



Child Care is a Problem for Everyone

Working families are struggling to find child care,
Child care programs are struggling to find staff

Seventy-nine percent of child care programs are not operating at full capacity, leaving working families with limited options for child care. Investing state funds to increase the compensation of the early childhood workforce is needed to expand the availability of child care across our state.

With record low unemployment and a high number of job openings, Texas needs more workers in the workforce. The lack of child care is holding back working families from rejoining the workforce following the COVID-19 Pandemic. **The Texas Legislature should prioritize investments in child care during the 88th Legislative Session as a strategy to support our economy and increase the number of working families who can participate in our growing labor market.**

Child Care is Hard to Find

Texas has **27% less child care programs** than it did in March 2020¹. A survey conducted in January 2023 revealed that **79% of responding programs are not enrolled at full capacity**², further contributing to a lack of child care across the state. The demand for child care remains high with **54% of child care responding programs reporting they have a waitlist**³. Working families have limited option for child care and it is preventing many of them from participating in the workforce.

Child Care Staff Shortages Are Driving Child Care Shortages

Just like many other industries, child care programs are struggling to find staff. Of those not enrolled at full capacity, **69% of responding child care programs are struggling to find staff**⁴. Unlike other industries though, child care programs have not had the resources keep compensation competitive. On average, **early childhood educators earn \$12/hour, leaving 90% of them without a livable wage**⁵. This has resulted in 16% of early childhood educators leaving the industry⁶. With thin margins, child care programs do not sufficient funding to increase compensation and families cannot afford tuition increases to provide the funds to raise compensation.

Invest in Early Childhood Educators to Support Working Families

To support working families, **the Texas Legislature should strategically invest \$1.13 billion of state resources in the early childhood workforce through recruitment and retention stipends**. Increasing the supply of early childhood educators is a critical step to increasing the supply of workers for all other industries. This action is the top recommendation of the Stakeholder Workgroup for the HB619 Child Care Workforce Strategic Plan. More information about this recommendation can be found at <https://tinyurl.com/HB619workgroup>.

**27%
less**

Child Care
Programs

79%

of child care programs
are not fully enrolled

**16%
less**

Educators

1 out of 10

Early Childhood
Educators Earns
a Living Wage

"Texas should support legislative regulatory, and funding efforts to attract and retain child care educators and strengthen the child care workforce ecosystem."

- Texas House Committee on
International Relationships and
Economic Development
Interim Report

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¹18,734 child care centers and licensed or registered family child care homes were operating on March 6, 2020 vs. 13,746 on January 11, 2023. Data from HHSC.
^{2,3,4}TXAECY survey of child care programs conducted in January 2023. N=682 - Do you have a waitlist? N=679 - Are you enrolled at fully capacity? N= 528 - Which reasons best describe why you are not able to enroll at full capacity?

⁵Prenatal-to-3 Policy Impact Center. (2023). *Child Care in Crisis: Texas Case Study*.

⁶Council for Strong America. (2022). *Child Care Providers: The Workforce Behind the Workforce in Texas*.