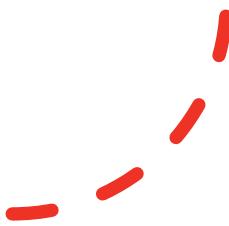




1

Overview

- Part I: The Big Problem
- Part II: The Child Care Problem
- Part III: Progress & Needed Action



2

Why does child care quality matter?



Workforce participation for the parents of young children



Improved **K-12 education** outcomes



Better long-term **health** outcomes



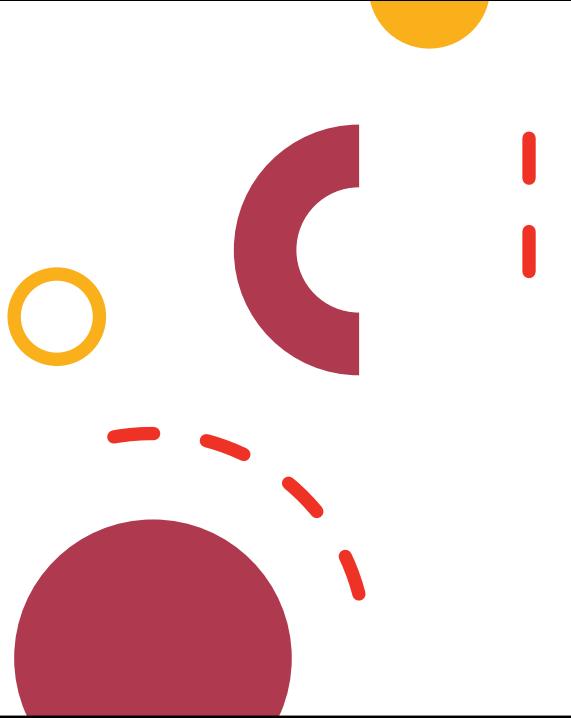
Improved **public safety**



Family **stability** and **prosperity**

3

The Big Problem



4

2

Young Families

Everybody Works

Can't Make Ends Meet

Having Fewer Kids

5

Changing Workforce

In 1975, **½ of moms worked** and **½ of two parent households** had both parents working.

Today, **$\frac{3}{4}$ of moms work** and **$\frac{2}{3}$ of two parent households** have both parents working.



6

Housing: 30-40% of median family income

Child care costs another 20-30% of the median family income *per child*. Consequently, the average family of four could easily spend their entire income on just housing and child care.

Housing affordability by Wisconsin metro area

Figures as of Jan. 31, 2025

Size rank	Metro	% of median income spent on housing	Income needed to afford typical home	Years to save for 20% downpayment
1	Milwaukee	41%	\$109,889	8.4
2	Madison	41%	\$117,738	9.6
3	Green Bay	33%	\$88,498	7.7
4	Appleton	30%	\$88,701	7.0
5	Racine	31%	\$80,826	7.1
6	Oshkosh	32%	\$78,960	7.5
7	Eau Claire	31%	\$83,745	7.4
8	Wausau	26%	\$67,700	6.1
9	Janesville	29%	\$75,189	6.7
10	La Crosse	32%	\$80,297	7.8
11	Sheboygan	30%	\$79,270	7.3
12	Fond du Lac	30%	\$75,315	7.1
WI Median Household Income (\$75,670)				

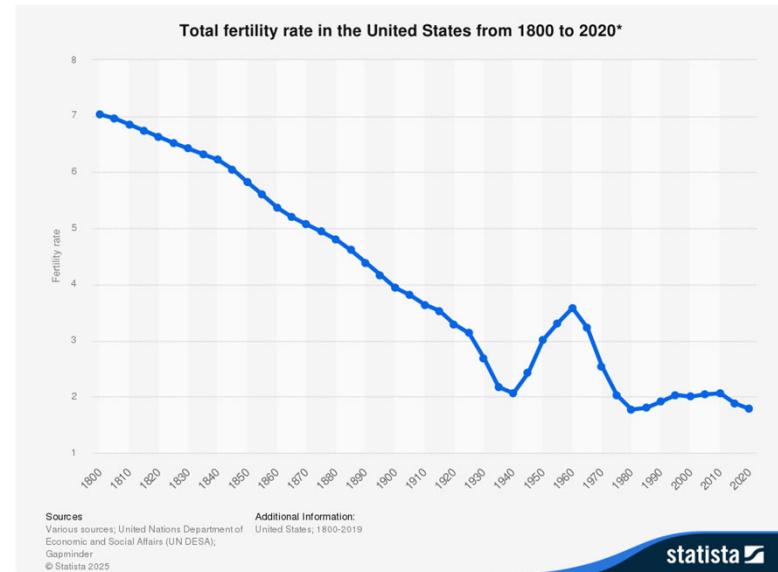
<https://www.badgerinstitute.org/houses-have-taken-a-sharp-turn-toward-unaffordable-for-typical-wisconsin-household/>

Meeting a families' basic needs likely take \approx 180% of the annual earnings.

