



MARYLAND CHILD CARE
RESOURCE NETWORK

TRENDS IN CHILD CARE • 2023



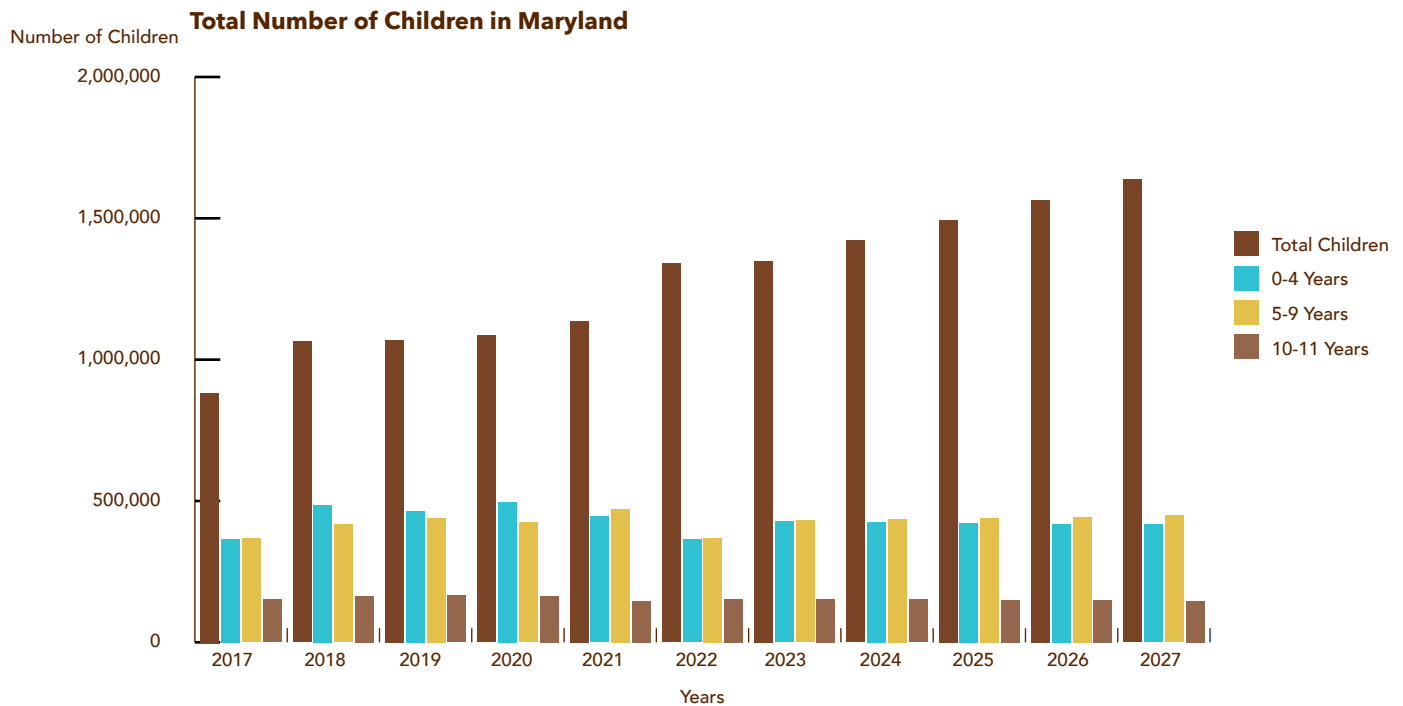
MARYLAND
FAMILY
NETWORK

Studies show that quality childcare in the first five years is crucial. The Heckman Equation¹ indicates that there is a 13% return on investment when disadvantaged children have access to high quality birth-to five programs. “Significant gains are realized through better outcomes in education, health, social behaviors and employment.” In addition to school readiness benefits and health benefits, that long term return on investment includes reduced remediation; increased rates of high school graduation; higher rates of adult employment; contribution to society including paying taxes.

This publication provides a summary of the critical components of childcare (demand, supply, and cost) from 2017-2027. The analysis is based on the data collected by LOCATE: Child Care of the Maryland Family Network and the Maryland Child Care Resource Network. The historical data collected from 2017 to the present is analyzed in the following summary and is used to project the data forecasts for 2023 through 2027 using the Multiple Regression Analysis and Forecasting template. The results of the analysis are presented through a combination of graphs, charts, and text descriptions that summarize the data and interpret the trends.

How many children in Maryland will need child care in the future?

In Maryland, 66% of children are under age 12 – more than 884,000 children in 2023– may require childcare while their mothers are at work.



