Is Authorized Capacity a Good Measure of Child Care Providers' Current Capacity?

Evidence from Virginia

Kate Miller-Bains, Stephen Yu, & Daphna Bassok

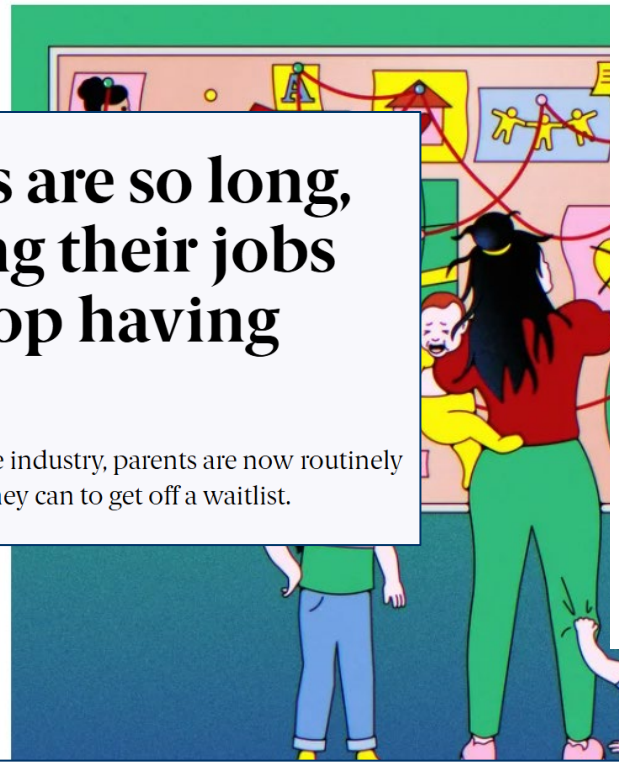
University of Virginia | EdPolicyWorks

Study of Early Education Through Partnerships

Many parents rely on child care to support their families, but accessing care is often difficult.

'How Do I Find Child Care Without Losing My Mind?'

By Emily Gould, a novelist and critic, is a features writer for New York Magazine.



Caregiving

Day care waitlists are so long, moms are quitting their jobs or choosing to stop having kids

After the pandemic decimated the child care industry, parents are now routinely waiting years for care and doing anything they can to get off a waitlist.

zero2eight NEWS

Searching for Your Next Home? Now You Can See Nearby Childcare Options

Redfin partners with Winnie, an online childcare marketplace, to bring local childcare information to every for-sale listing on the real estate site.

At the same time, simply describing what child care options are available to families has been very challenging.

- The child care sector includes many businesses and organizations operating independently
- We have limited information on providers' operations—including how many children they can serve
- Researchers often estimate the number of available "slots" using the data they can get

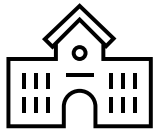
Many studies have relied on authorized capacity to approximate the availability of care.

- Advantages: Widely available and consistent within—and often across—states

- Based on physical characteristics of the building in which they operate and the age ranges that they plan to enroll

- Captures the **maximum** number of children that a provider can legally serve at one time

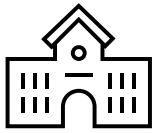
However, other factors limit the total number of children a provider can actually serve at one time.



Site 1

Authorized capacity: 75

- Currently serves infants: No
- Current staff: 10 teachers

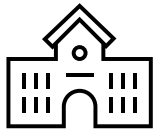


Site 2

Authorized capacity: 75

- Currently serves infants: Yes
- Staff: 8 teachers

However, other factors limit the total number of children a provider can actually serve at one time.



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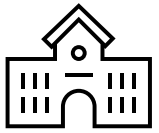

Site 2

Authorized capacity: 75

- Currently serves infants: Yes
- Staff: 8 teachers

"Current" Capacity: 45

What we wanted to explore in Virginia data

(1) To what extent does authorized capacity differ from leader-reported "current capacity"?

(2) Do differences between authorized and current capacity vary by characteristics of the children or communities that providers serve?

(3) Are there larger gaps between authorized and current capacity among providers that report more substantial staffing challenges?

Two Primary Data Sources

2022 Virginia Child Care Provider Survey

- Administered to all registered providers with response rate of 47%
- Final sample includes the 1,986 center- and home-based providers with responses to these relevant items

Administrative data from Virginia's child care licensing records

- Site type (center- or home-based), ages served, location, and authorized capacity

Measuring Current Capacity

Providers reported:

1. The **largest number of children they had served at one time** in the past week
2. **How many more children** they could have served at that time (if any)

We add these together to get the site's **current capacity**

We talk about current capacity as a percentage of a site's authorized capacity

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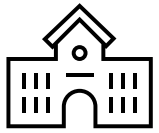

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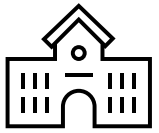


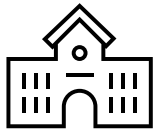
Site 2

Authorized capacity: 75

Current" Capacity: 45

Current capacity is **100% of authorized capacity** (75/75*100)

We talk about current capacity as a percentage of a site's authorized capacity



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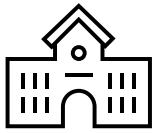
Current Capacity: 75

Current capacity is 100% of authorized capacity (75/75 x 100)



Site 2

Authorized capacity: 75

Current" Capacity: 45

Current capacity is **~61% of authorized capacity** (45/75 x 100)

To what extent does authorized capacity differ from current capacity?

