# INCREASING CHILDCARE





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## Introduction

State governments regulate child care providers to protect the health and safety of children and parents who utilize child care services. These regulations are also intended to spur the cognitive, emotional, and social development of children while giving parents a means of evaluating providers before placing their child(ren) in care.

Child care is essential for families with young children and single parents who must work to earn a living. As noted in a 2002 report by the Maine Child Care Advisory Council, "In order to be able to work, parents must be able to find and afford child care." [1] In 2016, the United States Department of Health and Human Services announced their standard of child care affordability to be at or below seven percent of household income, making the average cost of child care services unaffordable in all 50 states and the District of Columbia. [2]

There is a need for government to regulate the child care industry because low-quality care can result in irreparable harm to a child. However, the regulations enacted by state governments do not always improve the health and safety of children or enhance access to child care services. While these are laudable goals, the rules imposed by government frequently prove to be harmful for children, parents, and providers.

Research shows that laws which affect the labor costs of childcare providers (e.g. staffing ratios) and other arbitrary rules negatively impact consumers, since providers must adapt to government mandates in order to retain a license to practice. In turn, providers pass these costs on to consumers, making child care more unaffordable and inaccessible for parents. These costs are particularly prohibitive for low-income parents, who have less disposable income and must use a greater share of their income to pay for child care services.

The wealth of existing data and research show that the overregulation of child care providers disrupts the market and limits access to child care services. Drawing on data from Maine and other states, this policy brief examines how the overregulation of child care providers reduces access to child care by limiting consumer choice and inflating the cost of child care services.

The State of Child Care in Maine 2002." Maine Child Care Advisory Council. 2002. Accessed December 12, 2017. <a href="https://www1.maine.gov/dhhs/ocfs/ec/occhs/state\_of\_child\_care.pdf">https://www1.maine.gov/dhhs/ocfs/ec/occhs/state\_of\_child\_care.pdf</a>

U. S. Department of Health and Human Services 2016 Standards

U.S. Census Burgau of Health and Human Services 2016 Standards
[4] Cohn, D'Vera, Gretchen Livingston, and Wendy Wang. "After Decades of Decline, A Rise in Stay-at-Home Mothers." Pew

# **Regulations and Cost of Care**

The need to regulate child care providers comes as a result of the industry's alarming growth, due in large part to increases in national labor force participation rates among mothers. Between 1980 and 2009, the labor force participation rate among single women with children increased by more than 50 percent. [3] From the 1960s to the new millennium, a host of cultural and socioeconomic factors contributed to a national movement of women reentering the workforce. In recent years, however, the percentage of stay-at-home mothers in the United States has increased as the cost of child care continues to rise. [4]

According to Child Care Aware America, the leading advocacy group in the U.S. for child care regulations that enhance the quality of care, "Child care programs, like any business or non-profit, need to take into account revenues, expenses, and regulations standards that must be met... Higher staff-to-child ratios, which allow teachers to give more individualized attention to the children in their group, for example, have an impact on staffing costs, from hiring, to salary and benefits, to training and professional development, to occupancy."[5]

One major factor in rising child care costs is the tendency for state governments to regulate the industry in ways that increase the cost of care without measurably or significantly enhancing the quality of care. Experts in early childhood development, psychology, and education agree that the quality of child care depends most importantly on the educational achievement of the immediate caregiver, such as program directors, head teachers, and child care center staff. [6] Unfortunately, not all regulations enacted by state governments achieve the stated goal of enhancing quality, and instead result in more expensive care.

### Structural Quality vs. Process Quality

Regulatory efforts at the state level are typically aimed toward structural quality improvements, such as staffing ratios and group sizes. Rarely do state regulators consider process quality improvements, which measure the quality of interactions between children and caregivers. As researchers at the Mercatus Center note, state governments typically enact regulations intended to enhance the structural quality of child care facilities, as these measures are "easily observable features of a care environment," and give parents immediate confidence in the quality of care provided.