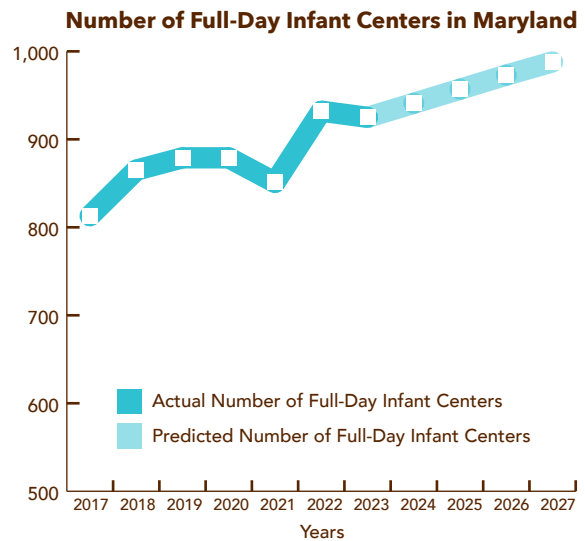
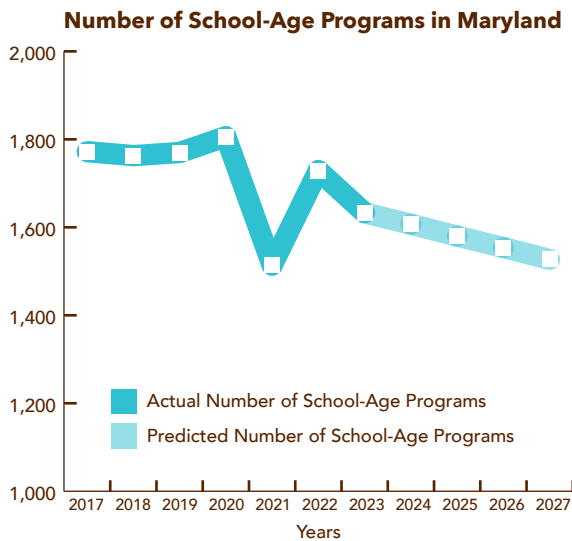
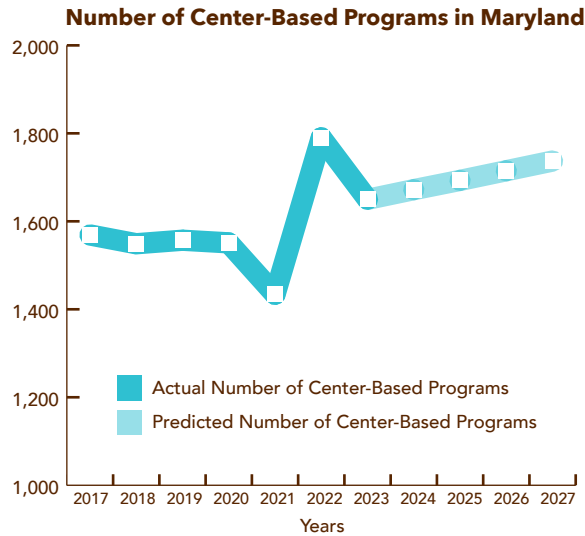
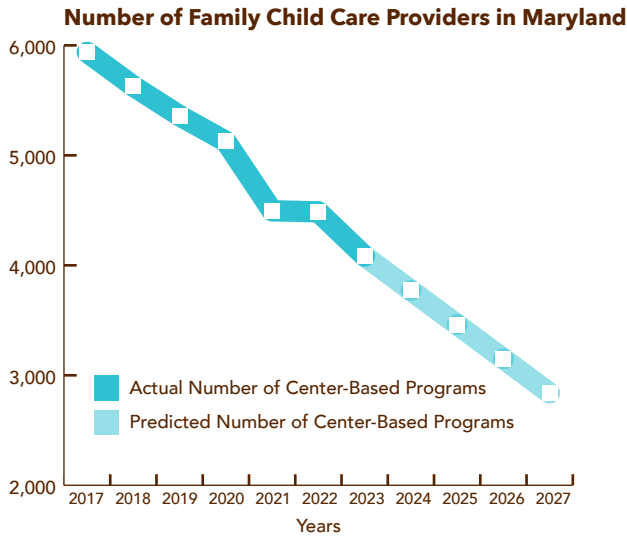
The chart above² shows the total number of children under twelve in Maryland and groups them into the indicated age ranges. The chart indicates the data collected to date and projects the size of the population from which the future of the total population of children under the age of 12 have mothers in the work force and may require childcare.

Analysis of the data provides the following trends from 2023 through 2027:

- The number of children in the 0-4 age group is projected to decrease by 2.5%.
- The number of children in the 5-9 age group is projected to increase by 4.2%.
- The number of children in the 10-11 age group is projected to decrease by 3.4%.
- The total number of children under 12 in Maryland is projected to increase by 21.3%

¹Heckman, James J (2016)/ There’s more to gain by taking a comprehensive approach to early childhood development. Heckmanequation.org
²2010 U.S. Census data

How many child care providers will there be in Maryland in the future?



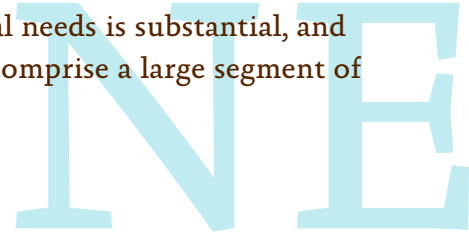
The graphs above depict the number of licensed childcare providers in the state of Maryland, including both family providers and center-based programs. Separate graphs indicating the number of school-age programs and full day infant care are also provided. The graphs indicate the actual numbers collected to date and show projections based on this information for the near future.

