



MARYLAND CHILD CARE  
RESOURCE NETWORK

TRENDS IN CHILD CARE • 2021



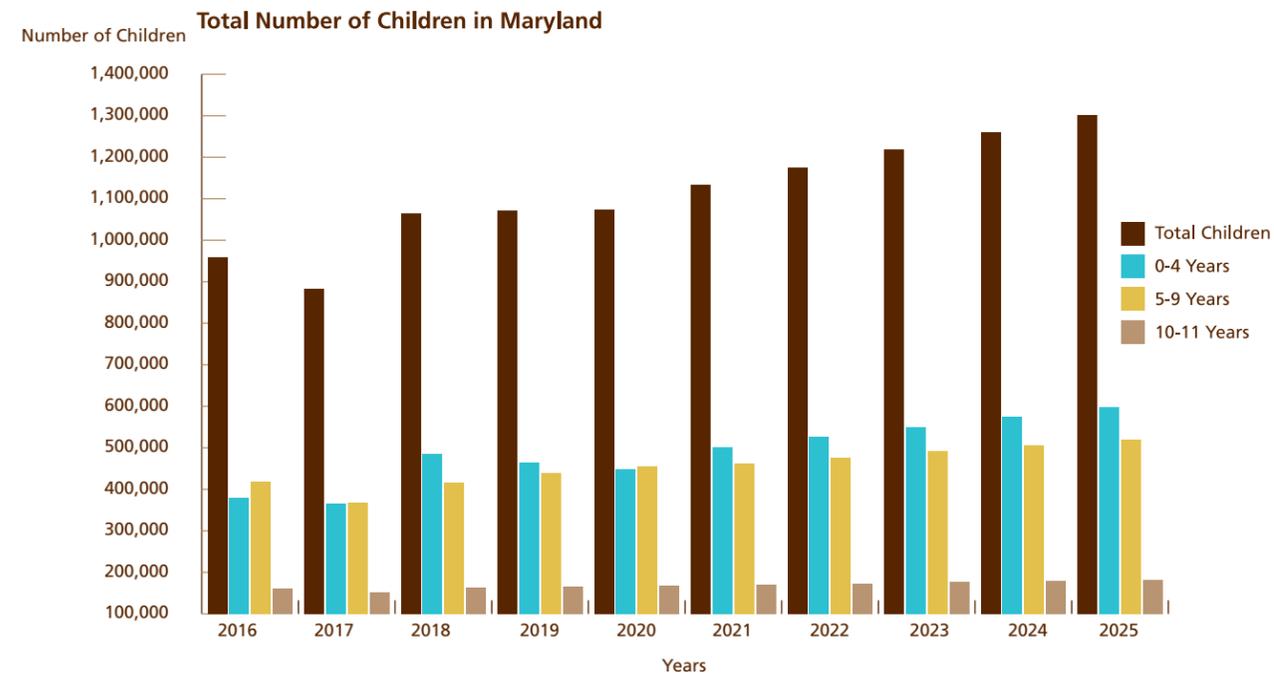
MARYLAND  
FAMILY  
NETWORK

Studies show that quality child care in the first five years is crucial. The Heckman Equation<sup>1</sup> 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 child care (demand, supply, and cost) from 2016-2025. 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 2016 to the present is analyzed in the following summary and is used to project the data forecasts for 2021 through 2025 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, 79% of children under age 12 — more than 847,000 children in 2023 — may require child care while their mothers are at work.