<sup>[3]</sup> U.S. Census Bureau

<sup>[4]</sup> Cohn, D'Vera, Gretchen Livingston, and Wendy Wang. "After Decades of Decline, A Rise in Stay-at-Home Mothers." Pew Research Center's Social & Demographic Trends Project. April 08, 2014. Accessed January 11, 2018. http://www.pewsocialtrends.org/2014/04/08/after-decades-of-decline-a-rise-in-stay-at-home-mothers/

<sup>[5] &</sup>quot;Parents and the High Cost of Child Care." Child Care Aware of America. 2017. Accessed December 11, 2017. https://usa.childcareaware.org/wp-content/uploads/2017/12/2017. CCA. High Cost. Report. FINAL pdf

https://usa.childcareaware.org/wp-content/uploads/2017/12/2017 CCA High Cost Report FINAL.pdf.

[6] Thomas, Diana W., and Devon Gorry. "Regulation and the Cost of Child Care." Mercatus Center. August 2015. Accessed December 15, 2017. https://www.mercatus.org/system/files/THomas-Regulation-Child-Care.pdf.

While the structural quality of child care is easy for regulators to tinker with, evidence suggests these regulations have the most harmful economic effects on parents and the child care industry.

### **Cost Effect of Structural Quality Improvements**

Despite quality of care depending most importantly on the education of immediate caregivers, this type of structural quality improvement correlates with an increase in the cost of child care services. Requiring lead teachers to complete high school is associated with an increase in child care costs between 25 and 46 percent, or \$2,370 to \$4,350 annually, according to the Mercatus Center.

A 2006 study by the RAND Corporation concluded that child to staff ratios, which fluctuate between states based on the type of care provided and the ages of children in care, drive up the cost of child care services without measurably improving the quality of care delivered. "Childcare regulation, in particular the maximum child-teacher ratio, has a statistically significant and economically large impact on the market for childcare. The primary mechanism for this economic impact is through the price of regulated care, which is higher where regulation is tighter..."[7]

The study found that tightening regulations by reducing child-teacher ratios by two children per teacher for all ages in all states would increase the cost of center-based care by approximately 12 percent, resulting in an eight percent decline in children placed in centerbased care and a one percent reduction in the number of mothers who choose to work.

Data collected by Child Care Aware of America solidify these findings. For example, the state of New York has the lowest staff-to-child ratio in the country for children four years of age and older at 1:8. Full-time child care tuition for a four-year-old child in New York costs approximately \$12,355 annually, the highest in the nation. Massachusetts, another state where child care is extremely unaffordable, imposes a minimum ratio of 1:3 for centerbased infant care. The average annual cost of center-based care for an infant in Massachusetts is higher than any other state at \$20,125.[8]

Intuitively, Mercatus findings show that the loosening of child-staff ratios, or a one-child increase in child-staff ratios, can reduce the cost of care by nearly five percent. Similarly, the study found that a one-child increase in the ratio for infants decreases the cost of care between nine and 20 percent, saving working families up to \$1,890 annually. These

<sup>[7]</sup> Heeb, Randal, and M. Rebecca Kilburn. "The Effects of State Regulations on Childcare Prices and Choices." RAND Labor and Population. January 2004. Accessed December 4, 2017.

https://www.rand.org/content/dam/rand/pubs/working\_papers/2004/RAND\_WR137.pdf
[8] "Parents and the High Cost of Child Care: 2017 State Fact Sheets." Child Care Aware of America. 2017. Accessed December 18, 2018. https://usa.childcareaware.org/advocacy-public-policy/resources/research/costofcare/

findings suggest that state governments perform thorough cost-benefit analyses before imposing structural quality regulation on child care providers.

### **National Impact of Regulation**

There are a number of unintended economic consequences that come as a result of costly or unreliable child care. When the wages earned by a parent are outweighed by the cost of child care, some are better off exiting the workforce and caring for their own child(ren). However, for some families and single parents, this creates new reliance on public assistance programs. In addition, when parents have informal or unreliable child care arrangements, they are often forced to take time off of work to care to their child.

Child Care Aware of America estimates that US businesses lose \$4.4 billion annually due to absent parents experiencing "childcare breakdowns." Further, 45 percent of parents miss an average of 4.3 days per year due to troubles with childcare providers. A 10 percent decline in the availability of child care services corresponds with a reduction of employment among single mothers by three to four percent and up to six percent for married mothers. When parents exit the workforce to care for their child(ren), \$28.9 billion in wages are lost annually nationwide.