As shown in the first graph, the number of family childcare providers in Maryland shows a projected decrease of about 30% from 2023 to 2026. Over this same period, the number of center-based programs shows a projected increase of 5.2%

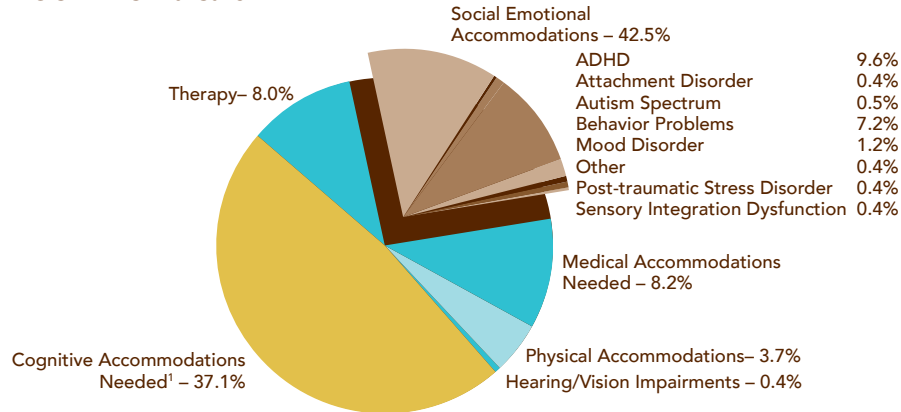
The second pair of graphs depicts the growth of school age programs and full-day infant centers in Maryland. The number of school-age programs is projected to decrease from 2023-2026, with a decrease of about 6.5%. However, over this same period, the number of full-day infant centers in Maryland is expected to increase by about 6.8%.

Is there a need for child care that can serve children with social/emotional disorders?

The need for child care for children with special needs is substantial, and children with emotional and social challenges comprise a large segment of the population in need of these services.



Accommodations Needed by Children with Special Needs Served Through LOCATE: Child Care



LOCATE: Child Care supports the families of special needs children by assisting them in finding regulated child care providers experienced in caring for children with special needs. Referral specialists work with the parent to determine what accommodations are needed based on the child's and family's circumstances. The specialist then contacts providers with appropriate experience to determine where there are vacancies. Specialists also counsel parents in finding quality child care.

In 2022, LOCATE: Child Care's Special Needs Service provided enhanced child care resource and referral services to the families of 536 children with special needs. The demand for these services was greatest for young children – from birth to age six.

Of the children with disabilities and their siblings served, (74.3%) were under the age of six. Only 3.2% of services related to children age thirteen to twenty-one. For the children with disabilities for whom accommodations were required, more than sixty percent (64.5%) served by LOCATE's Special Needs Service had a single disability while the remaining 32.5% had multiple disabilities. ¹

Many children with a disability need some accommodation in child care settings. In earlier years, LOCATE's Special Needs Service had noticed a significant number of children needing social/emotional accommodations. Since 2006, the percentage of children needing social/emotional accommodations has been between 36% to 54.9%

Of the children requiring social/emotional accommodations, many are identified with Attention Deficit Hyperactivity Disorder (ADHD) or Autism Spectrum Disorder. The percentage of children with special needs served who are

identified with Attention Deficit Hyperactivity Disorder (ADHD) has dropped to 1%. Thirty-nine percent of the children were identified as having Autism Spectrum Disorder.

Maryland Family Network works in partnership with the Early Childhood Mental Health (ECMH) Project. This project of the Maryland State Department of Education addresses the mental health needs of children from birth to 5 years of age. The project's goals are to:

- "Promote positive social/emotional wellness practices in early childhood settings;
- Identify and work proactively with children who may have development, social, emotional, or behavioral concerns; ²
- Refer children and families in need of more intensive mental health services to appropriate support and/or clinical programs;
- Help children remain in stable, quality child care arrangements that support their individual needs;
- Increase teacher confidence and competence dealing with challenging behaviors through training, coaching and mentoring, and
- Build close partnerships with local community resources including Judy Centers, Head Start Centers, health departments, Child Find, Maryland Infants and Toddlers Program, preschool special education, and private consultation providers" ³

¹ Numbers include children with developmental delays as well as those with social/emotional disorders. Children with developmental delays often need social/emotional accommodations in the child care setting.

² Includes such conditions as bipolar disorder, depression, emotional problems, mood disorders, and post-traumatic stress disorder.

³ Maryland Department of Education, Early Childhood Development, earlychildhood.marylandpublicschools.org/early-childhood-mental-health

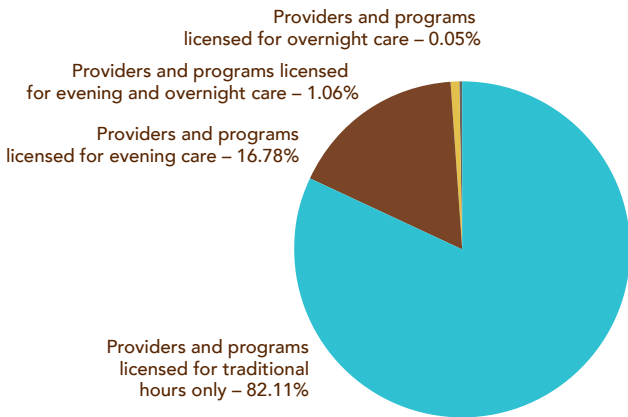
What about non-traditional hours of care?

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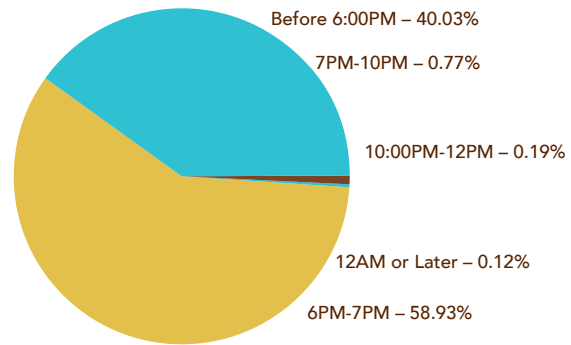
Approximately 17.9% of caregivers are licensed to offer evening or overnight care.