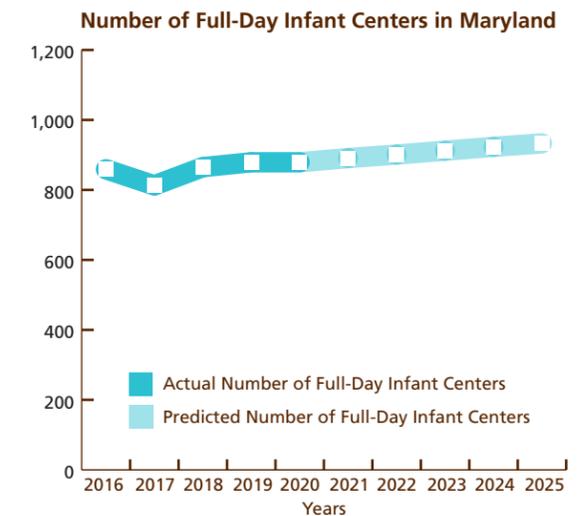
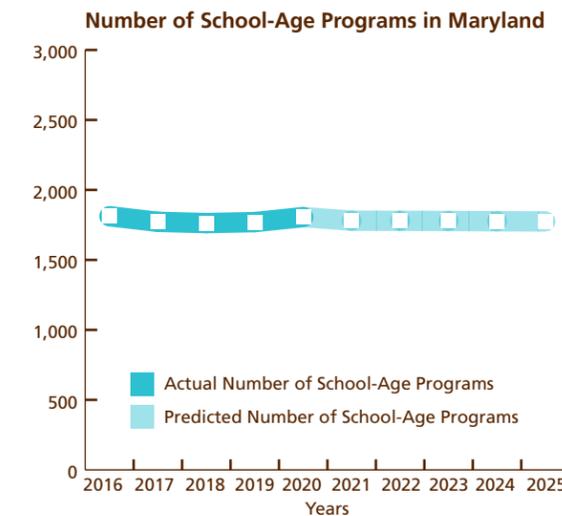
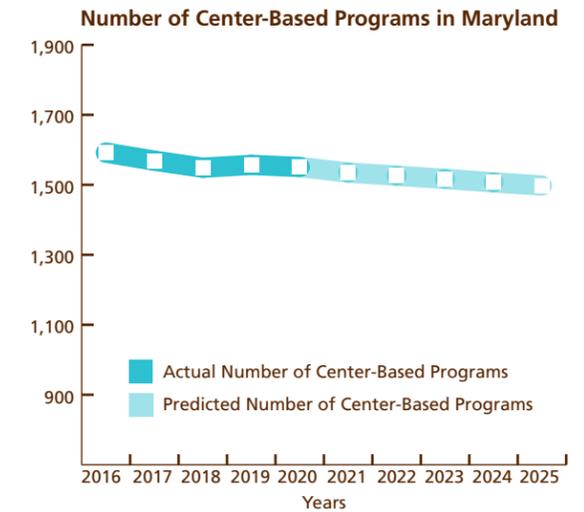
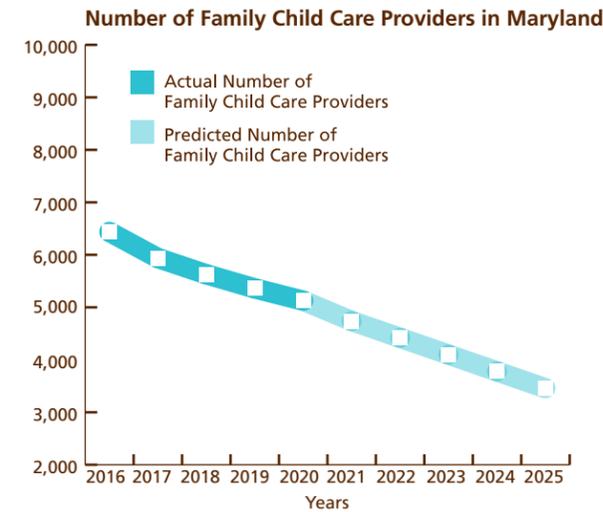
The chart above<sup>2</sup> shows the total number of children under twelve in Maryland and groups them into the indicated age ranges. The chart indicates the data collected to date and projects the size of the population from which the future of the total population of children under the age of 12 have mothers in the work force and may require child care.

Analysis of the data provides the following trends from 2021 through 2025:

- The number of children in the 0-4 age group is projected to increase by 19.4%.
- The number of children in the 5-9 age group is projected to increase by 12.5%.
- The number of children in the 10-11 age group is projected to increase by 6.6%.
- The total number of children under 12 in Maryland is projected to increase by 14.6%

<sup>1</sup>Heckman, James J (2016)/ There's more to gain by taking a comprehensive approach to early childhood development. Heckmanequation.org  
<sup>2</sup>2010 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 child care 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 child care providers in Maryland shows a projected decrease of about 27% from 2021 to 2025. Over this same period, the number of center-based programs shows a projected decrease of 2.4%.