### **Effects on Low-income Earners**

When child care becomes unaffordable, working parents must decide whether to exit the workforce and care for their own child(ren), or enter into lower-cost, informal child care arrangements. As noted in the RAND study, when regulations are tightened, some children will be placed in higher quality childcare centers, however other children will be moved into "informal sector care" due to the price effect of regulations. "Quality regulation thus may have perverse results: some children may end up in lower quality care than they would have otherwise received. In addition, the increased price of care resulting from regulation causes some mothers to remain out of the workforce entirely."

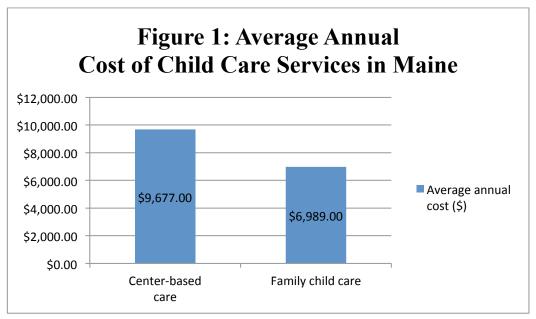
Regulations on child care providers that increase the cost of care are particularly prohibitive for low-income parents. Poorer parents need child care services at a cost they can afford in order to work and provide for their families. Not only does the cost of care lock low-income families out of child care services, it ultimately results in poorer care for children. For some low-income parents, it is only viable to work if they can receive child care at no cost, typically through a relative. Children from low-income families are more likely to be cared for in informal sector care arrangements, and evidence shows these

arrangements provide lower quality care for low-income children in comparison to the care they would receive at a child care center.<sup>[9]</sup>

Child care is also expensive and inaccessible for low-income parents who work nonstandard schedules. Approximately one-third of working mothers who live in poverty work nonstandard schedules, and in high-poverty communities, nearly 75 percent of working mothers do "unsociable work."<sup>[10]</sup> This makes it difficult for parents to arrange services for their child, forcing them to rely on informal sector care arrangements.

### **Cost of Care in Maine**

In 2017, Child Care Aware of America estimates that the cost of childcare in Maine is, like all other states, unaffordable based on federal standards. The average cost of center-based child care in Maine is \$9,667, which exceeds the average cost of a year's tuition at one of the state's four-year public universities (\$9,573). This is also true for 41 other states and the District of Columbia.



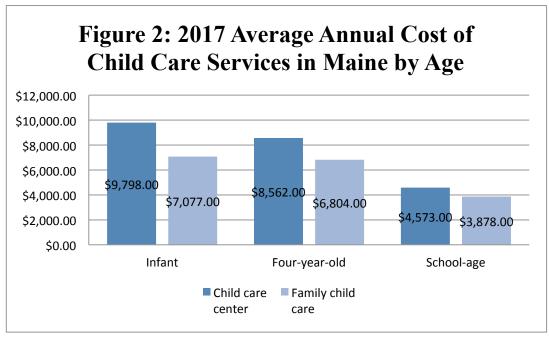
Source: Child Care Aware of America

For a married family in Maine with two children living at the federal poverty line, the cost of center-based child care consumes more than 90 percent of the family's household income. Center-based infant care for a single parent consumes approximately 44 percent of

Dowsett, Chantelle J., Aletha C. Huston, and Amy E. Imes. "Structural and Process Features in Three Types of Child Care for Children from High and Low Income Families." U.S. National Library of Medicine. January 01, 2008. Accessed January 11, 2018. https://www.ncbi.nlm.nih.gov/pmc/articles/PMC2710846/

<sup>[10]</sup> Enchautegui, Maria E., Martha C. Johnson, and Julia Gelatt. "Who Minds the Kids When Mom Works a Nonstandard Schedule?" Urban Institute. July 16, 2015. Accessed January 11, 2018. https://www.urban.org/research/publication/whominds-kids-when-mom-works-nonstandard-schedule/view/full report

household income. For a single parent with two children in center-based care, the cost exceeds 80 percent of the single parent's income.<sup>[11]</sup>



