



Childcare Costs in the United States: Trends, Challenges, & Solutions

A Briefing to Inform Policymakers
and Stakeholders with Data

Introduction & Purpose

What's Covered in This Briefing:

- This presentation examines the rising costs of childcare in the U.S. and how it affects families, the workforce, and the broader economy.
- We explore how childcare costs compare with other essential expenses and identify key geographic and demographic disparities.

Data Source:

- National Database of Childcare Prices
- This rich, bidirectional dataset allows a systematic, evidence-based review of pricing trends across states, counties, and child age groups.

Why This Matters:

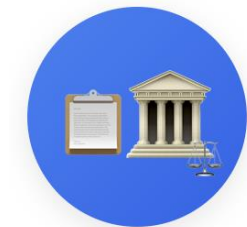
- Childcare now rivals or exceeds housing as a top household expense.
- Rising costs are driving workforce challenges, especially for women and low-income families.
- The findings help build a clear, fact-driven case for targeted state and local policy reform.



Raising Costs



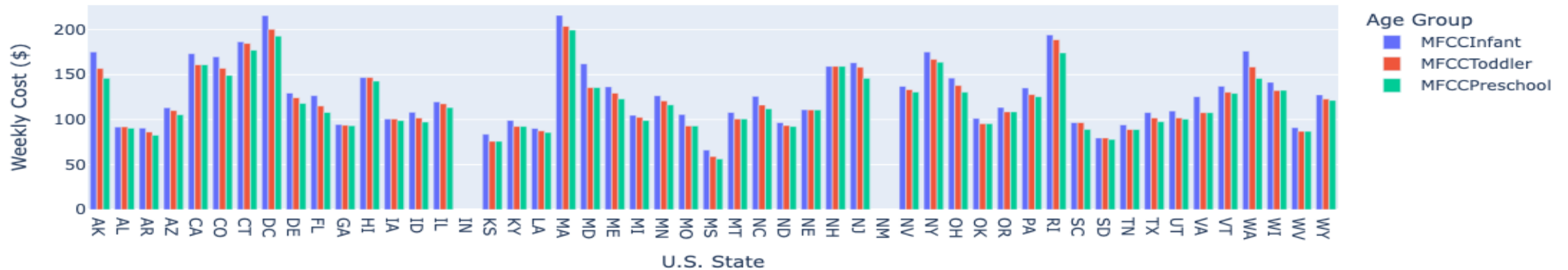
Workforce Challenges



Policy Needs

Key Findings Overview

Average Weekly Childcare Costs by Age Group and State



In many states, infant care costs more than public college tuition.

Why group by State, not Region?

States hold primary jurisdiction for childcare policies and subsidies, so detailed state-level insights better inform targeted policymaking.

Why average costs?

Averaging smooths out local anomalies to reveal broader trends, providing a reliable basis for policy decisions and resource allocation.

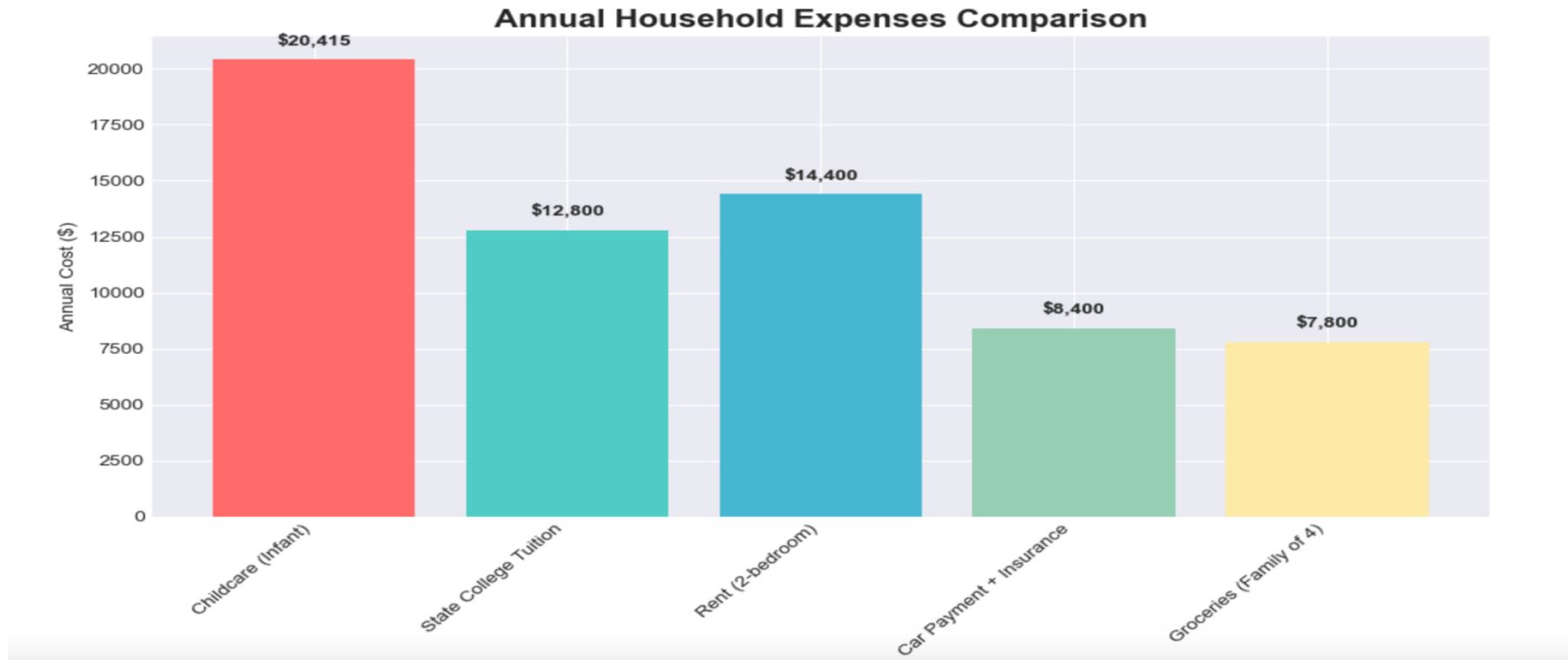
Why a grouped bar chart?

