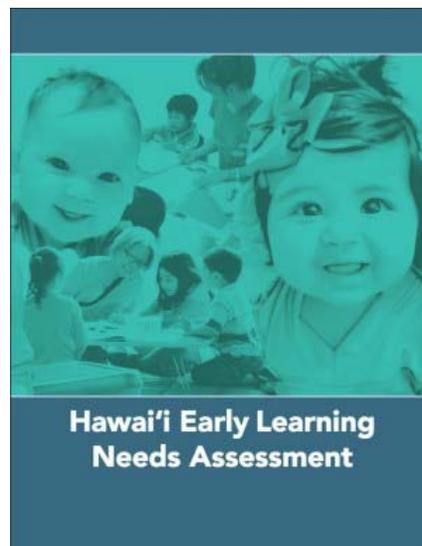


# Availability of More Seats for Children and Families

## PDG-B5 Needs Assessment

State Advisory Council Workgroup – June 12, 2019

The *Hawai'i Early Learning Needs Assessment* (DeBaryshe, et al. 2017) is the most recent and comprehensive survey of seat availability in the ECE system. A collaboration between the University of Hawai'i Center on the Family and the Hawai'i Children's Action Network, it leaves little doubt that Hawai'i faces serious shortage of regulated childcare spaces, especially for infants and toddlers. The assessment reports that 64% of children age 5 and under are likely to require care because their parents work. However, there are only enough ECE spaces for 25% of them. Across the state, there are 2½ keiki age 3-5 for each available center-based space, and for keiki under age 3 that number jumps to 37 per space. The problem is also acute in home-based family childcare (FCC; 44/space) and family-child interaction learning (FCIL) settings (35/space) as well as in rural areas (e.g., Kaua'i, Moloka'i, and Lana'i currently have no infant-toddler centers).



According to surveys conducted for the assessment, interest among providers in expanding to accommodate more children is very high among FCIL programs and low among center-based and family child care providers. Yet, a sizable minority of center and FCC providers show some interest in expansion—nearly 20% of center directors appear to be open to serving additional children and 43% of FCC providers would consider adding drop-in care. FCIL directors demonstrate great interest serving more families and children (100%) and in expanding to new sites (83%), and they strongly believe in the benefits of and need for the FCIL model. The greatest obstacles to expansion differ by program type but both center and FCIL directors most commonly cite facilities/space, staffing, and cost. FCC providers were not asked the same question about obstacles to expansion, but they were asked to elaborate on the challenges they face running their own businesses. Their concerns most often pointed to business management issues (44%), then caring for children without relief (31%), issues related to children and their families (29%), and burdensome regulations (6%).

With the price tag for child care rivaling that of a college education, the importance of keeping costs down is well known. Half of the surveyed center and FCIL directors identified as a key issue for Hawai'i's ECE system the need to reduce the cost to families. At the same time, the cost of providing child care is high (no local study has yet investigated this cost) and tuition is an important source of revenue. While this study does not report the proportion of child care revenue coming from tuition,

it does show that 88% of centers rely on it. Centers also receive funding from donations (51%), state and/or federal governments (45%), private sources (37%), and in-kind support (16%). FCILs charge no tuition and so take in no such revenue. Instead, they rely on state and federal governments (83%), in-kind support (67%), private sources (50%), and fundraising (50%). FCIL directors express great concern about their reliance on grant funding that is inherently unstable.

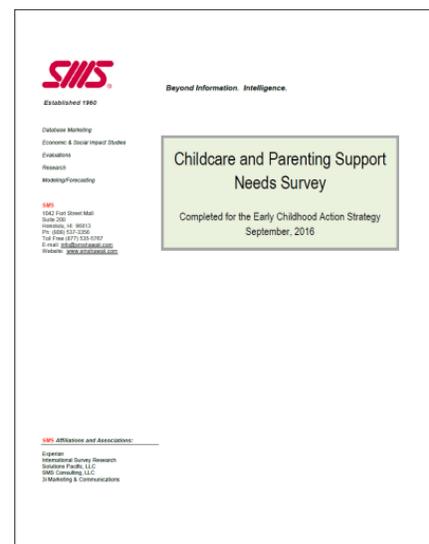
The report's authors recommend a few strategies for increasing the availability of spaces, particularly for infants and toddlers and in underserved regions of the state:

- Offer incentives to providers to serve infants and toddlers, including supports to defray the additional costs associated with these age groups (e.g., subsidies, grants for hiring I/T teachers);
- When addressing child care deserts, consider communities' input and characteristics (e.g., population size, drive time, Hawaiian home lands);
- Seek new and diverse sources of funding, including county, business, and philanthropic support in addition to state and federal funds;
- Increase DHS subsidies to support the longevity of private providers;
- Expand the EOEL Public Pre-k Program with attention to mitigating negative effects on existing providers.

