

What Do We Know About Infant and Toddler Care in New Jersey?

W. Steven Barnett
February 2021

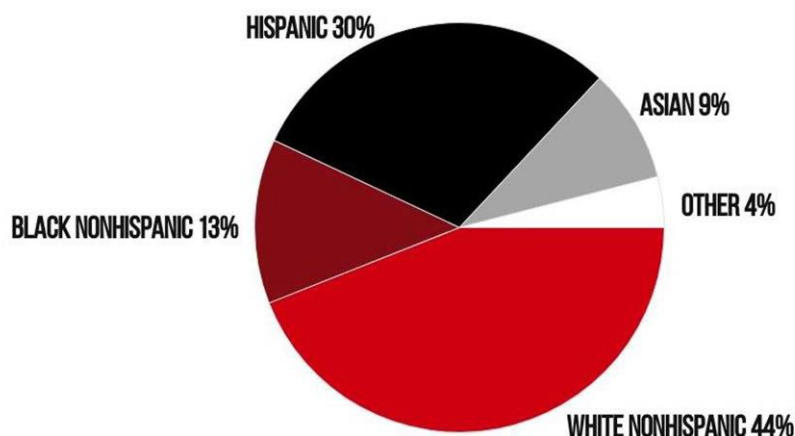
Executive Summary

Most of New Jersey’s nearly 300,000 children under age 3 receive nonparental child care. While highly diverse, this population widely shares a common characteristic: a high rate of parental labor force participation. This makes the affordability and quality of child care particularly important in New Jersey because it has long-term consequences for child development and the state’s economy as well as for immediate parental employment. In this “snapshot” we highlight some key facts and questions relating to infant toddler care in New Jersey based on several of the ITC’s initial projects. For example, New Jersey’s child care subsidy program serves just a small fraction of eligible families with infants and toddlers even though it appears many more cannot afford high quality care. This raises questions about families’ perceptions of their needs for quality care and the state subsidy program. Also, the pandemic has disrupted work and child care, raising costs and dramatically reducing the numbers of infants and toddlers in licensed center-based care. To what extent are these long term changes? If policies are to better support high quality infant and toddler care, these and other questions about quality, affordability and what determines parent demand for care by type and subsidy use must be answered.

Who are New Jersey’s infants and toddlers?

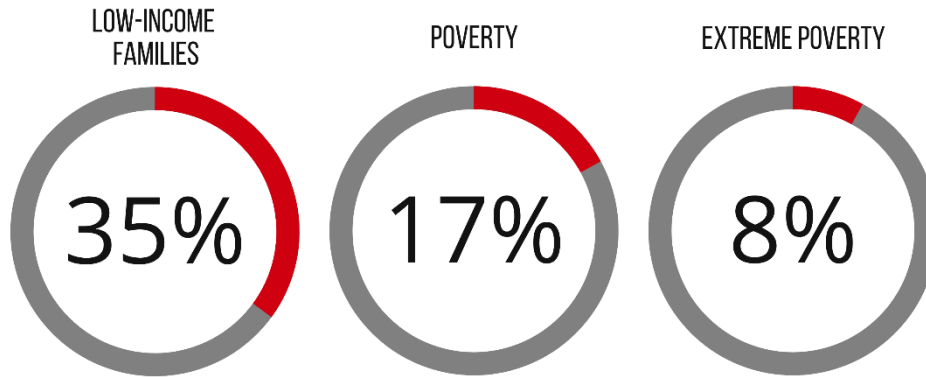
In 2019, New Jersey had an estimated 304,435 children under age 3, about 100,000 for each year of age birth through age 2. This is a highly diverse population: 44% White Non-Hispanic, 30% Hispanic, 13% Black Non-Hispanic, and 9% Asian. More than 30% live in homes in which a language other than English is spoken.¹

FIGURE 1. DIVERSE FAMILY BACKGROUNDS OF NEW JERSEY’S INFANTS AND TODDLERS



Although New Jersey is a relatively wealthy state, more than a third (35%) of infants and toddlers are in low-income families with roughly half of these in poverty (17%) and nearly 1 in 10 (8%) in deep poverty.¹

