

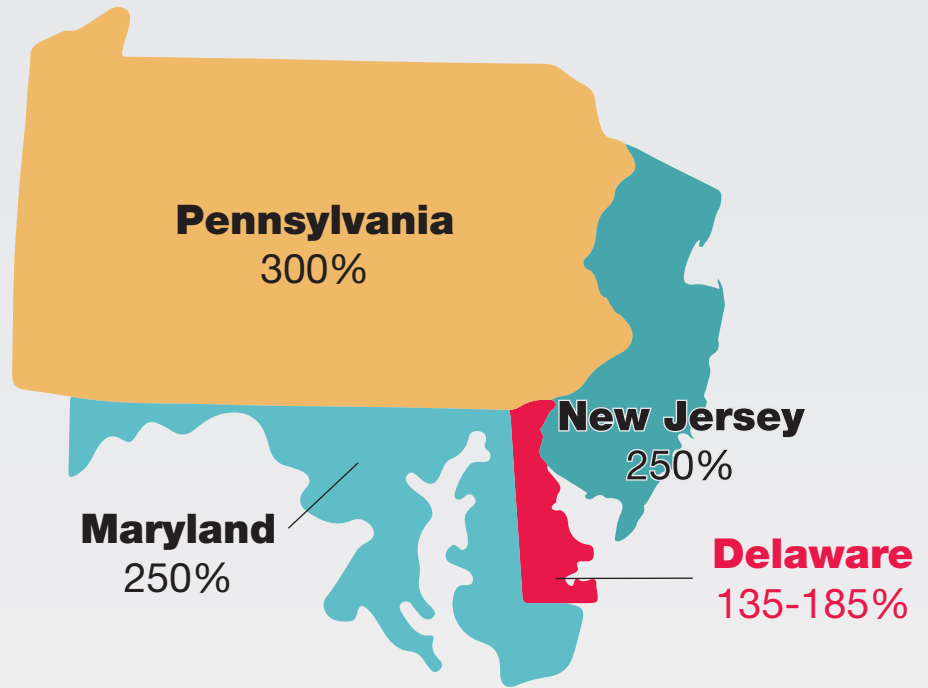
The “Missing Middle:” Delaware’s Working Families Can’t Afford Child Care but Don’t Qualify for State Programs

2023 Eligibility for Purchase of Care by State

Neighboring states provide child care to more families than Delaware

***Delaware Purchase of Care is at 185% and ECAP is at 135%.*

Schulman, Karen. Precarious Progress: State Child Care Assistance Policies 2022. National Women’s Law Center, May 2023.



A Family of Four Would Need to Make No More than \$55,000 a Year to Qualify for Publicly Funded Child Care

If Delaware adopted neighboring states’ policies, many more families could access child care



Eligibility

Families Served Federal Poverty Level %	Family of 4 Annual Income	% of State Median income (\$105,076)	Number of 0-5 Year Olds Eligible (Estimate)	Percentage of 0-5 Year Olds Eligible (Estimate)
Up to 185%	\$55,000	52%	8,663	38%
Up to 200%	\$60,000	57%	25,647	41%
Up to 300%	\$90,000	86%	35,571	57%

Source: Administration for Children and Families

Note: a fraction of those eligible are able to navigate state processes, find openings and get off waiting lists, and afford co-pays associated with POC.



Quit Your Job or Afford Child Care?

Delaware Families in Tough Financial Spot

Basic Survival Budget for 2 adults and 2 children (\$88,683)

In Delaware, **two working** adults with **two children** would have to make a minimum of **\$25** an hour each (working 40 hours a week) to afford child care and all other basic expenses (housing, transportation, utilities, food, etc).



If only **one adult** in the family is **working**, they would need to make **\$39** an hour (Delaware minimum wage is currently \$11.75 an hour, going up to \$13.25 in 2024).

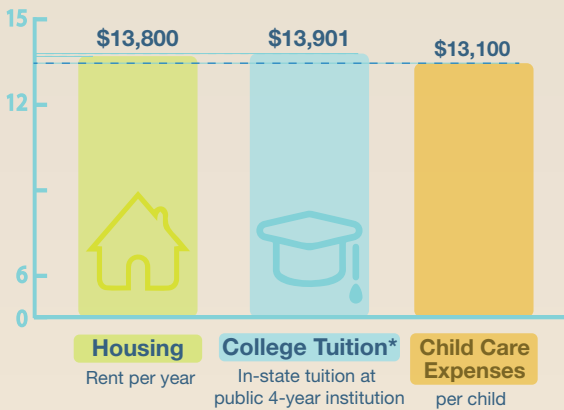


Source: Economic Policy Institute (<https://www.epi.org/resources/budget>)
A survival budget includes: housing, food, child care, transportation, health care, other necessities and taxes.

While families can access care on a \$56,000 income (just beyond assistance eligibility), they likely cannot afford it. It's not until a family earns \$100,000 that child care becomes affordable without assistance.

Other household expenses

Child Care—per child—costs as much as housing and in-state college tuition (where loans and scholarships are available)



Cost per year/per child

	Roughly 10% of married couple median income	35% of single parent median income
Infant in center-based care		\$13,130 /year
Toddler in center-based care		\$11,802 /year
Center based child care		\$12,466 (avg. across all ages)
Family based child care		\$8,655 /year (avg. 0-4)

Source: Economic Policy Institute's Family Budget Calculator

At what point do families fall off the benefits cliff—or 185% of Federal Poverty Level—and when can they afford child care again?

A family would begin to lose child care benefits at \$55,000 and would lose them completely at \$60,000.

Even if the family were to make \$100,000, their net resources would be ~\$6,300 (NCCo).

In Kent and Sussex, families would only be able to afford child care again once they make **\$97,000**.

Would These Delaware Families Qualify for Child Care Assistance?

Many dual-income, working families do not qualify and cannot afford it in their budget

<p>Teacher Masters, 5 years of experience Annual Salary \$63,528</p>	<p>\$127,056 -\$21,518*</p> <p>Teacher & teacher, married + 2 children</p> <p>At 423% of FPL, this family is ineligible for state-funded pre-K (ECAP) or subsidized child care (Purchase of Care) and can afford the basics + child care.</p>
<p>Constructor Laborer Annual Salary \$50,772</p>	<p>\$114,300 -\$21,518*</p> <p>Teacher & construction laborer, married + 2 children</p> <p>At 381% of FPL, this family is ineligible for state-funded pre-K (ECAP) or subsidized child care (Purchase of Care) and can just afford the basics + child care.</p>
<p>Receptionist Annual Salary \$30,708</p>	<p>\$81,480 -\$21,518*</p> <p>Construction laborer & receptionist, married + 2 children</p> <p>At 272% of FPL, this family is ineligible for state-funded pre-K (ECAP) or subsidized child care (Purchase of Care) and cannot afford the basics + child care.</p>
<p>Bank Teller Annual Salary \$37,488</p>	<p>\$68,196 -\$21,518*</p> <p>Receptionist & bank teller married + 2 children</p> <p>At 227% of FPL, this family is ineligible for state-funded pre-K (ECAP) or subsidized child care (Purchase of Care) and cannot afford the basics + child care.</p>

Sources: U.S. BLS May 2022 Annual Mean Wages for Delaware, District Pay Scales

*Combined Salary -Child care market rate for two children.

Source: U.S. BLS