Child Care Providers and Programs Licensed to Provide Day, Evening, and Overnight Care



Closing Hours of Providers and Programs Licensed to Provide Evening or Overnight Care*



Of the caregivers that are licensed for evening or overnight care, about 17.4% actually offer non-traditional hours of care. In fiscal year 2022, LOCATE: Child Care received requests for child care for 2899 children⁴. Of these requests, 1.4% (41) needed care during evening hours (7:00 p.m. to midnight), and 0.6% (18) needed care overnight (midnight to 6:00 a.m.). The percent of demand for evening care and overnight care dropped slightly from the previous year.⁵

⁴ Includes Community Line, Corporate and Special Needs Services

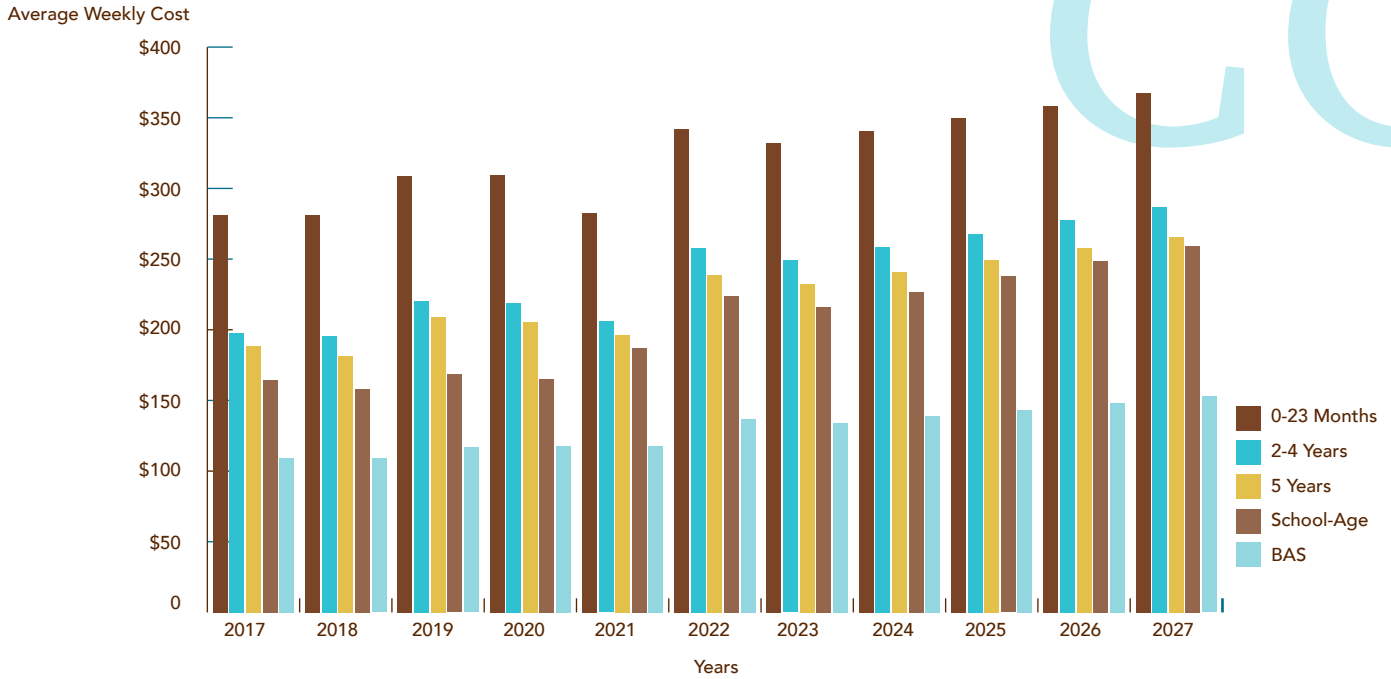
⁵ Maryland Family Network, LOCATE: Child Care

Will the cost of child care continue to grow?