"Most Americans don't earn enough to afford basic costs of living, analysis finds" CBS News, May 16, 2025

7

Birth Rates: Fewer Kids, Starting Later



8

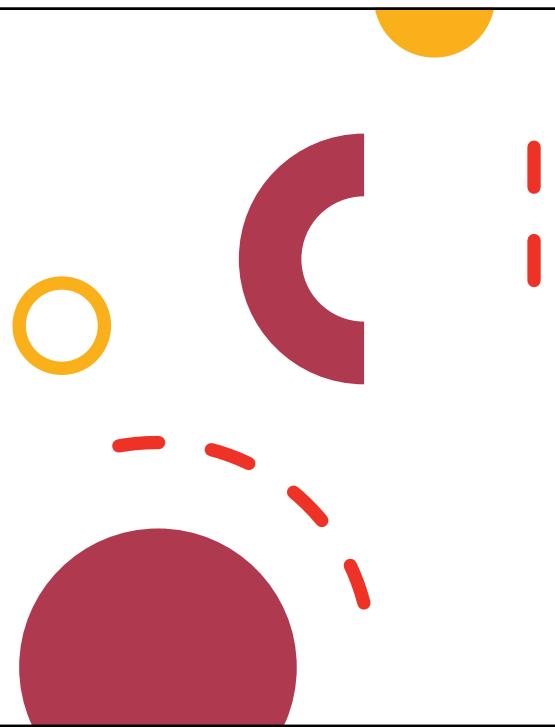
Recap

Young Families

- Everybody Works
- Can't Make Ends Meet
- Having Fewer Kid

9

The Child Care Problem



10

Child Care

Hard to Find

Costs a Lot

Low Wages

11

Changing Provider Landscape

Fewer providers over all

There is a 24% decline in providers in the last decade

More women in the workforce = fewer family care providers

But more child care slots (capacity)

Shift from family care -> to center care

Among center care, shift toward larger centers with greater economies of scale, but...

While that means more capacity at those providers, there are fewer locations and less geographic coverage

12

Access: Child Care Deserts

Half of Wisconsin families – and **70% of families in rural communities** – live in a child care desert.

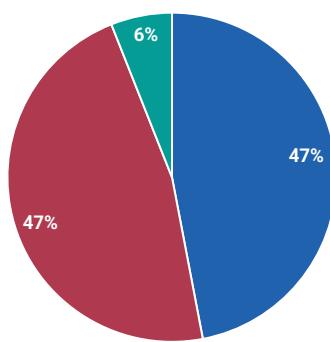
Almost **20% of child care classrooms are closed** due to lack of staff.
(≈33,000 child care slots)

Type	Active Providers	Regulated Capacity
Certified Family (1-3 kids)	616 (13%)	3,576 (2%)
Licensed Camp	119 (3%)	2,180 (1%)
Licensed Family (4-8, soon up to 12 kids)	1,600 (34%)	12,361 (7%)
Licensed Group (4 or more kids)	2,222 (47%)	146,241 (82%)
Public School	191 (4%)	14,167 (8%)
	4,748	178,525

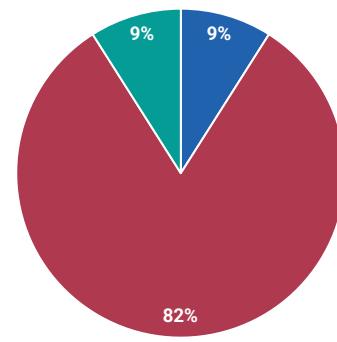
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Group Programs Serve the Most Kids

Providers



Share of Statewide Capacity



■ Family ■ Group ■ Camp/Public School

■ Family ■ Group ■ Camp/Public School



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Affordability: College is Cheaper

The average price of center-based care for one infant is over **\$16,000** per year.

- That's **21%** of the median household income.
- Nearly 40% more than resident tuition @UW-Madison
(*which you finance over time*)

<https://financialaid.wisc.edu/cost-of-attendance/>



Last year, Wisconsin Families Spent \$1 Billion on child care

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Quality: Wisconsin's child care workforce is ...

