



UNDER EMBARGO

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Contact: Emily Allen, eallen@jannus.org

IDAHO RANKS 11TH IN ECONOMIC WELL-BEING, BUT INACCESSIBLE, UNAFFORDABLE CHILD CARE THREATENS PARENTS' FINANCIAL SECURITY

50-State Data in Annie E. Casey Foundation Report Reveals Child Care Challenges, Including \$122 Billion Annual Loss to U.S. Economy and \$525 Million Annual Loss to Idaho Economy

Boise, Idaho — Idaho ranks 13th in overall child well-being, according to the **2023 KIDS COUNT® Data Book**, a 50-state report of recent household data developed by the Annie E. Casey Foundation analyzing how children and families are faring. This year's report focuses on how expensive, hard-to-find child care pushes parents to a breaking point and outlines solutions policymakers can enact to address the crisis.

Idaho's child care industry – a system integral to keeping the state's economic engine running – is facing numerous challenges. The state's lack of affordable and accessible child care short-changes children and causes parents to frequently miss work or even quit their jobs, while those who can find care are paying greatly for it. At the same time, child care providers struggle to recruit and retain a workforce, with little wiggle room to raise wages without passing costs onto parents.

"Parents know first-hand that there is a child care crisis in Idaho," said Emily Allen, policy associate with Idaho Voices for Children, Idaho's member of the KIDS COUNT network. "As a state, we need to recognize that the lack of child care is not only a concern for families but is also an economic one. Reversing the shortage of child care spots will be crucial to supporting working families and providers."

The Annie E. Casey Foundation found that child care challenges cost the U.S. economy \$122 billion a year and the Idaho economy \$525 million a year. Too many parents cannot secure child care that is compatible with work schedules and commutes. The *Data Book* reports that in 2020-21, 10% of Idaho children under age five lived in families in which someone quit, changed or refused a job because of problems with child care.

Even if parents can find a child care opening, they often cannot pay for it. Idaho's average cost of center-based child care for a toddler in 2021 was \$7,675, 9% of the median income of a married couple and 25% of a single parent's income in the state. Year-round, full-time infant care costs as much as a year of tuition at an Idaho public university. While the cost of care burdens families, child care workers are paid worse than 98% of professions. The national median hourly wage for child care workers was \$13.71 an hour in 2022, less than the wage for retail (\$14.26) and customer service (\$18.16) workers. In Idaho, the median hourly wage in 2022 for child care workers was \$10.56 per hour, the fifth lowest in the country.

"A good child care system is essential for kids to thrive and our economy to prosper. But our current approach fails kids, parents and child care workers by every measure," said Lisa Hamilton, president and CEO of the Annie E. Casey Foundation. "Without safe child care they can afford and get to, working parents face impossible choices, affecting not only their families, but their employers as well."

2023 KIDS COUNT DATA BOOK EXAMINES IDAHO'S CHILD WELL-BEING

Each year, the *Data Book* presents national and state data from 16 indicators in four domains — economic well-being, education, health, and family and community factors — and ranks the states

according to how children are faring overall. This year, the report looks specifically at how children and families are doing now compared to just before the pandemic. Highlights for Idaho include:

- ▶ **ECONOMIC WELL-BEING:** Idaho ranked 11th in the nation on the *Data Book* economic well-being domain. About 13% of children lived in families with an income below the poverty line, and 21% of children lived in families where no parent had full-time, year-round employment in 2021.
- ▶ **EDUCATION:** Idaho ranked 38th in the nation on the *Data Book* education domain. Between 2017-21, two-thirds (65%) of 3- and 4-year-old Idaho children did not attend preschool. In 2022, 18% of high school students did not graduate on time, a 5% decrease from before the pandemic.
- ▶ **HEALTH:** Idaho ranked 17th in the nation on the *Data Book* health domain. In 2021, 7% of children did not have health insurance, and 27% of teens ages 10 to 17 were overweight or obese.
- ▶ **FAMILY AND COMMUNITY:** Idaho ranked 5th in the nation on the *Data Book* family and community domain – the state's highest ranking. About 24% of children lived in single parent households in 2021, the second lowest in the country. The teen birth rate dropped to a record low in 2021 of 12 teen births per 1,000, a 20% decrease from before the pandemic.

"Idaho ultimately saw improvement across 9 of 16 indicators in this year's *Data Book*, and for the first time, a domain ranking in the top ten. These positive shifts show that what we do as advocates, community members and leaders matters," said Emily Allen. "We know what it takes to have healthy, thriving children, and our state has the economic power to make significant investments in our future."

POLICIES ARE NEEDED TO SAVE IDAHO'S CHILD CARE INDUSTRY FROM CRISIS

Over the last three years, child care businesses across the country have depended on federal pandemic relief to remain open and stabilize the industry. In Idaho, the funding has been distributed through Child Care Business Grants, which consist of operational support and wage enhancements for child care workers. After three years, the relief dollars are set to expire at the end of June 2023.

"With inflation and workforce shortages, running a child care business is expensive with slim margins of operation. As the data shows, most working parents aren't able to shoulder increases to tuition," explained Allen. "The end of the federal relief, while anticipated, is only going to exacerbate the child care crisis and put an even larger strain on our economy."

Transitioning from a faltering child care industry to a flourishing one will take new thinking and investing at the local, state and national levels. Idaho Voices for Children and the Annie E. Casey Foundation call on lawmakers to consider specific policies that strengthen the child care system:

- ▶ Federal, state and local governments should invest more in child care. Specifically, wage enhancements are needed to retain current staff and incentives for early learning degrees, such as scholarships or loan forgiveness programs, are needed to grow the workforce.
- ▶ Public and private leaders should work together to improve the infrastructure for home-based child care, beginning by lowering the barriers to entry for potential providers by increasing access to start-up and expansion capital.
- ▶ To help young parents, Congress should expand the federal Child Care Access Means Parents in School (CCAMPIS) program, which serves student parents.

"Child care is the backbone of the economy. It is time that the State of Idaho treated child care as the critical infrastructure for working families it is," concluded Allen.

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RELEASE INFORMATION

The 2023 *KIDS COUNT® Data Book* will be available at www.aecf.org. Additional information is available at www.aecf.org/databook. Journalists interested in creating maps, graphs and rankings in stories about the *Data Book* can use the KIDS COUNT Data Center at datacenter.aecf.org.

ABOUT IDAHO VOICES FOR CHILDREN

Idaho Voices for Children works to develop and promote a statewide public policy agenda that advocates for children on issues of health, education, safety, well-being and family economic security. Learn more at idahovoices.org.

ABOUT THE ANNIE E. CASEY FOUNDATION

The Annie E. Casey Foundation creates a brighter future for the nation's young people by developing solutions to strengthen families, build paths to economic opportunity and transform struggling communities into safer and healthier places to live, work and grow. For more information, visit www.aecf.org. KIDS COUNT® is a registered trademark of the Annie E. Casey Foundation.