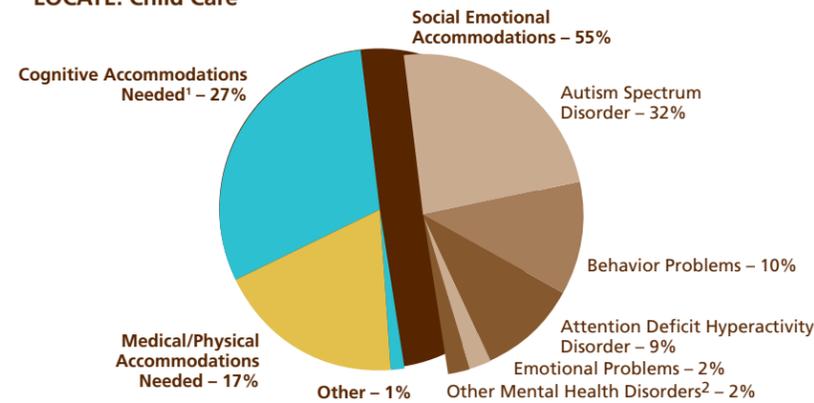
The second pair of graphs depicts the growth of school age programs and full-day infant centers in Maryland. The number of school-age programs is projected to remain relatively stable from 2021-2025, with only a small decrease of about 0.3%. However, over this same period, the number of full-day infant centers in Maryland is expected to increase by about 4.8%.

## 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.

# NEED

**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 2020, LOCATE: Child Care's Special Needs Service provided enhanced child care resource and referral services to the families of 437 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, (70%) were under the age of six. Only 2.5% of services related to children age thirteen to twenty-one. For the children with disabilities for whom accommodations were required, almost forty-nine percent (49.2%) served by LOCATE's Special Needs Service had a single disability while the remaining 50.8% had multiple disabilities.

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 remained steady in the 6%-10% range since 2007. See note below.

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;
- 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"<sup>3</sup>

<sup>1</sup> 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.

<sup>2</sup> Includes such conditions as bipolar disorder, depression, and post-traumatic stress disorder.

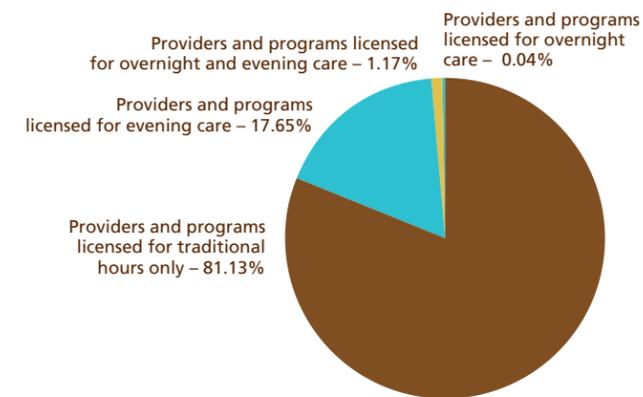
<sup>3</sup> Maryland Department of Education, Early Childhood Development, [earlychildhood.marylandpublicschools.org/early-childhood-mental-health](http://earlychildhood.marylandpublicschools.org/early-childhood-mental-health)

## What about non-traditional hours of care?

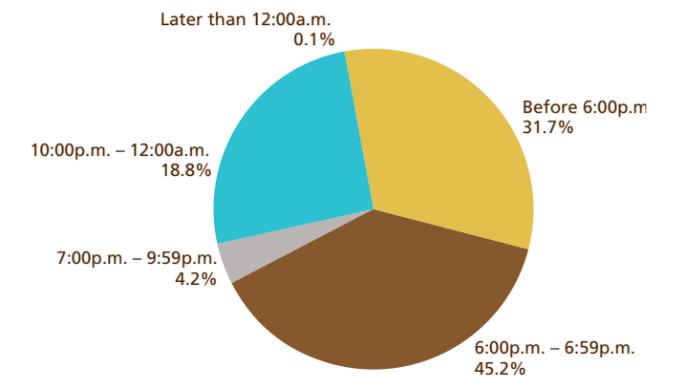
Approximately 20% of caregivers are licensed to offer evening or overnight care.