## Demand for Spaces

How many seats do Hawai'i's families need? Answering this question requires accurate estimates of both supply (availability) and demand (need). We have reasonably good estimates of supply from DHS records (but see their limitations below), but not so for demand. Population estimates indicate that there are between 17,000 and 19,000 keiki in each age group under 6 (DeBaryshe et al. 2017), and these can be geographically located down to the census tract level. What we understand less well are families' preferences. The state's child care resource and referral agency PATCH (People Attentive to Children) tracks some information about the childcare requests it receives from families (e.g., child's age and care hours needed). Unfortunately, it is not known how these preferences compare to those of families statewide. Another significant unknown is how many families prefer to keep their children at home or rely on family, friend, and neighbor (FFN) care? Data are also unavailable for which types of licensed care and education settings that families prefer (FCILs, FCCs, child care centers, culturally-specific or language immersion programs).

One recent survey of families contracted by Early Childhood Action Strategy (2016) provides some tentative answers. Respondents (N=426) were recruited via community organizations and are limited to adults with one or more children under age 5 in their care. However, like the request and referral data collected by PATCH, this survey's data also is not based on



a representative sample and cannot be generalized to the larger population (despite claims to the contrary by the report's authors). Among the survey's relevant findings:

- Most parents rely on a spouse (70%) or family member/grandparent (58%) to provide at least some care, while fewer rely on a preschool (34%), childcare center (13%), or individual childcare provider (18%).
- Spouses, childcare centers, and preschools typically provide care 5 days/week, 8 hours/day; friends and neighbors provide care 1 day/week, 4 hours/day (median values).
- The factor most frequently cited as key in choosing child care is high quality care. Also ranking highly are location, cost (especially for lower income families), and hours of operation.
- A substantial minority (29%) indicate “preference for family” as a key factor in choosing care.
- The most helpful parenting support services are: activities to do with children (55%); determining if a child is developing on track (44%); managing challenging behavior (39%); having access to play groups (30%); and knowing what public services are available (30%).
- Approximately 10% of respondents require care in the evenings or on weekends.

The survey includes no questions about the type of setting parents prefer, nor questions pertinent to the needs of vulnerable populations (e.g., English language learners, homeless, children with special needs). The ECAS report further breaks down parents' preferences by income (with few notable differences) but not geographic area, child age, race-ethnicity, or other factors. In the end, it does not answer the question, *how many seats are needed?* Comprehensive data on family preferences that are regularly collected would permit greater precision about how much child care is needed, where, what type, and for whom.

### A Note about Data Limitations

The best source for establishing the number of regulated childcare spaces is the registry of licensed providers maintained by the Department of Human Services. The needs assessment conducted by DeBaryshe et al. (2017) uses it to conclude that one-quarter of children under 6 who require childcare are currently receiving it. In fact, this is a conservative estimate that may understate the extent of the problem. The study's count of available spaces is based on DHS records of “licensed capacity,” the maximum number of children a provider may enroll, while providers often cap enrollment below that number at what DHS calls “desired capacity.” For this reason, the number of available seats is sure to be lower than is reported in this study. On the other hand, DeBaryshe and her colleagues exclude some types of ECE providers for the analysis—military child care, Department of Education special education, public charter schools, unregulated family, friend, and neighbor care. This leads to underestimating the number of available seats and may exaggerate the severity of the shortage.

Also worth considering about DHS records is the gap between official records and reality. For example, a provider that is licensed to care for 2–5-year olds may choose to serve only 3–4-year-olds, or a preschool licensed for 20 keiki may enroll only 15. To know how many children of any given age are being cared for in licensed settings will require accurate counts of enrollment and not just licensed capacity (or desired capacity). DHS (by way of PATCH) does collect such data but no systematic analysis has yet been conducted of them. In their survey of providers, DeBaryshe et al. (2017) report

that just over half of child care centers and family child care providers were at maximum capacity in May 2016, and even greater numbers had turned away families or maintained a waitlist at some point during the 2015-2016 school year. In light of the well-established shortage of ECE spaces statewide, the fact that nearly half of programs are not at maximum capacity suggests a need to better understand how widespread childcare vacancies are and what is causing them.

### Some Questions to Consider

1. What would you describe as key gaps in availability? What is known about non-consumers of ECE programs and services? What is unknown?
2. What efforts are currently underway to increase availability for vulnerable and underserved populations? To fill in gaps in knowledge about non-consumers?
3. What issues have been identified involving ECCE facilities? What current plans are in place to address them? Have these efforts targeted vulnerable or underserved children and those who live in rural areas?
4. What are the most significant barriers to improving the availability of care and education? Are there any particular aspects of system governance or financing, policies, or regulations that are preventing improvements?
5. What efforts have been implemented to improve the efficient use of resources? Why and how were they successful or unsuccessful?

### References

- DeBaryshe, B.D., Bird, O., Stern, I., & Zysman, D. 2017. *Hawai'i Early Learning Needs Assessment*. Honolulu: University of Hawai'i Center on the Family. Available at [http://uhfamily.hawaii.edu/publications/brochures/e8998\\_HawaiiEarlyLearningAssessment-Web.pdf](http://uhfamily.hawaii.edu/publications/brochures/e8998_HawaiiEarlyLearningAssessment-Web.pdf).
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