Rhode Island became the third state in the U.S. to implement a paid family leave policy – The Temporary Caregivers Insurance Program.

Rhode Island Paid Family Leave

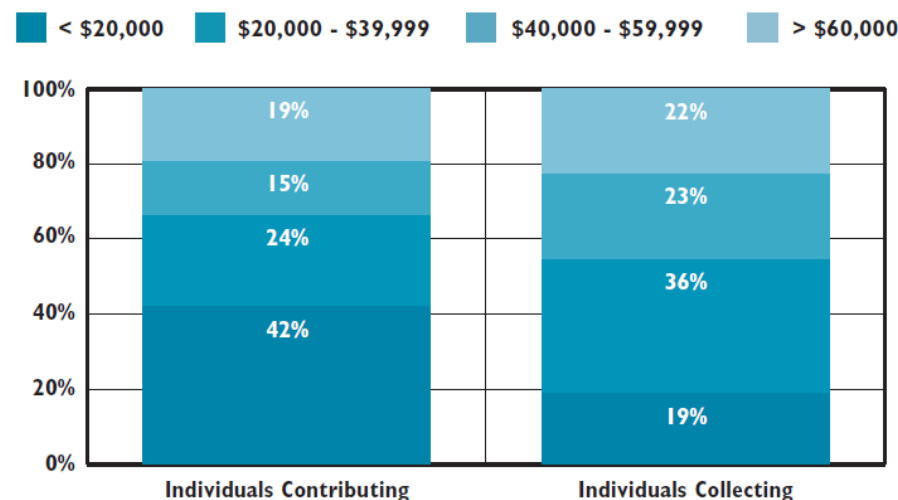
**Approved Temporary Caregiver
Insurance (TCI) for Parents by Type,
Rhode Island, 2014-2017**



- In 2017, 80% of all approved TCI claims were to bond with a new child (61% women and 39% men), 98% newborns and 2% foster, adopted, or other child.
- In 2017, 15% of approved claims to care for a seriously ill family member were to care for a child.

Rhode Island Paid Family Leave

Wages of Individuals Contributing to and Collecting Temporary Caregivers Insurance, Rhode Island, 2017



- The Rhode Island TDI & TCI program provides a 60% wage replacement.
- Low-wage workers are less likely to claim TCI than high-wage workers; 42% of individuals contributing to TDI/TCI make less than \$20,000, but only 19% of individuals with approved TCI claims have wages this low.
- Low-wage workers may not be able to afford to take TCI because the wage replacement is not adequate.

Earned Sick Leave

- Pregnant women have approximately 15 prenatal visits for uncomplicated pregnancies.
- Children need preventive care and immunizations (12 visits by age three).
- Children experience routine illnesses every year and 15% of children have a chronic illness.
- In 2017, Rhode Island established an Earned Sick and Safe Leave policy (now one of 9 states).
- As of July 1, 2018, most workers can earn 3 paid sick days that can be used for themselves or to care for family members. Will expand to 5 days by 2020.



Recommendations



Expand Access to High-Quality Child Care

- Implement **tiered quality rates** for CCAP to support and incentivize quality improvement. Ensure that rates for high-quality child care programs are at or above the federal benchmark (75th percentile of a recent market rate survey) to ensure equal access to quality child care.
- Provide intensive and individualized supports to all child care programs (early learning centers, family child care homes, and after-school/summer programs) to **promote quality improvement**.
- Implement **wage supplements** to attract and retain qualified and effective early childhood educators in programs serving the youngest children.
- Expand child care subsidies to **serve more low- and moderate- income families**, up to 300% FPL.

Expand Access to Paid Family Leave & Earned Sick Leave

- **Expand the Temporary Caregivers Insurance program to cover up to 12 weeks** of paid time off to care for a new child or seriously ill family member.
- **Improve wage replacement rates for low-wage workers** so their families can remain financially stable and their children can experience the improved outcomes associated with time at home with parents.
- **Ensure employees, particularly those who have low-wage jobs, are notified** about the availability of both paid family leave and earned sick leave, including the ability to take sick leave to care for children experiencing routine illnesses and to bring children to preventive health care appointments.



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