Source: Child Care Aware of America

### **Limited Choices for Maine Parents**

Expensive child care costs due to onerous regulation ultimately results in limited choices for Maine parents. Vicki Gordon, a family child care provider in Maine, testified against LD 1689 during the 127th Legislature by saying, "As more and more daycare regulations are passed, more and more great home daycares are closing, because it is becoming almost impossible to comply with all the rules and regulations." [12] Another provider from Pettengill Academy in Lewiston testified that the structural quality reforms contained within LD 1689 would add approximately \$45 in fees each time she hired a new employee, totaling \$100 per new hire. [13] In February 2014, the Portland Press Herald reported that Michelle Smith, a local mother seeking home-based daycare services in Southern Maine, "called more than 70 providers and languished on more than 10 waiting lists before finding a home-based daycare in South Portland." [14]

For every single licensed family child care provider in America, there are nine unlicensed practitioners.<sup>[15]</sup> As a result of several strict quality improvement regulations imposed on

<sup>[11] &</sup>quot;Parents and the High Cost of Child Care: 2017 State Fact Sheets – Maine." Child Care Aware of America. 2017.

https://www.mainelegislature.org/legis/bills/getTestimonyDoc.asp?id=38235

http://www.mainelegislature.org/legis/bills/getTestimonyDoc.asp?id=38223

Hall, Jessica. "Quality child care tough to find everywhere; more challenging in Maine." *Portland Press Herald*, February 2, 2014. Accessed January 11, 2018.

https://www.pressherald.com/2014/02/02/quality\_child\_care\_tough\_to\_find\_everywhere\_more\_challenging\_in\_maine\_/

[15] https://www.nafcc.org/file/365c3a2b-e683-4d3f-8a60-344ee842b767

providers, such as fingerprinting<sup>[16]</sup>, the State of Maine has lost 600 licensed child care providers since 2008 (see figure 3a). The lack of licensed providers in Maine significantly reduces the accessibility of child care, as fewer children can be legally cared for in unlicensed environments. Due to the substantial demand for quality care, the absence of licensed providers within the market inflates the cost of child care services among all licensed care types. This alarming trend of decline must be addressed if the state wishes to make child care services affordable and accessible to all Mainers.

Figure 3a: Total Number of Licensed Providers by County (2008 - 2018)											
<b>County</b>	2008	<u>2009</u>	<u>2010</u>	<u>2011</u>	2012	<u>2013</u>	<u>2014</u>	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018</u>
ANDROSCOGGIN	282	274	258	253	241	225	222	212	207	198	180
AROOSTOOK	128	136	125	128	117	109	105	104	119	118	99
CUMBERLAND	530	519	496	474	481	452	451	415	415	389	389
FRANKLIN	68	77	70	70	71	62	65	61	54	52	49
HANCOCK	88	97	91	83	85	77	80	78	79	75	63
KENNEBEC	253	259	245	241	237	227	224	225	218	221	214
KNOX	61	65	59	63	59	53	48	52	54	53	49
LINCOLN	53	58	53	53	54	44	46	43	41	42	40
OXFORD	98	92	89	89	86	79	79	75	76	69	67
PENOBSCOT	216	215	218	209	194	188	185	176	179	165	169
PISCATAQUIS	28	24	24	22	23	22	24	22	23	24	26
SAGADAHOC	73	83	72	76	72	73	64	57	65	63	64
SOMERSET	89	92	96	88	84	80	77	76	75	71	67
WALDO	67	69	62	68	67	64	66	64	63	67	65
WASHINGTON	47	51	47	45	43	41	33	32	32	34	32
YORK	357	348	351	326	323	300	297	296	288	276	265
Total	2438	2459	2356	2288	2237	2096	2066	1988	1988	1917	1838

Source: Office of Child and Family Services – Maine DHHS

Between 2008 and 2018, every Maine county experienced significant reductions in the total number of licensed providers (see Figure 3b). Androscoggin County experienced the greatest loss, displacing 102 total providers (36 percent) over the decade.

