Issue
Quality child care is critically important to preparing young children for school and work, especially disadvantaged children who are at-risk for academic and social problems. Georgia’s policies lag behind most other states’ in assuring quality care or making it available to all at-risk children.

Recommendation
Implement strategies for quality improvement such as those recommended by the Georgia Early Learning Initiative (GELI) and others, and use federal and state subsidies so that all low-income children have access to affordable, quality care.

Background
Half of all preschool age children in Georgia, 285,000 of the state’s 570,000 children under age 5, are cared for by paid child care providers.

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Care Arrangements of Preschoolers in Georgia

- 50% parent or other unpaid care
- 30% day care centers
- 15% group or family home care
- 5% paid non-relative at home
- 30% day care centers

Georgia regulates the safety of centers and some home-based child care providers, and subsidizes care to enable many parents in poor families to work or attend school. However, Georgia has not made a financial commitment to address the quality of child care — despite strong research showing that high quality child care has a large, positive impact on children and families, with long-term education and employment benefits accruing to the state. Quality child care contributes to children’s intellectual, physical, and emotional development, with children at highest risk receiving the greatest benefits. For this reason, many states are working to assure their child care options meet the criteria for high quality care. Recent findings from the Georgia Early Learning Initiative (GELI) have encouraged Georgia to move in that direction, too.

Quality improvement alone can price child care beyond the reach of low-income families. 170,000 of Georgia’s preschoolers live in poor or near poor families where any present parents work. Public subsidies currently are directed to families leaving welfare, with occasional surplus funds available for other low-income families. Almost two-thirds of low-income families are without any assistance. Further, subsidy levels are not adequate to purchase the higher quality care available. Lastly, families in some parts of the state have the additional barrier of no high quality care nearby.

This paper describes the magnitude of effort needed to assure quality, affordable care. A later paper will address after-school care needs of families with school-age children.

What is Quality Child Care?
Many interpersonal and environmental factors contribute to a child’s experience in paid child care. Methods exist to measure quality, but they are expensive to implement because they require observation by trained scorers. Often proxies are used to estimate the likelihood that quality care is being delivered. Because child-teacher interaction is the most important factor in child care quality, one common indicator is the teacher to child ratio. Fewer children per teacher result in higher levels of individual attention and better cognitive outcomes for children of all ages. Teacher to child ratios are substandard in Georgia. For example, Georgia regulations allow 1:15 rather than the more commonly used ratio of 1:10 for 3 year olds. The recommended classroom size is 20 children, but Georgia allows 30.

Teacher education is also important. Teachers with at least a bachelor’s degree, and teachers with specific training in child development, are important contributors in elevating children’s language skills and performance on intelligence tests. Again, Georgia lags behind the nation in training requirements for its child care teachers.
Availability of Quality Child Care
The availability of quality child care in Georgia is frighteningly low. Just 172 centers and 16 home day cares are accredited by one of three national accrediting organizations, providing spaces for approximately 21,000 children. This only meets the needs of 7% of preschoolers using paid child care. Seven percent is a slight undercount because centers and family day care homes do not have to be accredited to assure quality. However, even in a national study based on classroom observation, just 14% of centers and 9 percent of home day care settings had acceptable quality care. Thirty-five to 40% of the settings studied actually had such poor quality as to inhibit children’s development.

Raising Georgia’s child care to the desired level of quality would increase the cost considerably, primarily because more teachers with more training would need to be hired. To reduce the tremendous amount of turnover in the field, salaries would also have to be raised to be more competitive with other industries. GELI estimates the cost of providing quality child care to all preschoolers currently served in out-of-home settings in Georgia would be $185 million.

Affordability of Quality Child Care
The Federal government has determined that a reasonable family contribution to the cost of child care is up to ten percent of household income. For a family of four at 185% of the poverty threshold, the guideline would suggest they could afford $60 per week for child care, or $30 per child. Accredited child care in Georgia costs on average $100-$125 per child per week, far exceeding a reasonable share of income for these families. The figure at right shows the enormous gap low-income families face in being able to afford quality child care.

The Department of Human Resources provides subsidies to families leaving welfare and, when there are extra funds, they also provide subsidies to other low-income families. In 1999, 56,400 families received subsidies out of 105,000 low-income families that needed them. 21,000 families receive federal assistance by enrolling in the Head Start and Early Head Start programs. An estimated $199 million would be needed to subsidize quality care for all low-income families where any parents in the household work. A policy of paying for greater subsidies for high quality care would have to be linked with higher standards and accountability.

Access to Affordable, Quality Child Care
The geographic accessibility of care throughout the state is a third critical issue for families. The 4% of spaces that are accredited are mostly located in the Atlanta metropolitan area. If quality and affordability are addressed, geographic access would be the next most pressing concern for Georgia families and bears future study. Parents seeking care for a child with a disability or other special health care needs face shortages as well.

Conclusions
Assuring quality child care to Georgia’s preschoolers is an expensive proposition. Federal child care subsidies are helpful, but a major state and private sector commitment is still needed. Some states have found that improvements in child care reap immediate benefits in lower education costs and higher tax revenue, and longer term benefits in lower juvenile justice, education, social, and health care costs.

The work already done by the Georgia Early Learning Initiative and others lays out a credible, responsible blueprint for the state. It would raise the quality of care in Georgia significantly but may not help all low-income families in the short term. An alternative or complementary strategy targeting low-income families may have more benefits for the state.

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The Affordability Gap
Example of Families at 185% of Federal Poverty Level

<table>
<thead>
<tr>
<th>Composition of Family Unit</th>
<th>1 Child 2 Adults</th>
<th>2 Children 2 Adults</th>
<th>3 Children 2 Adults</th>
<th>4 Children 2 Adults</th>
</tr>
</thead>
<tbody>
<tr>
<td>Weekly amount average family is able to pay for childcare.</td>
<td>$77</td>
<td>$190</td>
<td>$304</td>
<td>$421</td>
</tr>
<tr>
<td>Additional weekly cost required for quality childcare.</td>
<td>$48</td>
<td>$60</td>
<td>$71</td>
<td>$79</td>
</tr>
</tbody>
</table>