- Almost all women
- **Educated**
 - Over 80% have an Associate's Degree or higher
- **Poorly compensated**
 - \$13.50/hour lead teachers
 - \$7.50 for family child care directors

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Recap

Young Families

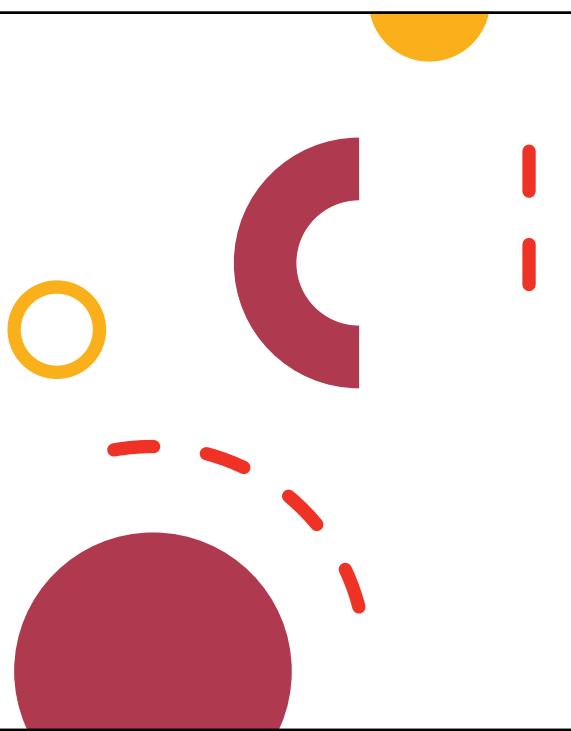
- Everybody Works
- Can't Make Ends Meet
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Child Care

- Hard to Find
- Costs a Lot
- Low Wages

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Progress & Needed Action



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Progress

Competitive WI Shares Rates

Get Kids Ready!

Infant/Toddler Payments

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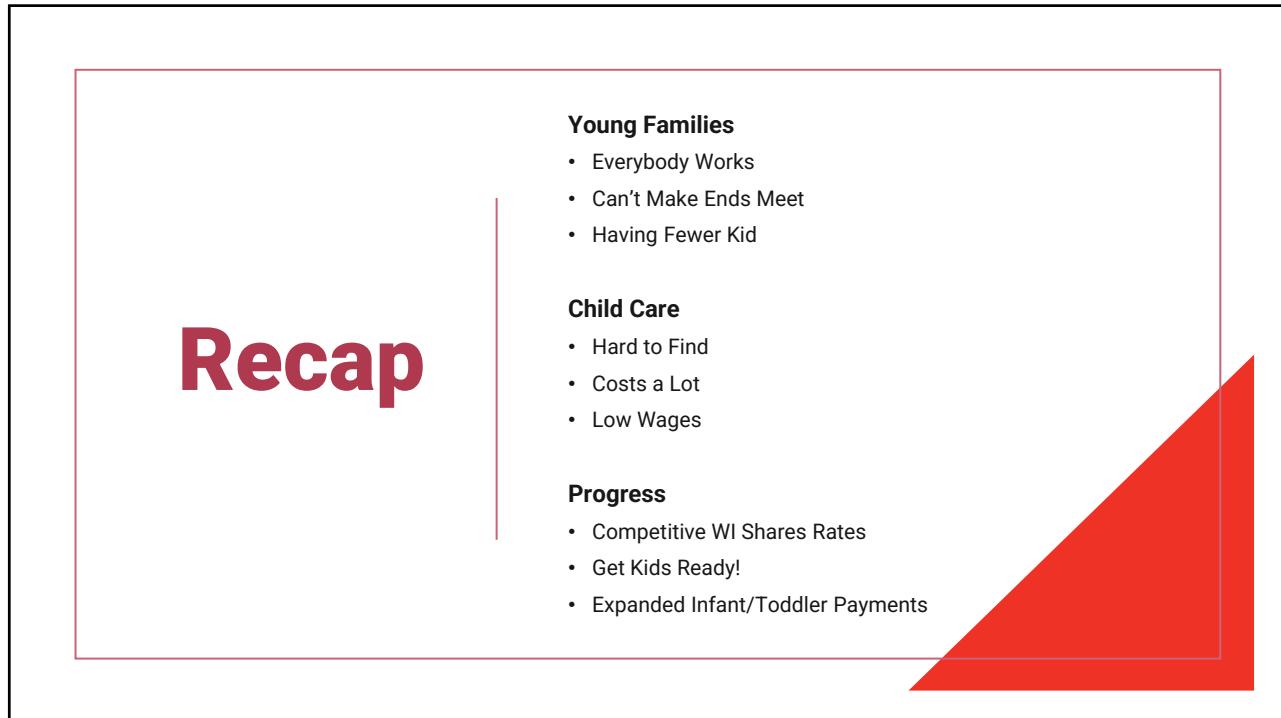
Progress

- **Child Care Counts** has provided over \$750 million to 5,200 providers, 61,500 staff and 350,000 kids.
- **WI Shares subsidy** provides over \$350 million to over 27,000 working families and nearly 50,000 children.
- Increased **child and dependent tax credits**, proving relief to over 100,000 taxpayers. (avg. +\$656/tax filer)
- **Partner Up!** Blended funding from parents, employers and the state to cover of the cost of child care.

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21



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Questions & Discussion