**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\***



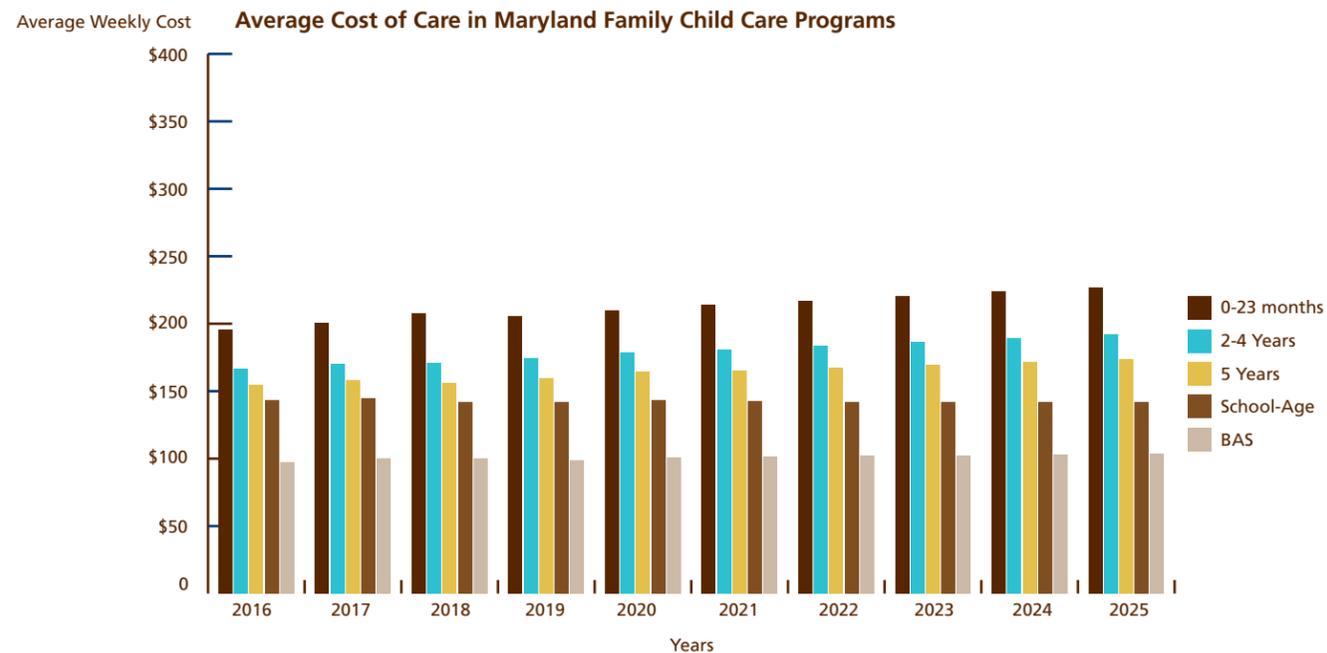
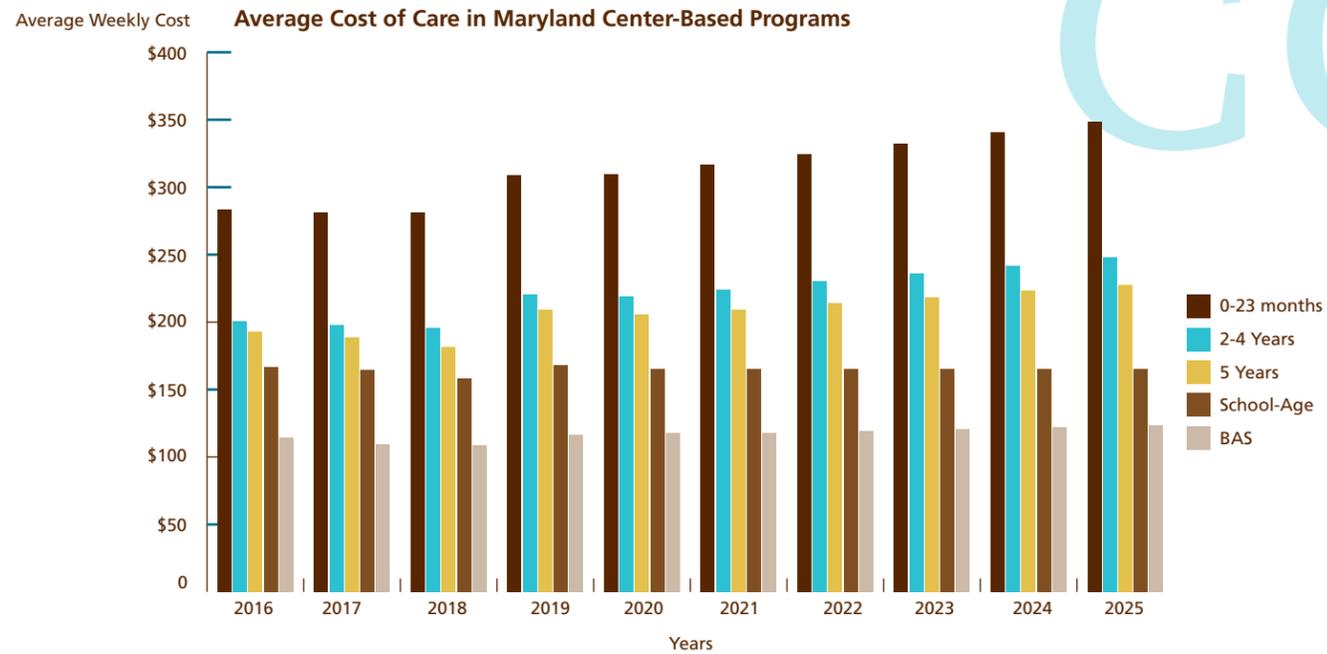
Of the caregivers that are licensed for evening or overnight care, about 68% actually offer non-traditional hours of care. In fiscal year 2020, LOCATE: Child Care received requests for child care for 5315 children<sup>4</sup>. Of these requests, 2.3% (121) needed care during evening hours (6:00 p.m. to midnight), and 0.8% (42) 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.<sup>5</sup>

<sup>4</sup> Includes Community Line, Corporate and Special Needs Services

<sup>5</sup> 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.