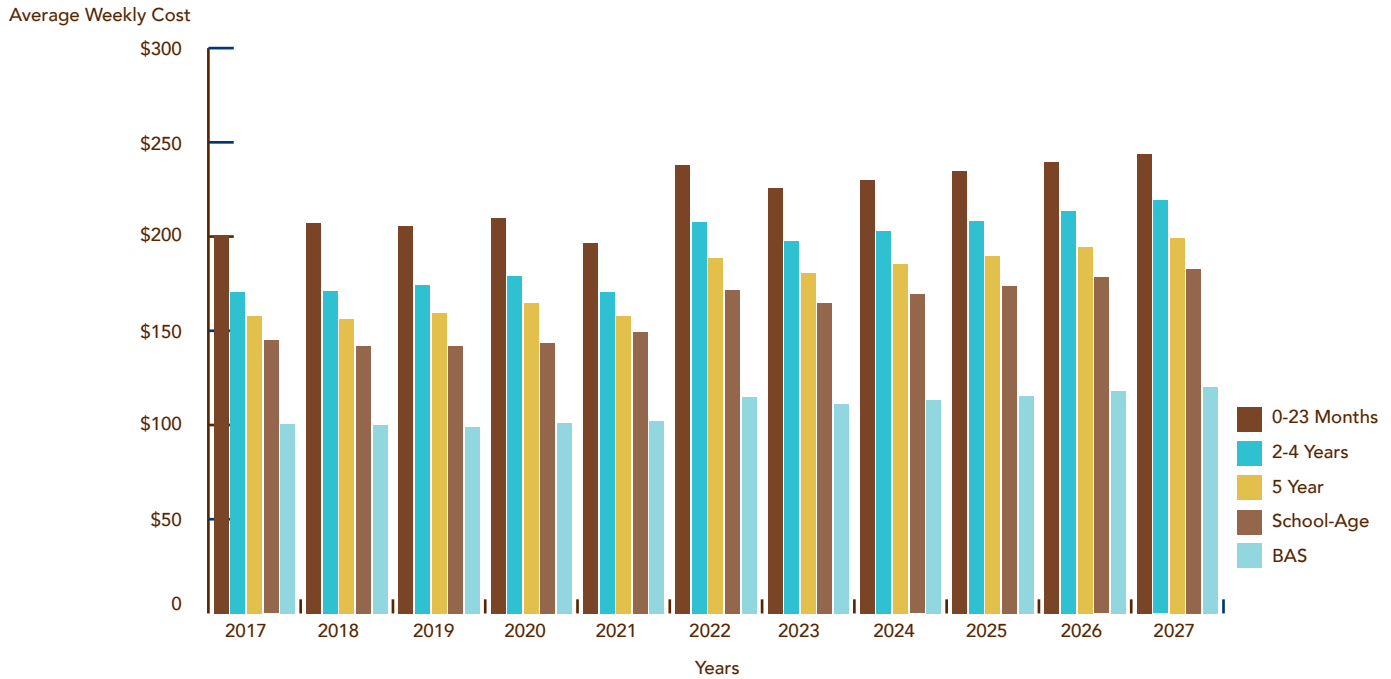
The cost of care has shown, and will continue to show, general growth.



Average Cost of Care in Maryland Center-Based Programs



Average Cost of Care in Maryland Family Child Care Programs



The charts above show actual and projected weekly costs of regulated childcare in Maryland, grouped according to child age. The charts include both the actual cost data collected to date and the projected future costs based on the trends of these data. Analyzing the cost data shows that, childcare costs are projected to increase through 2027 from 2-15%, depending on age and type of care. The cost of care for school-age children in a center-based program has the highest growth rate of any age group or program with a projected increase of 15.8%; the rate for 2-4 year old is 11%.

These ages show slower growth for family childcare programs with a 2% growth rate for 0-23 months and 5% for 2-4 years. Center-based programs increased from 2021-2022 in the age categories of 0-23, 2-4, and 5 years. The annual average cost of childcare in a center for an infant 0-23 months old is \$12,386⁶ compared to:

- The annual average cost of in-state college tuition in Maryland for the 2021-2022 academic school year was \$11,233⁷
- The average mortgage payment in Maryland annualized is \$15,300⁸
- The annual car payment for a \$23,000 car loan at 5% for 48 months is \$6,356⁹

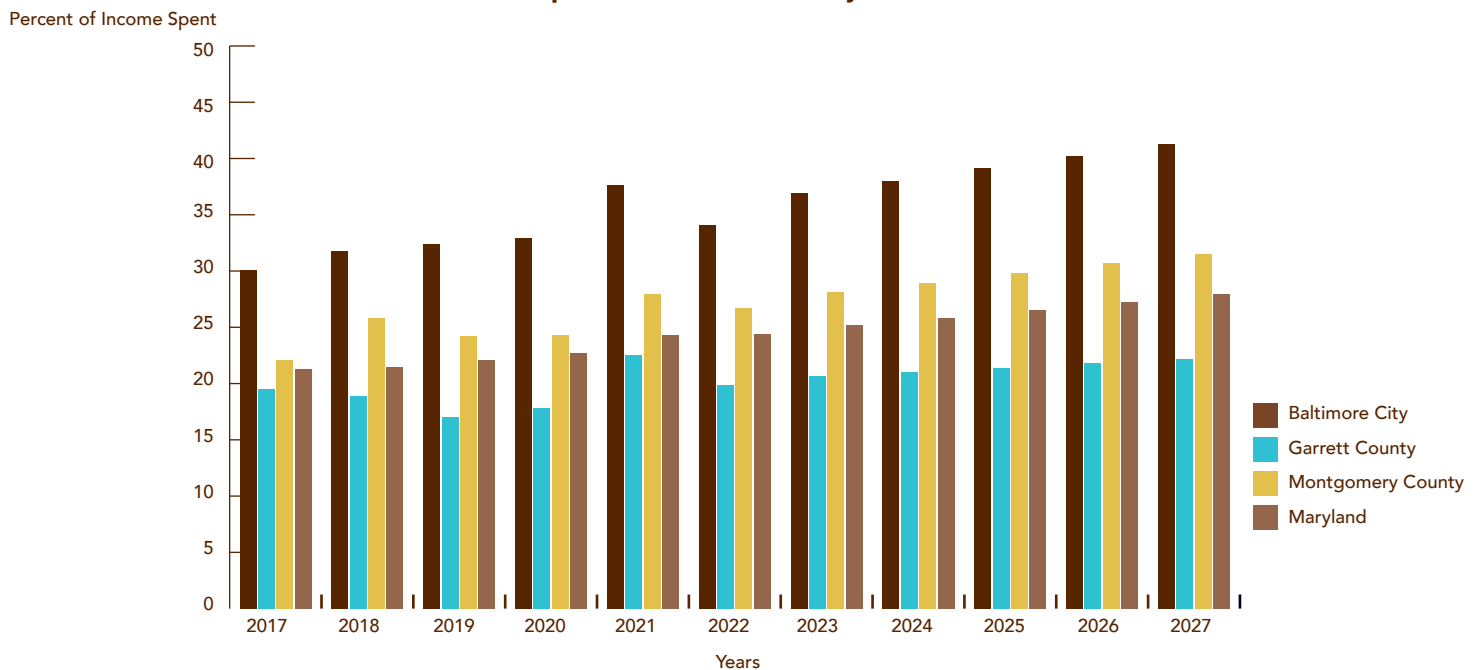
How much of a family's income is spent on child care?