It visually compares costs across age groups *within* each state, helping stakeholders quickly grasp where infant, toddler, or preschool care is most expensive relative to each other.

View:

Policymakers and advocates can easily identify states with the highest childcare costs for specific age groups, enabling data-driven conversations around funding, subsidies, and support programs.

Childcare vs Major Household Expenses



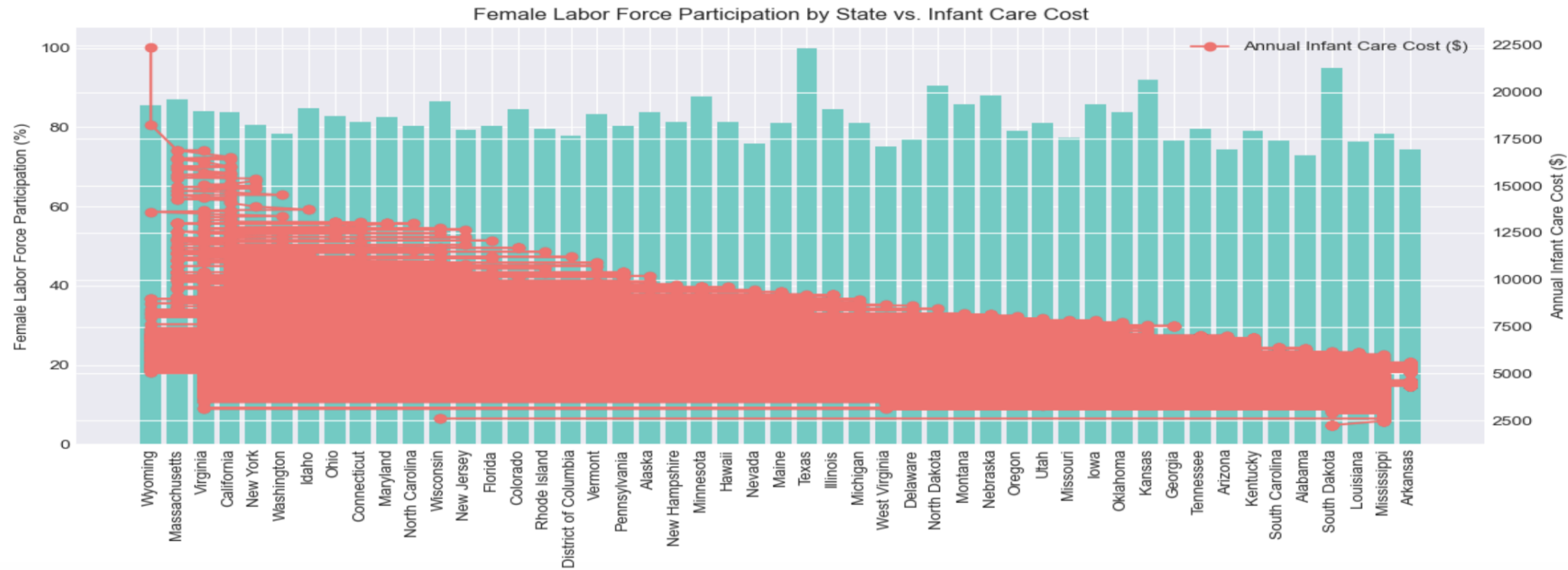
Expense Selection:

- We compare childcare costs with other common large household expenses such as rent, groceries, car payments, and college tuition. This allows the audience to immediately grasp the relative financial weight childcare carries for families.

Contextual Goal:

- This visualization is intended to communicate to policymakers, stakeholders, or the public that childcare costs represent a significant and often underappreciated portion of household spending, reinforcing the need for targeted policy solutions.

Labor Force Participation Impact



Why this chart matters:

- Shows a potential *inverse relationship* between high childcare costs and women's ability to participate in the workforce.
- Makes the case for public investment in childcare as an economic participation issue.