The charts above show actual and projected weekly costs of regulated child care 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, with the exception of school-age family and center-based programs are expected to remain relatively stable. All other child care costs are projected to increase through 2025 from 2-13%, depending on age and type of care.

The cost of care for children age 2-4 years in a center-based program has the highest growth rate of any age group or program with a projected increase of 13%; the rate for 0-23 months old is 12%.

These ages also show significant growth for family child care programs with an 8% growth rate for 0-23 months and 7% for 2-4 years. Center-based programs actually decreased from 2019-2020 in the age categories of 2-4, 5 years, and school-age.

The annual average cost of child care in a center for an infant 0-23 months old is \$16,089<sup>6</sup> compared to:

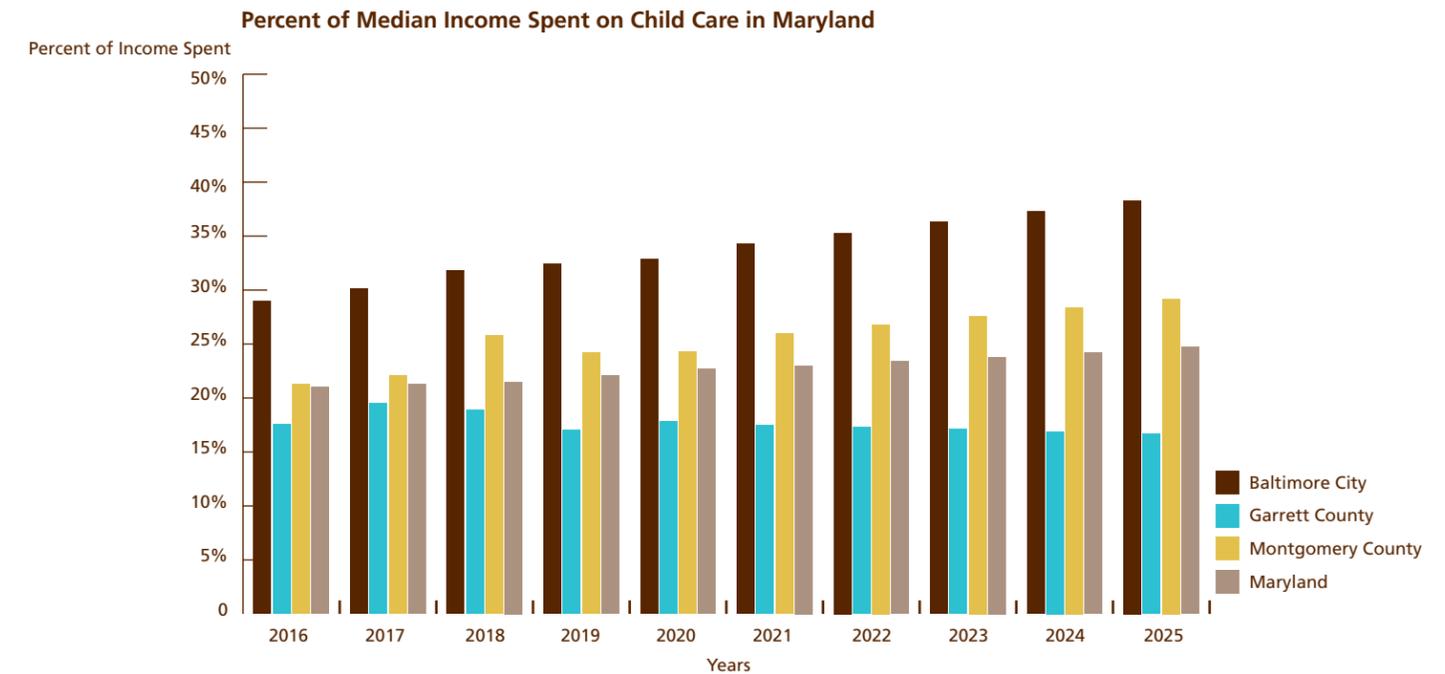
- The annual average cost of in-state college tuition in Maryland for the 2018-2019 academic school year was \$15,967<sup>7</sup>
- The average mortgage payment in Maryland annualized is \$15,504<sup>8</sup>
- The annual car payment for a \$23,000 car loan at 5% for 48 months is \$6,356<sup>9</sup>

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

The U.S. Department of Health and Human Services recommends that parents should not spend more than 10% of their family income on child care.