Interestingly, Androscoggin County also saw the greatest increase in the total number of unlicensed providers participating in the Child Care Subsidy Program (CCSP), a program that subsidizes care for low-income families. Androscoggin County saw a 420 percent growth (63 providers) in the number of unlicensed participants from 2011 to 2018.

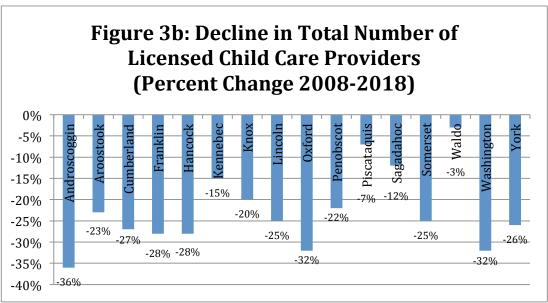
Seven Maine counties saw increases in the total number of unlicensed providers participating in the CCSP between 2011 and 2018. The average county experienced a 41 percent growth in the total number of participating unlicensed providers. The trend shows

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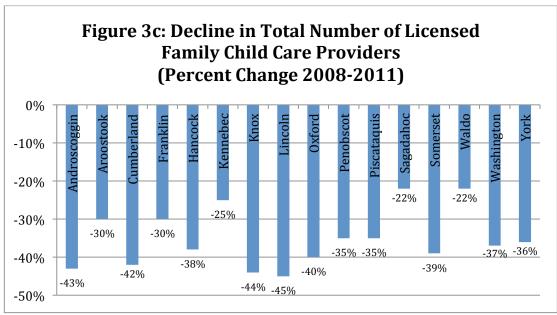
<sup>[16]</sup> https://legislature.maine.gov/legis/bills/bills 127th/chapters/PUBLIC497.asp

a conscious move by providers to escape costly, overregulated care structures. Dozens of other providers have left the profession entirely.



Source: Office of Child and Family Services – Maine DHHS, The Maine Heritage Policy Center

Overregulation in Maine is especially prohibitive for family child care providers and nursery schools. Since 2008, all 16 counties lost more than one-fifth of their licensed family child care providers (see Figure 3c). All but three counties (Aroostook, Cumberland, and Waldo) lost more than one-half of their licensed nursery schools. Without satisfactory supply of low-cost care options, Maine parents are forced to enter into informal child care arrangements or seek services from expensive providers.



Source: Office of Child and Family Services - Maine DHHS, The Maine Heritage Policy Center

# Health and Safety of Children in Care

While the overall cost of child care can vary greatly depending on the regulations imposed by state governments, little evidence exists to suggest that structural quality improvements measurably enhance the health and safety of children in child care environments. New York, for example, does not see a statistically significant reduction in deaths or serious injuries occurring within child care settings in comparison to other states, despite enforcing some of the strictest child care regulations in the country. [17] Between 2010 and 2014, New York saw a seven percent increase in child fatalities. However, few child fatalities in New York during this period can be attributed to child care providers. Fatalities among young children typically occur when a child is in the immediate care of a parent, a relative, or the parent's paramour. Further, fatalities among young children are more common when the child has had prior contact with state agencies, like child protective services, usually as a result of substance abuse or domestic violence within the home.

Many states have established task forces or advisory councils that study fatalities among young children within their borders. In 2016, Maine saw zero deaths, six serious injuries, and zero cases of substantiated child abuse or neglect within child care settings.<sup>[18]</sup>

If structural quality improvements measurably enhanced the health and safety of children in child care settings, states like Florida, which has some of the most lax laws in terms of child-staff ratios, would see higher rates of death or serious injury within child care settings. However, this is not the case. For example, Florida allows a single child care worker to watch up to 20 children four years of age and older. In 2015, children under three years of age represented 80 percent of statewide child fatalities. In 2017, 85 percent of child fatalities in Florida occurred among children under three years of age. [19] Few of these occurred while a child was in the immediate care of a licensed child care provider. Despite enforcing lenient child-staff ratios, Florida children are not at greater risk of death or serious injury than children in states where strict regulations have been passed to enhance the structural quality of child care services.