ST

The U.S. Department of Health and Human services recommends that a parent should not spend more than 10% of their family income on childcare.



Percent of Median Income Spent on Child Care in Maryland



The chart above shows the percentage of income that is spent on childcare by a family using childcare services and projects the spending requirements into the near future. The estimated cost of childcare is the combined average of full-time care for an infant in a family childcare home and a preschooler in a child care center. There are three jurisdictions presented on the chart to represent three different population area types – an urban population (Baltimore City), a suburban population (Montgomery County), and a rural population (Garrett County) – as well as the state as a whole.

The current expenditures are all above the recommended goal of 10%, and all jurisdictions and the state show a projected increase over the next five years. Based on these projections, neither Maryland nor any of the individual jurisdictions are expected to meet the 10% goal by 2027¹⁰.

⁶ Maryland Family Network, LOCATE: Child Care

⁷ University of Maryland, College Park 2021-22 In-State Tuition

⁸ <https://balancingeverything.com/average-mortgage-payment/>

⁹ <https://www.carloans.ws/>

¹⁰ Maryland Family Network, LOCATE: Child Care and the 2010 U.S. census

What about the turnover rate among center-based child care staff?

33.66% of center-based staff left their positions between July 2021 and June 2022.

T U R N

In July 2022, Maryland Family Network (MFN) conducted a survey of child care centers in the state to measure the extent of staff turnover. Responses were received from 286 of the centers. The workforce employed by the 286 responding centers numbered 2,862 as of July 2021 in the ensuing year (July 2021 through June 2022), 1100 members (38.4%) of this child care workforce left their positions¹¹.

The greatest turnover (55.1%) occurred in the teacher assistant group.

Total Staff and Exiting Staff at Responding Child Care Centers

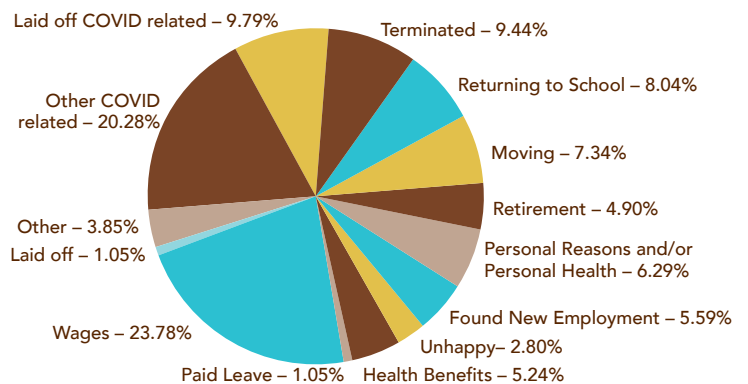
Staff Level	Number of employees at start of year	Number of employees that left during the year	Percent of employees that left during the year
Director	202	15	7.43%
Senior Staff/Group Leaders	954	292	30.61%
Teacher Assistant	265	103	38.87%
Aides	338	182	53.85%
Total Staff	1,759	592	33.66%

What factors contribute to the turnover rate among center-based child care staff?

Wages are the major factor affecting staff turnover.

In the survey cited above 286 respondents provided reasons why those in child care left their positions. Some respondents gave multiple reasons. Almost twenty-four percent left due to wage related concerns (17.48% wages, 5.24 Health Benefits and 1.05% paid leave), 7.34 answered that turnover was due to employees who moved. Thirteen percent (20.28%) reported that employees were terminated or laid off. Some noted that employees returned to school (8.04%) Of the 286 centers in the survey, only about 11% did not have any turnover during that time period.¹⁴

Reasons for leaving



*The statistics in this section have been calculated based on percentage of respondents and cannot be compared to previous Trends publications.

¹¹ Maryland Family Network, LOCATE: Child Care

¹² Maryland Family Network, LOCATE: Child Care

¹³ Maryland Family Network, LOCATE: Child Care

¹⁴ Maryland Family Network, LOCATE: Child Care

¹⁵ Maryland Family Network, LOCATE: Child Care

What about the family child care provider turnover rate?

OVER

16.2% of Maryland's licensed family child care providers left the profession last year.



The turnover rate continues to increase each successive year and is a source of concern. One outcome of high turnover care is inconsistent care for children who are forced to change from one caregiver to another. In addition, high turnover rates create a less experienced child care workforce. In the year ending in June 2022, 95% of family child care providers who left the industry and responded to our survey had been operating for four or more years with about 76% in operation for 10 years or

more. None of the family providers surveyed had been operating their business for less than two years according to MFN data.¹⁷

In September 2022, MFN surveyed 60 new family child care providers. As shown below, their primary reason for entering the child care profession was that they enjoy working with children and that they want to stay home with their own children.

What attracts people to a career in family child care? What causes them to leave?