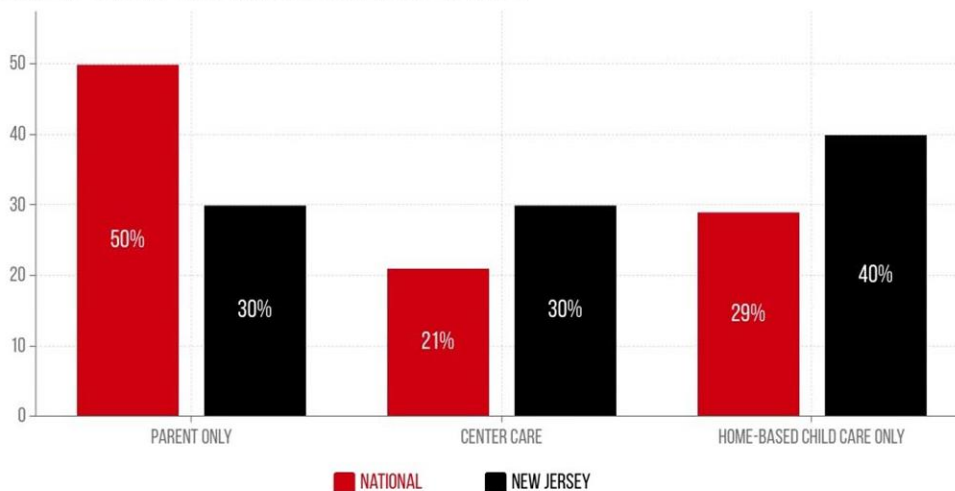
INFANTS AND TODDLERS IN NEW JERSEY LIVING IN ...



What do we know about the child care arrangements of New Jersey infants and toddlers?

Compared to many other states, New Jersey has a high percentage of parents in the labor force and a high percentage of infants and toddlers in nonparental child care. Two-thirds of New Jersey’s infants and toddlers have all parents in the workforce and are potentially in need of child care.¹ Before the pandemic, about 70% of children under age 3 received some regular nonparental child care.² Most of this was home-based child care in the child’s home or another home, often provided by relatives, but about 30% attended child care centers.² Little is known about the quality of this care, but national studies have found little high quality care, that relative and nonrelative care tends to be lower in quality, and that the quality of infant and toddler care of those in poverty is mostly low.³ As there is no reason to assume quality in New Jersey differs greatly from the rest of the nation, the state should be concerned about its possible impacts. Up-to-date New Jersey-specific information about the quality of care including how it varies by type and price would be very useful.

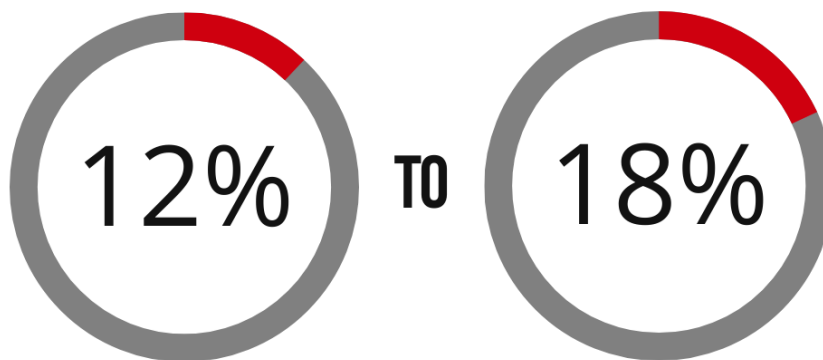
FIGURE 3. NEW JERSEY’S USE OF INFANT TODDLER CARE IS MUCH HIGHER THAN THE NATIONAL AVERAGE



In an August 2020 survey, 75 percent of New Jersey mothers using child care reported paying for it.² Some did not pay for care because relatives—most often grandparents—provided care. In addition, 17% of those using child care reported receiving a subsidy to help pay for care. Nevertheless, the cost for many families was substantial with 22% reporting spending more than \$800 per month (\$9,600 per year) for infant-toddler child care, a figure that is still low for high-quality care.^{1,2, 4}

Two basic types of public subsidies for child care are available for New Jersey parents. The most widely available are federal and state income tax credits. The average annual federal tax credit for those who receive it was \$1145 in 2019.⁵ New Jersey’s state tax credit is limited to a maximum of \$500 per year for one qualifying adult and \$1,000 per year for two. Much larger amounts per child are provided by New Jersey’s Child Care Subsidy Program (CCSP), which supports child care for low-income working parents. About one-third of New Jersey’s infants and toddlers are in families that are income-eligible for the CCSP. As only 4% families with infants of receive subsidized care, that would imply just 12% of income-eligible children under age 3 receive a subsidy. However, not all their parents are willing or able to work.¹ Reducing the estimated eligible population by an estimated one-third to account for those not in the labor force yields 22%, which would imply that 18% of eligible infants and toddlers received a state child care subsidy each month.¹ Yet, there have been no waiting lists for subsidies. That raises important questions. Why don’t more parents seek subsidies? Could stronger outreach and education of parents regarding quality and subsidies, higher subsidy payments, and other policy changes increase subsidy use by parents with infants and toddlers? How would this affect care use and quality?

PERCENTAGE OF NEW JERSEY CHILDREN ELIGIBLE FOR AND WHO RECEIVE A CHILD CARE SUBSIDY IS ...