<sup>[17]</sup> Cuomo, Andrew M., and Sheila J. Poole. "New York State Child Fatality Report 2010-2014." Office of Children and Family Services. 2016. Accessed January 15, 2018. https://ocfs.ny.gov/main/reports/2016%20Child%20Fatality%20Report.pdf

Maine Department of Health and Human Services, Office of Child and Family Services, Child Welfare Division http://www.childcarechoices.me/Mainedata.aspx

<sup>[19]</sup> Florida Department of Children and Families Data

# **Regulations in Maine**

Maine enforces strict licensing requirements on child care providers based on the type of provider and number of children in care, with license requirements including minimum age, education, and experience of the licensee (see Figure 3). Many states license child care facilities and impose varying education requirements on all levels of program staff. However, this is only one piece of the multidimensional regulatory puzzle consuming child care providers in Maine and across the country.

Figure 4: Maine Licensing Requirements for Program Directors / Head Teachers of Child Care Providers								
Type of child care service	Minimum Age	Experience (days)	<b>Education</b>	<u>Fees</u>	Additional certifications			
Small Child Care Facility	21	181	None	\$140 application + \$240 renewal (biennial)	CPR Certificate			
Child Care Center	21	365	Some college	\$140 application + \$240 renewal (biennial)	Child Development Associate (CDA) credentialing, CPR Certificate			
Child Care Center (21 or more children)	21	5	Associate's	\$140 application + \$240 renewal (biennial)	Child Development Associate (CDA) credentialing, CPR Certificate			
Child Care Center (50 or more children)	21	5	Bachelor's	\$140 application + \$240 renewal (biennial)	Child Development Associate (CDA) credentialing, CPR Certificate			
Family Child Care Provider (Licensed)	18	2	None	\$160 application + \$160 renewal (biennial)	CPR Certificate			
Nursery School	21	2	High School	Set by DHHS	CPR Certificate			

Source: Maine DHHS Rules

In Maine, child care providers pay fees for licenses and are subject to insurance and inspection requirements mandated through the licensing regime (see Figure 4). There are approximately 200 pages of state-level rules and regulations that apply to Maine child care facilities (including child care centers, small child care facilities, and nursery schools) and family childcare providers. These regulations include, but are not limited to, certification, licensing, inspection and insurance requirements, background checks, water testing, fire

safety codes and procedures, building codes, programming, group sizes, staffing ratios, conduct of caregivers, temperature of building, and mandated reporting and record keeping. Maine DHHS also imposes rules on providers relating to pets, swimming pools, immunizations, indoor and outdoor play areas, sleeping areas, acceptable toys, food safety measures, and sanitation.

Rules adopted by Maine DHHS concerning fire safety and building codes amount to approximately 1,300 pages of standards and procedures established by the National Fire Protection Agency. The four-step Quality for ME program, Maine's Quality Rating & Improvement System (QRIS) also imposes standards for early childhood care and education as a mechanism for parents to evaluate providers before and after placing their child(ren) in care.<sup>[20]</sup> The program assesses providers based on self-reported programming and rule violations.

Figure 5: Regulations on Child Care Providers in Maine								
Type of Provider	<u>Type of</u> <u>Service</u>	Licensed Occupancy	Age of Children	Place of <u>Care</u>	<u>Fees</u>	<u>Inspections</u>	<u>Insurance</u>	
	Child care center	13 or more	Under 13	Any house or other place	\$140 application + \$240 biennial renewal	One (1) rule compliance and fire safety upon application and renewal*	\$100,000 per person, \$300,000 per occurrence, \$5,000 property damage	
Child Care Facility	Small child care facility	3 to 12	Under 13	Any house or other place (not the residency of operator)	\$140 application + \$240 biennial renewal	One (1) rule compliance and fire safety upon application and renewal*	\$100,000 per person, \$300,000 per occurrence, \$5,000 property damage	
	Nursery school	3 or more	33 months to 8 years	Any house or other place	Annual fee set by DHHS	One (1) rule compliance and fire safety upon application and renewal*	\$100,000 per person, \$300,000 per occurrence, \$5,000 property damage	
Family Child Care	Licensed family care provider	3 to 12	Under 13	Residency of the operator	\$160 application and biennial renewal	One (1) rule compliance and fire safety upon application and renewal + one (1) routine announced compliance inspection*	None	
	Unlicensed family care provider	Up to 2	Under 13	Residency of the operator	None	None	None	

