



Policy Memorandum

Subject: Improving Access to Quality Child Care

High quality child care is unaffordable and inaccessible to many families across the U.S. National surveys show that 60-70% of parents report high child care costs and difficulty finding quality care within budget. Without sufficient care, parents and primary caretakers are unable to work. This has only been exacerbated during the COVID19 pandemic. This issue disproportionately affects women, low-income families, and communities of color who live in areas with limited child care options.

Cities can improve affordability and access to high quality child care by reducing costs for providers. This memo introduces three components of a cost reduction policy:

- Fee waivers associated with opening, expanding, or operating child care providers;
- A property tax rebate for high-quality child care providers and providers in high-need areas; and
- A full-time employee to support adherence to high-quality child care rules and practices.

Fee Waivers

Child care providers pay several annual fees to the city, including food, environmental, or fire inspection fees. Cities can reduce operating costs by waiving these fees, which could be provided up-front or retroactively. In addition to lowering costs, this policy would also lower the barrier of entry for new providers, creating additional care options.

Property Tax Rebate

Although many child care providers lease their facilities, some businesses and home-based operations pay property tax expenses. Cities can reduce operating costs to child care providers by offering a property tax rebate for providers with a quality certification through the National Association for the Education of Young Children, National Accreditation Commission, or various state/local programs. Quality certification is a lengthy and expensive process. A property tax rebate for completion of this process would lower these costs and encourage greater participation in programs that improve the quality of child care. In addition, a

rebate for providers located in areas without sufficient child care options would improve accessibility to high quality care.

Full-time Employee

Child care providers must navigate complicated state and local regulations, particularly centers eligible for receiving child care subsidies. Cities can support new and existing child care providers by hiring a full-time employee who offers technical assistance on how to meet quality standards and practices. This policy lowers the barriers of entry for new operators while supporting the quality of child care providers across the city.

These three policies lift financial and operational burdens from providers, allowing more providers to open and serve families.