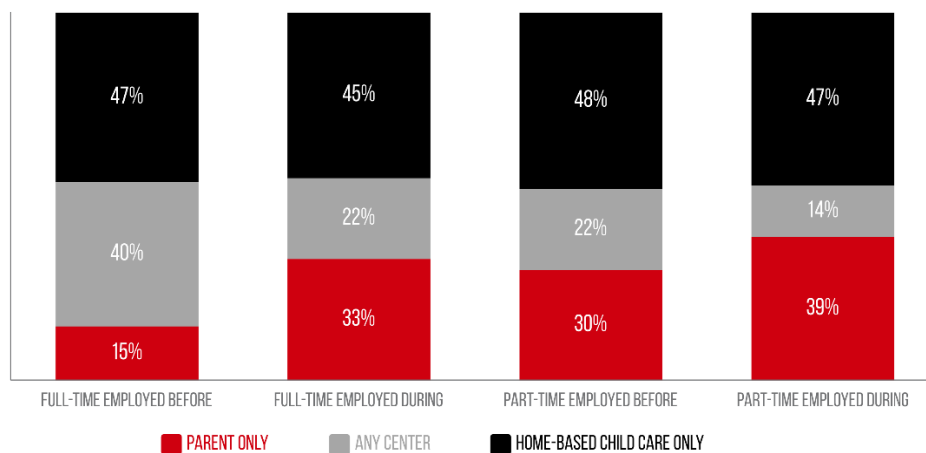


WHY IS IT SO LOW?

How has the pandemic affected child care for infants and toddlers?

As a result of the pandemic some parents lost their jobs, a substantial number of mothers quit their jobs or took extended leave, and many others now work from home.² The pandemic also increased the costs of infant-toddler care as staff-child ratios rose and new procedures, facility improvements, and personal protective equipment were adopted for infection control.⁴ All of these, together with parent fears, dramatically decreased the percentage of infants and toddlers enrolled in child care centers. The percentage of children in home-based nonparental care appears to have dropped slightly. These effects were much more pronounced for infants and toddlers whose mothers had been employed full-time before the pandemic compared to those whose mothers had been employed part-time. Important unknowns to be addressed by future studies include the extent to which parents of infants and toddlers will revert to back to former patterns of child care use and how availability of higher subsidy rates and other changes might alter their use of child care in order to increase the quality and affordability as the pandemic comes under control and the economy moves to a new normal.

INFANT-TODDLER CARE ARRANGEMENTS BY MOTHER'S EMPLOYMENT STATUS BEFORE AND DURING THE PANDEMIC



Notes: NIEER analyses, 2020.² Parent Only refers to children who have no type of regular nonparental care. Any Center includes children who had some center-based care; they also may have had another type of child care arrangement. Home-Based Child Care Only includes only children who had nonparental care in their own or another home but did not receive center-based care.

Acknowledgments

Funding for this report was provided by The Nicholson Foundation. The authors are solely responsible for content of this report.

About ITC@NIEER

The National Institute for Early Education Research (NIEER) at the Graduate School of Education, Rutgers University, New Brunswick, NJ, conducts and disseminates independent research and analysis to inform early childhood education policy. ITC@NIEER is a unit within NIEER focused on early care and education policies that influence the learning and development of infants and toddlers.

Suggested Citation

Barnett, W.S. (2020). What We Know About Infant and Toddler Care in New Jersey. *Data Snapshot*. New Brunswick, NJ: National Institute for Early Education Research.

About the Author

W. Steven Barnett is a Board of Governors Professor of Education at Rutgers University and Senior Co-Director of NIEER. His research interests include the economics of early care and education, the effects of early care and education on children's learning and development, program evaluation, and policy analysis focusing on equity and efficiency. Dr. Barnett earned his Ph.D. in economics.

Endnotes

¹ Friedman-Krauss, A. & Hallam, R.. (2020). [Infant and Toddler Child Care Data Needs in New Jersey](#). NIEER White Paper. New Brunswick, NJ: NIEER.

² These estimates are based on NIEER original analysis of survey data from a Fairleigh Dickinson University poll of more than 600 mothers of infants and toddlers conducted in August 2020 <https://view2.fdu.edu/publicmind/2020/200930/index.html>

As the survey may not perfectly represent the population, our estimates should be considered "ballpark" figures.

³ Mulligan, G., & Flanagan, K. (2006). Findings from the 2-year-old follow-up of the Early Childhood Longitudinal Study, Birth Cohort (ECLS-B). NCES 2006-043. Washington, DC: NCES. Retrieved from <https://nces.ed.gov/pubs2006/2006043.pdf>

⁴ Garver, K. (2020). [The Financial Impact of COVID Licensing Standards on NJ Child Care Providers](#). ITC@NIEER Research Paper. New Brunswick, NJ.

⁵ U.S. Department of Health and Human Services, Administration for Children and Families, Office of Child Care. (2020). State/Territory Profile New Jersey. <https://childcareta.acf.hhs.gov/state-profiles/profiles/NJ/pdf>