Source: Maine DHHS Rules \*Facility also subject to unannounced inspections

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<sup>[20]</sup> http://www.maine.gov/dhhs/ocfs/ec/occhs/qualityforme.htm

Rules that do not enhance the quality of care but require providers to upgrade their facilities or spend money, raise the cost of childcare services. Due to campaigns advocating for state and national level child care quality standards, providers must be constantly adapting to new rules enacted by state governments. When these rules are imposed, providers pass the costs on to consumers.

For example, a person seeking to become a family child care provider may not be able to do so without costly renovations if s/he lives in an older home. Standards established by the NFPA and adopted by Maine DHHS regulate size, composition, or arrangement of stairs, windows, doorways, and other means of egress. Some regulations adopted by Maine DHHS are arbitrary and restrict program flexibility for providers. Maine DHHS rules require that all doors and windows used for ventilation be screened when in use by child care providers. A child care provider in Maine could be fined during an unannounced inspection for using an unscreened window for ventilation, even if locked, out of the reach of children, and used for just a short period of time.

Maine also enforces strict and unique staffing ratios based on the age of children in care at centers, small child care facilities, nursery schools, and family child care homes. The staff-to-child ratio in Maine for children four years of age in center-based care is 1:8 with a group size of 24, or 1:10 with a group size of 20. Nationally, the average child-staff ratio for children of the same age is 12.6 children per staff member. Other states, like Florida and North Carolina, allow a single child care worker to watch up to 20 children of the same age in a similar care environment. Like most regulations imposed with the intent of enhancing access to child care services by improving structural qualities of care, the outcome sought is not always achieved. Instead, states typically see a rise in child care costs, reduced access to services, and no measurable or statistically significant improvement in the overall quality of care.

# **State Solutions**

States can reverse the economic damage of child care regulation by eliminating rules that have been proven to increase the cost of child care services without measurably or significantly enhancing the quality of care. Child-staff ratios, for example, are typically based upon arbitrary numbers handpicked by state regulators who believe reducing the ratio enhances the quality of care. While these staffing ratios may be based on nationally recognized standards, little evidence exists to suggest the limitation of group sizes or the enforcement of child-staff ratios measurably improves the quality of child care services. Allowing providers to care for one or two more children will reduce the cost of services and make child care more accessible without jeopardizing the health and safety of Maine families.

Instead of regulating the industry based on easily observable dimensions of structural quality, regulators should delve into process quality improvements, like educational programming, that enhance the quality of interactions between children and caregivers. Quality interactions can still take place between a provider and a child if child-staff ratios or group size limitations are loosened, and state regulators should seek to find the proper balance.

In addition, states can eliminate licensing requirements that were not carefully tailored to mitigate legitimate health and safety risks for children in care. Existing research shows that these burdensome requirements force child care providers to pass costs on to consumers, increasing the overall cost of child care while restricting access to services.

As studies have found, the average cost of child care borne by parents is significantly higher in states that have enacted rigorous child care standards and regulations.<sup>[21]</sup> To increase access to child care services and to reduce the cost of quality child care, state regulators must begin removing burdensome regulations that hold back workers and hurt U.S. businesses. By doing so, states can foster an economic climate conducive to the needs of parents and children seeking accessible, affordable, and quality child care services within their own communities.

### **Policy recommendations:**

• Diminish the licensing burden on child care providers by allowing them to watch more children without a license.

Hotz, V. Joseph, and M. Rebecca Kilburn. "Regulating Child Care: The Effects of State Regulations on Child Care Demand and Its Cost." October 1996. Accessed December 22, 2017.

- Reduce the fees required to obtain a license to practice as a child care provider and extend the term of the license.
- Remove regulations that have not been proven to enhance access to child care services or make child care more affordable in Maine.
- Review existing rules and eliminate those that were not carefully tailored to fulfill legitimate health and safety objectives.
- Prevent the creation of new rules and regulations that are not carefully tailored to fulfill legitimate health and safety objectives.