

# **2024 STATE FACT SHEET** CHILD CARE & EARLY LEARNING **IN VIRGINIA**

# In Virginia, federal and state early learning opportunities serve more than 73,752 children and families.<sup>1</sup> or 12% of children ages 5 and under.<sup>2</sup>

High quality child care and early learning programs support child development and offer parents peace of mind while they work or attend school.

Unfortunately, the demand for quality care far outweighs the supply, so many families struggle to access and afford the care options they want or need. While there are several federally funded programs that provide working families with access to quality child care opportunities, limited funding leaves many eligible children unserved. The impacts of these challenges extend beyond families and carry over to the workplace. As a direct result, the national economy loses \$122 billion annually in the form of lost earnings, productivity, and revenue.<sup>3</sup>

Below is a list of existing child care and early learning programs which together form a mix delivery system that supports parental choice and aims to meet children's individual needs. These programs have unique eligibility requirements and service delivery models. However, at current funding levels, each only reaches a fraction of eligible families.

# **STATE OF CHILD CARE IN VIRGINIA**

#### 593,287

Children 5 & Under<sup>4</sup>

#### 66%

Children 5 & Under with All Available Parents in the Workforce<sup>5</sup>

#### 1.454

Licensed Child Care Centers in 2023 (2022 data not available)<sup>6</sup>

#### 1,326

Licensed Family Child Care Homes in 2023 (-25 compared to 2022)<sup>7</sup>

#### 10%

Gap in the Supply of Child Care vs. the Potential Need<sup>8</sup>

#### \$3.1B

**Estimated Economic Impact** of Infant-Toddler Child Care Challenges Each Year<sup>9</sup>

#### \$16.397

Annual Price of Center-**Based Infant Care** (\$1,366 per month)<sup>10</sup>

#### \$12.158

Annual Price of Home-**Based Infant Care** (\$1,013 per month)<sup>11</sup>

#### \$138.758

Median Income of Married-Couple Family<sup>12</sup>

#### 11.8%

Portion of Income Spent by a Married-Couple Family on Center-Based Infant Care<sup>13</sup>

#### \$40.021

Median Income of Single-Parent Family<sup>14</sup>

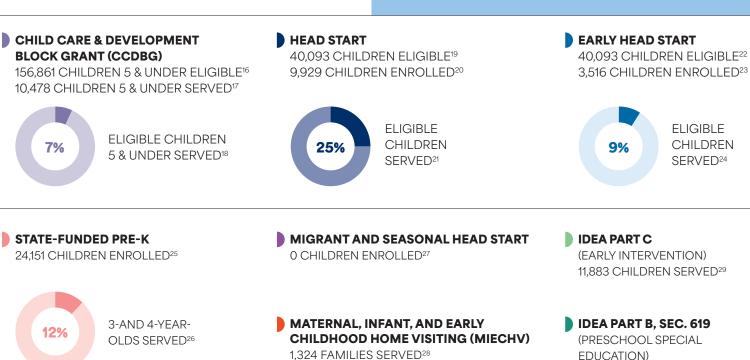
#### 41.0%

Portion of Income Spent by a Single-Parent Family on Center-Based Infant Care<sup>15</sup>

ELIGIBLE

CHILDREN

SERVED<sup>24</sup>



(PRESCHOOL SPECIAL EDUCATION) 12,471 CHILDREN SERVED<sup>30</sup>

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	\$245.8M	CCDBG and Mandatory Funds <sup>31</sup>
	\$156M	Head Start and Early Head Start <sup>32</sup> (includes AIAN HS/EHS when applicable)
	\$4M	PDG B-5 <sup>33</sup>
A:	\$10.8M	MIECHV <sup>34</sup>
	\$13.1M	IDEA Part C <sup>35</sup>
ATE	\$10.1M	IDEA Part B, Sec. 619 <sup>36</sup>
CARE .RLY	\$29.6M	TANF Early Care and Education <sup>37</sup>
NG	\$18M	TANF Transferred to CCDBG <sup>38</sup>
IG		STATE INVESTMENT
	\$140.4M	State-Funded Pre-K <sup>39</sup>
	\$52.3M	CCDBG State Match <sup>40</sup>
	\$1.2M	PDG B-5 State Match <sup>41</sup>

**VIRGINI FEDERAL** AND STA CHILD C AND EAF LEARNIN FUNDING

# **ELEMENTS OF PROGRAM QUALITY**

Program quality varies substantially within and across states.

Quality child care and early learning programs rely on a strong workforce, but low pay makes it difficult to recruit and retain educators. In Virginia, child care workers earn \$14.18 per hour (\$29,490 annually).42

Teacher-child ratios are crucial for ensuring safety, quality, and individual attention. Licensed center-based care providers participating in CCDBG are required to have the following ratios:43

- Infant 1:4
- Toddler 1:5
- Preschool 1:8 for age 2, 1:10 for age 3+

The state's pre-K program met 5.8/10 of NIEER's Quality Standards Benchmarks, which represent minimum standards to support quality preschool programs.44

Preschool Development Grant Birth Through Five (PDG B-5) is a competitive federal grant designed to improve states' early childhood systems. Virginia's PDG B-5 accomplishments include:45

- Unified the state's early education system by bringing child care oversight and the Head Start Collaboration Office into the Virginia Department of Education.
- · Supported workforce retention with RecognizeB5, a grant recognition program for lead and assistant teachers working in child care centers and family child care homes.

### CHILD AND DEPENDENT CARE TAX CREDIT (CDCTC)

The Child and Dependent Care Tax Credit (CDCTC) directly helps working parents offset the cost of child care.

\$52.3M CCDBG State Match<sup>40</sup> \$1.2M PDG B-5 State Match<sup>41</sup>

In its current form, the credit only reaches a small percentage of families and has been swiftly outpaced by the escalating cost of child care as it lacks any adjustment for inflation.

Last permanently updated in 2001, the current credit averages \$500-\$600 a year.46

## CDCTC IN VIRGINIA BY TAX YEAR

2020	<ul> <li>• 157,690: Number of taxpayers claiming the CDCTC<sup>47</sup></li> <li>• \$560: Average credit</li> </ul>	
2021	<ul> <li>The CDCTC was temporarily expanded and made refundable for one year in response to the pandemic.</li> <li>180,980: Number of taxpayers claiming the CDCTC<sup>48</sup> (an additional 23,290 from 2020)</li> <li>\$2,123: Average Credit (an additional \$1,562 from 2020, on average)</li> </ul>	
TODAY	The temporary expansion expired; the CDCTC reverted back to 2001 levels. • \$500-600: Average credit	

NOTE: Major provisions of the Tax Cuts and Jobs Act of 2017 (TCJA) expire at the end of 2025<sup>49</sup>, giving Congress the opportunity to modernize the CDCTC and other tax provisions to better help working families offset the cost of quality child care.50



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