# COST



The chart above shows the percentage of income that is spent on child care by a family using child care services and projects the spending requirements into the near future. The estimated cost of child care is the combined average of full-time care for an infant in a family child care 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 2025<sup>10</sup>.

<sup>6</sup> Maryland Family Network, LOCATE: Child Care

<sup>7</sup> Maryland Colleges, Cost and Affordability for 2018-2019

<sup>8</sup> What is the average monthly mortgage payment in the US?, lendingtree.com, 8/28/2020

<sup>9</sup> <https://www.carloans.ws/>

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

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

34% of center-based staff left their positions during 2020.

# TURN OVER

## What about the family child care provider turnover rate?

5.4% of Maryland's licensed family child care providers left the profession last year.<sup>16</sup>



In November 2020, 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 255 of the centers. The workforce employed by the 255 responding centers numbered 4,029, as of January 1, 2020. In the ensuing year (January 1 through November 11, 2020), 1,362 members (34%) of this child care workforce left their positions<sup>11</sup>.

The greatest turnover (48%) occurred in the teacher assistant/aide group. The director group had the least turnover at 10%<sup>12</sup>.

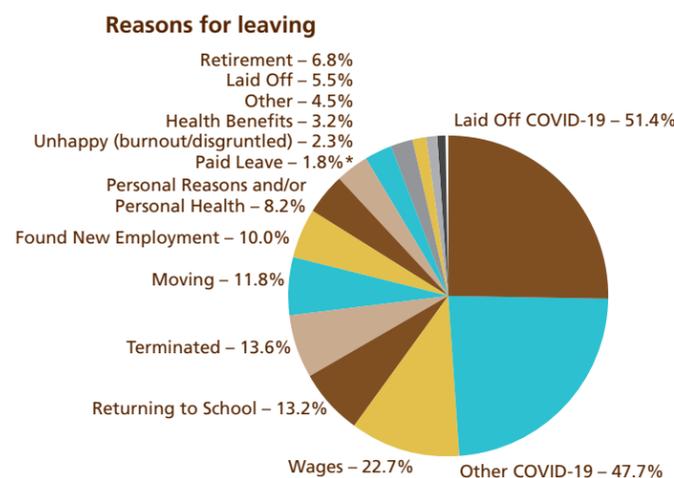
### Total Staff and Exiting Staff at Responding Child Care Centers

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	373	39	10%
Senior Staff/Group Leaders	2,235	649	29%
Teacher Assistant	669	318	48%
Aides	752	356	47%
<b>Total Staff</b>	<b>4,029</b>	<b>1,362</b>	<b>34%</b>

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

COVID-19 is the major factor affecting staff turnover.<sup>13</sup>

In the survey cited above 220 respondents provided reasons why those in child care left their positions. Some respondents gave multiple reasons. At least 51.4% answered that turnover was due to employees who were laid off for COVID-19 related reasons while another 47% reported that staff voluntarily left due to other COVID-19 reasons (stay home with child, concern over health, etc.). Twenty-six percent of the answers indicated that employees left over compensation concerns (wages 22.7% and health benefits 3.2%) Roughly 19% reported that employees were terminated or laid off for reasons unrelated to COVID-19. Some noted that employees returned to school (13.2%), moved (11.8%) or found new employment (10%). Of the 255 centers in the survey, only about 10% did not have any turnover during that time period.<sup>14</sup>



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

The turnover rate continues to inch up each successive year and is a source of concern. One outcome of high turnover is inconsistent care for children who are forced to change from one caregiver to another. In addition, high turnover creates a less experienced child care workforce. In the year ending in November 2020, 54% of family child care providers sampled had been operating for four or more years with about 34% in operation for ten years or more. Ten percent had been operating their business for only one year, according to MFN data.<sup>17</sup>

## 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 number of family child care providers deleted from the database during the year divided by the sum of family child care providers at the start of the year plus the number of providers added during the year. There was a net loss\* of 279 family child care providers in Maryland between July 2019 and June 2020.<sup>18</sup>

In November 2020, MFN also surveyed 41 family child care providers who were leaving the child care profession.