The provider turnover rate represents changes in the child care provider database due to providers being removed because of leaving the child care profession due to the provider's personal/family issues, burn-out, or career change and new providers being added. The turnover rate is calculated as the total family providers who left the field between July 2021 and June 2022 divided by the total number of family providers in June 2021.¹⁸

As shown below, their reasons for leaving include experiencing burnout or retired; they couldn't attract enough children to make their business profitable; they experienced a personal illness or tragedy, they moved; they found a new job; they did not meet the regulations; or their children grew up.¹⁹

High turnover in child care can affect the quality of the child care program. Children are prevented from having a secure attachment with the teachers. The result is a negative effect on children's social, emotional, and language development.²⁰ Although many providers cite compensation as an issue, burnout, retirement, and personal family issues figure into the reasons.

Number of years Family providers in Maryland have been in the field

Operating 1 year	4%
Operating 4+ years	85%
Operating 10+ years	61%

Reasons New Family Child Care Providers Entered the Child Care Profession in Maryland

Enjoy working with children	78%
Stay at home with own children	15%
Left prior work	3%
Other	3%

Source: Maryland Family Network, LOCATE: Child Care

Reasons Maryland Family Child Care Providers Leave the Child Care Profession

Couldn't get enough children to make it profitable	6%
COVID	26%
Had to wait too long for Scholarship/Subsidy payments	3%
Had difficulty dealing with parents	3%
Have a new job	6%
Moved	9%
My family has been touched by personal illness or death other than COVID	9%
Other (please specify)	11%
Problem with licensing specialist	3%
Retired	11%
Too Many Regulations	14%

Source: Maryland Family Network, LOCATE: Child Care

¹⁷ Maryland Family Network, LOCATE: Child Care

¹⁸ Maryland Family Network, LOCATE: Child Care

¹⁹ Maryland Family Network, LOCATE: Child Care

²⁰ Noriko Porter, [USA] High Turnover among Early Childhood Educators in the United States. Cited Korjenevitch, M., & Dunifon, R. (2010). Child care center quality and child development. Ithaca, New York: Cornell University.

What are the average salaries of child care workers in Maryland?

COMPENSATION

The salaries of child care workers are low, when compared to other occupations – ranging between \$8.60 and \$19.80 per hour or annualized to \$17,491 to \$41,753.²¹

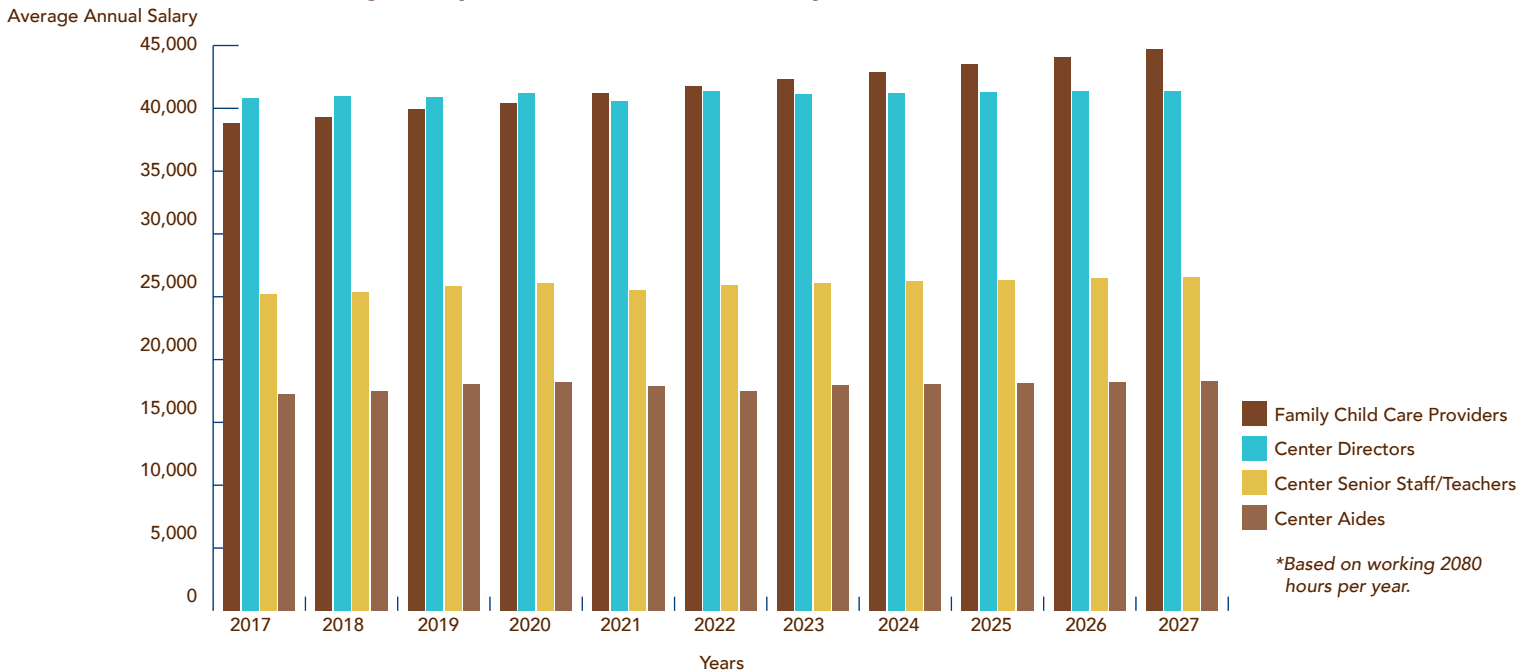
As a comparison:

A minimum wage worker in Maryland earns \$24,440 ²²

Fast food cooks in Baltimore, Maryland earn a base salary of \$11.75 annualized to \$23,694²³

Kindergarten teachers in Baltimore Maryland earn \$62,132 ²⁴

Annual Average Salary of Child Care Workers in Maryland*



The chart above summarizes the salary growth of four categories of child care workers. Actual data, collected to the present date, is indicated as well as future projections based on these data. As depicted in the graph, the salaries of all child care workers show a general increase to date with continued projected growth.