View:

- States with high childcare costs may have suppressed female labor force participation, which may inform targeted subsidy programs, tax credits, or employer-sponsored care solutions.

Regional Disparities Heatmap

Regional Disparities in Infant Childcare Costs



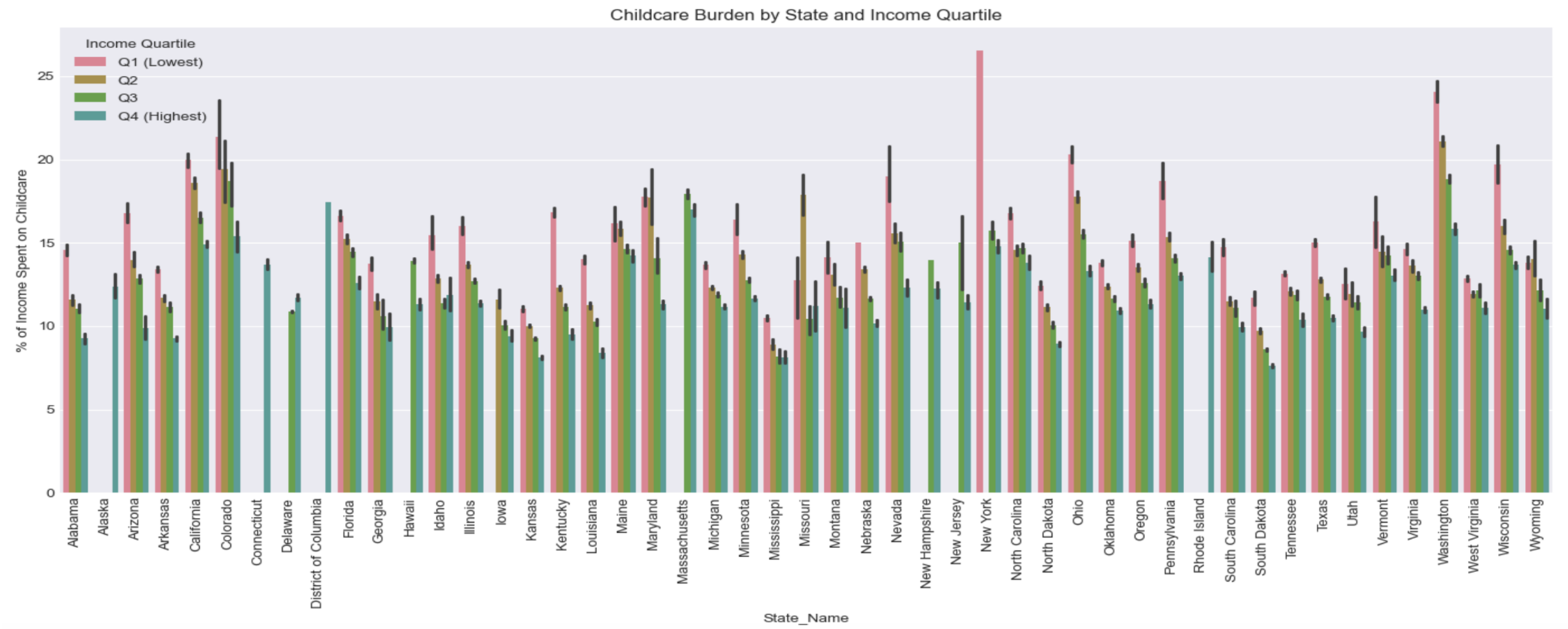
Why this chart matters:

- Offers a **geographic lens** on the affordability crisis, helping policymakers visualize which regions bear the highest costs.
- Enhances decision-making for targeted funding or regional reform.

View:

- Viewers can quickly spot high-cost states and compare them to income/poverty conditions. This helps make the case for **regional equity interventions** in childcare policy.

Impact on Low-Income Families



This chart powerfully illustrates **income-based childcare inequality**. In many states, families in the lowest quartile (Q1) may spend 40–50% of their income on childcare, while higher-income groups spend less than 10%. It makes a strong policy case for **income-adjusted childcare subsidies**.

Policy Solutions & What You Can Do

- ❖ Increase subsidies and tax credits.

- Expand federal and state childcare tax credits while increasing direct subsidies to make quality care accessible to working families.

- ❖ Provide incentives for employer-sponsored care.

- Provide tax incentives for employers offering childcare benefits, including on-site facilities and childcare assistance programs.

- ❖ Build active childcare systems (public-private partnerships).

- Build robust childcare systems through strategic partnerships between government agencies and private providers.

Implementation Roadmap

- ✓ Secure legislative support for expanded tax credits
- ✓ Launch employer incentive programs in key sectors
- ✓ Establish public-private partnership frameworks
- ✓ Pilot programs in high-need communities
- ✓ Scale successful models statewide
- ✓ Monitor outcomes and adjust policies

Call to Action

Affordable, quality childcare = economic opportunity for families, communities, and our entire economy.

Call for Collaboration

- Let's ensure that all families in our community have access to affordable, quality childcare.
- **Policymakers, employers, and community leaders:** The evidence is clear, the solutions are achievable, and the time is now.