In August 2020, MFN surveyed 100 new family child care providers. As shown below, their primary reasons for entering the child care profession were that they enjoy working with children and that they want to stay home with their own children.

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.<sup>19</sup>

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.<sup>20</sup> Although many providers cite compensation as an issue, burnout, retirement and personal family issues figure into the reasons.

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

Enjoy working with children	53%
Stay at home with own children	28%
Other	7%
Left prior work	5%
No quality child care for my children	4%
Extra Income	3%

Source: Maryland Family Network, LOCATE: Child Care

\* Net loss does not include facilities that were temporarily closed due to COVID-19.

<sup>17</sup> Maryland Family Network, LOCATE: Child Care

<sup>18</sup> Maryland Family Network, LOCATE: Child Care

<sup>19</sup> Maryland Family Network, LOCATE: Child Care

<sup>20</sup> 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.

### Reasons Maryland Family Child Care Providers Leave the Child Care Profession

Retirement/Burnout	24%
Not Profitable	20%
Other	15%
Family touched by personal illness or tragedy	15%
Moved	10%
New Job	10%
Did not meet regulations	5%
My children grew up	2%

Source: Maryland Family Network, LOCATE: Child Care

<sup>11</sup> Maryland Family Network, LOCATE: Child Care

<sup>12</sup> Maryland Family Network, LOCATE: Child Care

<sup>13</sup> Maryland Family Network, LOCATE: Child Care

<sup>14</sup> Maryland Family Network, LOCATE: Child Care

<sup>15</sup> Maryland Family Network, LOCATE: Child Care

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

# COMPENSATION

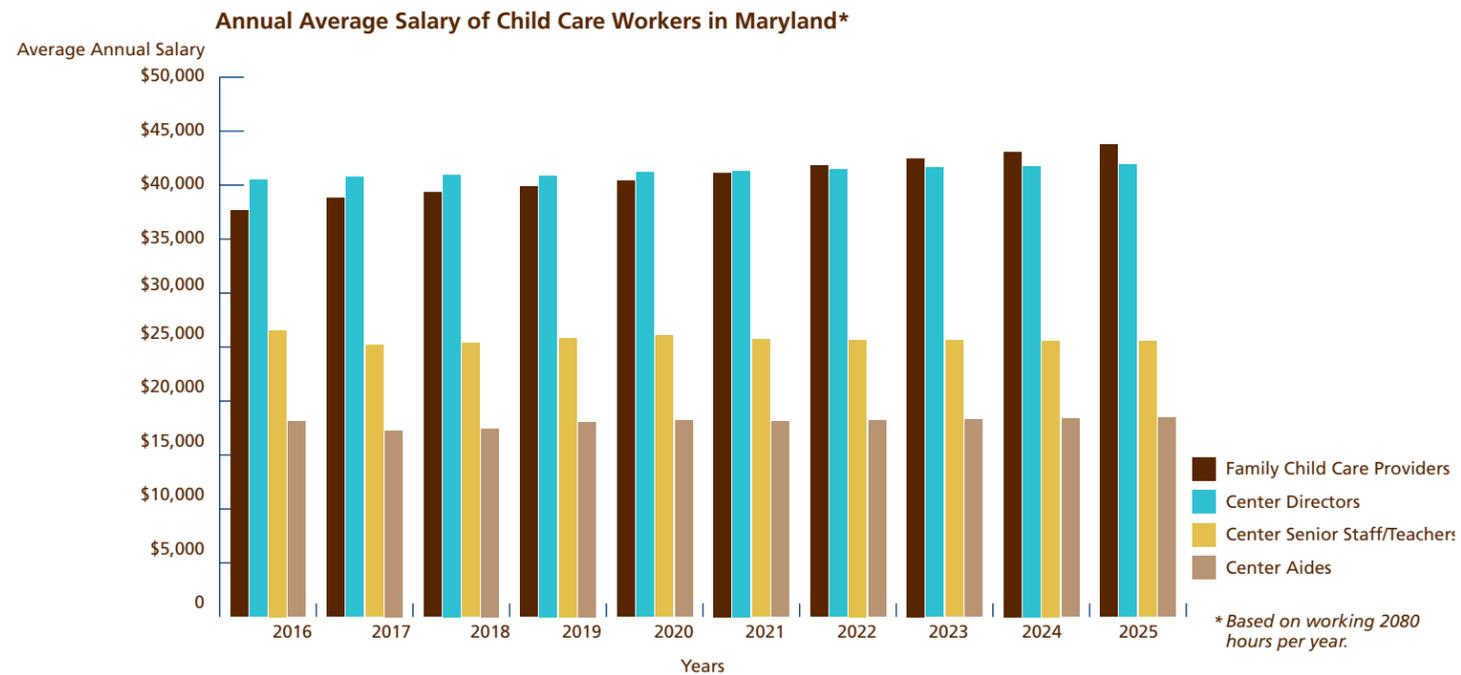
The salaries of child care workers are low, when compared to other occupations – ranging between \$8.74 and \$19.41 per hour or annualized to \$18,183 to \$40,375.<sup>21</sup>

