

CALIFORNIA FAMILIES PAY HIGH PRICE FOR **SUBSIDIZED CHILD CARE**

Child care is critical for working parents, but the high cost of care can be a challenge for families. A very small share of California families with low and moderate incomes receive care through the state's subsidized child care and development system. Many of these families pay monthly fees into this system — fees that can be unaffordable for families who are living paycheck to paycheck. California families pay **tens of millions of dollars** in fees each year for their subsidized child care.



A single mother earning **\$37,500** annually would pay **5% of her income in family fees** for full-time care for her two children — about \$1,900 in one year. What necessities could she instead buy living in Los Angeles County?



- 1** month of rent for a 2-bedroom home
- 5** months of utility bills
- 16** weeks of groceries
- 17** months of cell phone service
- 22** months of diapers
- 24** months of public transit passes

Working parents should not have to face impossible choices each month about whether to pay for food, rent, or child care. Policymakers can instantly boost families' economic security by using state and federal dollars to:

- ✓ Waive family fees for subsidized child care during the COVID-19 pandemic.
- ✓ Restructure family fees so that families pay less of their income for subsidized child care after the COVID-19 recession.
- ✓ Ensure providers receive the support and investment needed to offer subsidized child care and keep their doors open as they serve children, families, and their communities.



\$68 Million

The estimated amount of family fees collected annually from families with low and moderate incomes.

Overall, **more than 4 in 10 California households** with children have found it somewhat or very difficult to pay for usual expenses such as rent, food, or child care.



But the COVID-19 recession has been particularly devastating for **Black and Latinx** households with children: More than half are struggling to pay for their usual expenses.