Based on current trends, by 2027, family child care provider income is projected to grow by 7%; center director salaries are projected to stay roughly the same and as will aides. Teachers salaries are projected to grow 2%. Center teacher salaries are projected to increase by 2.5%.²⁵

²¹ Maryland Family Network, LOCATE: Child Care

²² Maryland Department of Labor, Minimum Wage and Overtime Law, 2020

²³ Maryland Fast Food Cook Salaries, Salary.com, 2020

²⁴ Maryland Kindergarten Teacher Salaries, Salary.com, 2020

²⁵ Maryland Family Network, LOCATE: Child Care

How can the quality of child care be improved?

QUALITY



Over the past several years, programs, both at the state and national level, have been created to improve the quality of child care. These voluntary programs have been credited with developing criteria for improving both child care programs and the skills of individuals working in the child care field. Participation in one of these programs provides recognition to those child care providers or programs that go beyond the minimum requirements of state licensing and regulations.

Successfully meeting the established criteria for programs is recognized by awarding the program a status of “accredited”. Likewise, meeting the criteria for individuals working in child care programs is recognized by awarding a status of “credentialed”. Documentation of these efforts in Fiscal Year 2022 has been supplied for this report by the Maryland State Department of Education.

Accredited Programs

Family Child Care Providers	116
Licensed Child Care Programs	332
School Providers	173
Public Pre-K	320
Head Start	51
Early Head Start	14

Participants in MSDE Credential Program

Family Child Care Providers	460
Licensed Child Care Center Staff	645
School Providers	524
Public Pre K	3
Head Start	58
Early Head Start	14

Maryland Child Care Resource Network

BALTIMORE CITY

Baltimore City Child Care Resource Center
The Family Tree
2108 N Charles St
Baltimore, MD 21218
tel 410.889.2300
<https://familytreemd.org/bcccrcc/>

CENTRAL MARYLAND NORTH - BALTIMORE, CECIL & HARFORD COUNTIES

Abilities Network Project ACT
8503 LaSalle Rd
Towson, MD 21286
tel 443.900.6458
<https://anprojectact.org>

CENTRAL MARYLAND SOUTH - ANNE ARUNDEL & PRINCE GEORGE'S COUNTIES

Child Resource Connect
9475 Lottsford Rd Ste 202
Largo, MD 20774
tel 301.772.8420

44 Calvert St Rm 140A
Annapolis, MD 21401
tel 443.782.5001
<https://www.childresource.org>

EASTERN SHORE - CAROLINE, DORCHESTER, KENT, QUEEN ANNE'S, SOMERSET, TALBOT, WICOMICO & WORCESTER COUNTIES

Eastern Shore Child Care Resource Center
Salisbury University
East Campus Complex Ste 500
Power and Wayne Sts
Salisbury, MD 21804
tel 410.543.6650
<http://www.easternshoreccrc.org>

HOWARD COUNTY

Howard County Child Care Resource Center
Howard County Office of Children & Families
9830 Patuxent Woods Dr
Columbia, MD 21046
tel 410.313.1940
<https://www.howardcountymd.gov/children-families/child-care-resource-center>

MONTGOMERY COUNTY

Montgomery County Child Care Resource Center
Montgomery County Department of Health & Human Services
1401 Rockville Pike Ste 200
Rockville, MD 20852

tel 240.777.GROW (4769)

<https://www.montgomerycountymd.gov/HHS-Program/CYF/MCCCRRC/index.html>

SOUTHERN MARYLAND CALVERT, CHARLES & ST. MARY'S COUNTIES

The Promise Resource Center
8395 Old Leonardtown Rd
Hughesville, MD 20637
tel 301.290.0040
<http://thepromisecenter.org>

WESTERN MARYLAND ALLEGANY, CARROLL, FREDERICK, GARRETT & WASHINGTON COUNTIES

Child Care Choices
226 S Jefferson St
Frederick, MD 21701
tel 301.663.0011

255 Clifton Blvd Ste 319
Westminster, MD 21157

<https://fcmha.org/how-we-help/child-care-choices/>

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Listen to *The First Five Years* on 88.1 WYPR. It's the only radio series in Maryland dedicated to supporting families of very young children.



Maryland Family Network's free mobile app is a one-stop portal for parents looking for child care. The app also delivers instant public policy alerts and other news and information about early care and education. Available on iTunes and Google Play.



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Become a member. Membership supports our advocacy efforts. Member benefits include reduced fees for training and Professional Activity Units for participants in the Maryland Child Care Credential Program.



**MARYLAND CHILD CARE
RESOURCE NETWORK**

The Maryland Child Care Resource Network is a public/private partnership designed to expand and improve child care delivery in Maryland. Maryland Family Network manages the Network and operates as its Statewide Coordinating Entity.



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FAMILY
NETWORK**

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