As a comparison:

A minimum wage worker in Maryland earns \$22,880<sup>22</sup>

Fast food cooks in Baltimore, Maryland earn a base salary of \$10.59 annualized to \$22,031<sup>23</sup>

Kindergarten teachers in Baltimore Maryland earn \$60,942<sup>24</sup>



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 2025, family child care provider income is projected to grow by 6.3%; center director salaries are projected to grow by about 1.5%; but center aid salaries are projected to grow by 2.1%. Center teacher salaries are projected to decrease by 0.6%.<sup>25</sup>

<sup>21</sup> Maryland Family Network, LOCATE: Child Care

<sup>22</sup> Maryland Department of Labor, Minimum Wage and Overtime Law, 2020

<sup>23</sup> Maryland Fast Food Cook Salaries, Salary.com, 2020

<sup>24</sup> Maryland Kindergarten Teacher Salaries, Salary.com, 2020

<sup>25</sup> 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 2020 has been supplied for this report by the Maryland State Department of Education.

### Accredited Programs

Family Providers	131
Licensed Child Care Center Programs	220
Public Pre-K	84
Head Start	49
Early Head Start	11

### Participants in MSDE Credential Program

Family Child Care Providers	711
Licensed Child Care Center Staff	6,661

### Maryland Child Care Resource Network

**Anne Arundel:**  
Arundel Child Care Connections  
PO Box 2700  
44 Calvert Street  
Room #140 A  
Annapolis, MD 21401  
Phone: 443.782.5001  
arundelccc.org

**Baltimore City:**  
The Family Tree  
2108 N Charles St.  
Baltimore, MD 21218  
Phone: 410.889.2300  
familytreemd.org/bcccr/

**Baltimore County:**  
Child Resource Center  
@Abilities Network/Project ACT  
8503 LaSalle Road  
Towson, MD 21286  
Phone: 443.900.6458  
ccrcbc.com

**Carroll:** Child Care Choices  
255 Clifton Boulevard, Suite 319  
Westminster, MD 21157  
Phone: 410.751.2917  
fcmha.org/how-we-help/child-care-choices  
**Frederick:** Child Care Choices

226 South Jefferson Street  
Frederick, MD 21701  
Phone: 301.662.4549  
fcmha.org/how-we-help/child-care-choices

**Harford/Cecil:** Child Resource Center Harford Cecil Counties @Abilities Network/Project ACT  
3103 Emmorton Road  
Abingdon, MD 21009  
Phone: 443.761.0206  
ccrchcc.com

**Howard:** Howard County Child Care Resource Center  
9830 Patuxent Woods Drive  
Columbia, MD 21046  
Phone: 410.313.1940  
howardcountymd.gov/children

**Lower Shore:** Lower Shore Child Care Resource Center  
East Campus Complex  
Salisbury University  
Power and Wayne Streets  
Suite 500  
Salisbury, MD 21801  
Phone: 410.543.6650  
lowershoreccrc.org

**Montgomery:** Montgomery County Child Care Resource and Referral Center  
1401 Rockville Pike, Suite 200  
Rockville, Maryland 20852  
Phone: 240.777.3110  
montgomerycountymd.gov

**Prince George's:**  
Prince George's Child Resource Center  
202 Upper Marlboro, MD 20774  
Phone: 301.772.8420  
childresource.org

**Southern Maryland:**  
The Promise Resource Center  
8395 Old Leonardtown Rd.  
Hughesville, MD 20637  
Phone: 301.290.0040  
Toll free: 866.290.0040  
thepromisecenter.org

**Upper Shore:** Chesapeake Child Care Resource Center  
Chesapeake College  
1000 College Circle  
P.O. Box 8  
Wye Mills, MD 21679  
Phone: 410.822.5400 x2357  
ccrc.org

**Western Maryland:**  
APPLES for Children, Inc.  
1825 Howell Road, Suite 3  
Hagerstown, MD 21740  
Phone: 301.733.0000  
applesforchildren.org

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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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