

SAN MATEO COUNTY FAMILY CHILD CARE IN CRISIS

WHO: Family Child Care Homes (FCCHs)

- FCCHs are 14% of all child care
- State licensed, operate in caregiver's residences
- **FCCHs account for 46% of infant care**

WHO: Families with Children 0-12 years old

- FCCHs reflect diversity of SMC's families, and offer non-traditional hours
- **Families pay > 25% of income for child care**

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Family child care is whole family care. - FCCH provider

FINDINGS FROM THE 2022 SMC CHILD CARE NEEDS ASSESSMENT¹



- 17,000+ child care spaces are needed for children ages 0-12 years old to meet market demand
- Child care provides a critical infrastructure to support local workers and businesses
- 15,500 working parents would benefit from a universal Infant-Toddler child care program
 - 550+ mothers could re/enter workforce, increasing economic earnings of \$203.7M yearly

29% of child care demand in San Mateo County is UNMET

Child care workforce must increase by 53%

Nationally, infant-toddler child care crisis costs \$122B yearly in lost earnings, productivity, revenue²

Economic investments are needed to sustain critical, valuable FCCH infrastructure

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The subsidy rates do not cover my cost to provide quality care for children in my program. - FCCH provider



THE REAL BOTTOM LINE

- **True cost of FCCH operation is greater than proceeds³**
 - Infant programs: underfunded by 62%
 - Preschool programs: underfunded by 65%
 - School-aged programs: underfunded by 52%
- **FCCHs incurred heavy losses/closures from COVID-19**
 - 101 less FCCHs in 2022 than 2017
 - 900 fewer spaces

¹ Completed by Brion Economics for San Mateo County Child Care Partnership Council, November 2022
<https://www.smcoe.org/about/child-care-partnership-council/needs-assessment.html>

² ReadyNation, \$122 Billion: The Growing, Annual Cost of the Infant-Toddler Child Care Crisis, February 2023

³ Comparison of market rates to true cost of care; rates from 2020-2021; SMC Child Care Needs Assessment 2022