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	Centers		Home-Based	
	Mean/Pct	SD	Mean/Pct	SD
Authorized capacity	99	68		
Current capacity	72	52		
Current vs. Authorized				
Authorized capacity – Current capacity	27	39		
(Current capacity / Authorized capacity) *100%	73%	--		

To what extent does authorized capacity differ from current capacity?

	Centers		Home-Based	
	Mean/Pct	SD	Mean/Pct	SD
Authorized capacity	99	68	8.2	3.5
Current capacity	72	52	7.4	3.5
Current vs. Authorized				
Authorized capacity – Current capacity	27	39	0.7	1.8
(Current capacity / Authorized capacity) *100%	73%	--	91%	--

Do differences between current and authorized capacity vary by characteristics of the communities or children that providers serve?

Look at whether the gap between current and authorized capacity differs by…

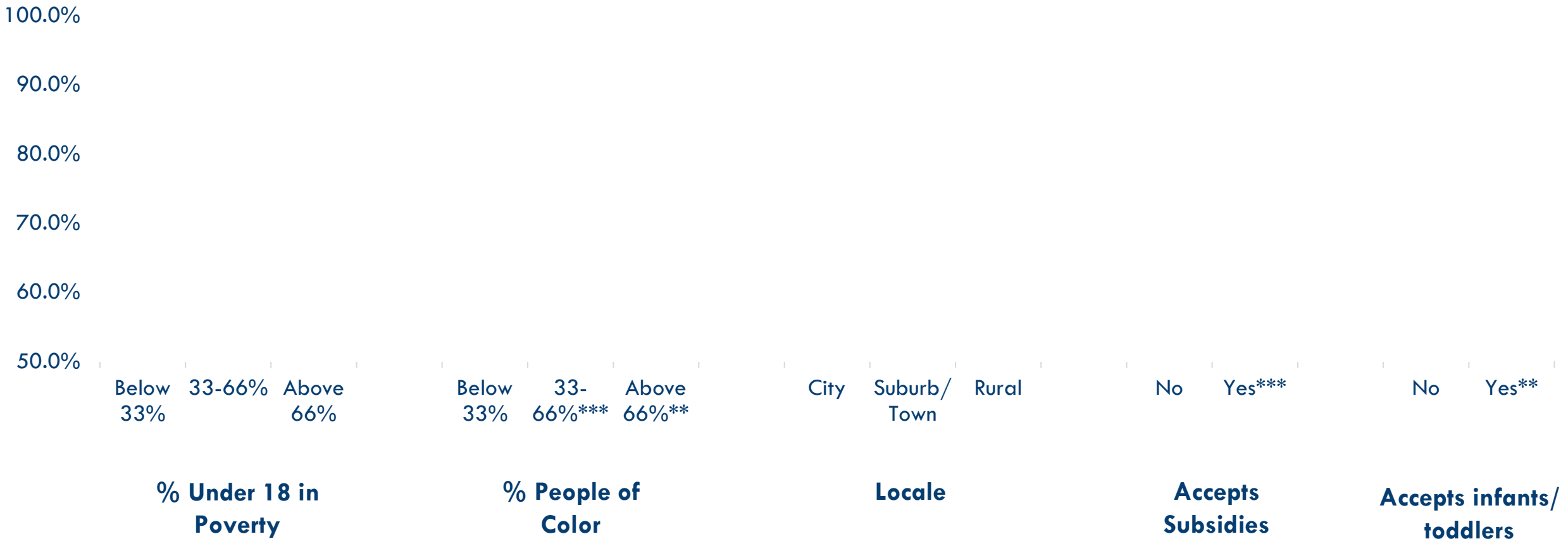
1. Poverty rate for people under 18 years old in community
2. Percentage of people of color in community
3. Rurality/urbanicity of community
4. Whether the provider accepts CCDF subsidies
5. For centers, whether they accept infants/toddlers

We look at these patterns separately for centers and home-based providers.

Why gaps between providers' current and authorized capacity might be bigger for certain communities and families

- Targeted, means-tested alternatives for 3-4 year olds—like Head Start—are more likely to be in communities with higher poverty rates.
  - This often leads child care programs to serve younger age groups.
- Prior research has found rural communities and those with more people of color tend to have fewer child care slots per child.
- Providers that accept subsidies are more likely to struggle with staffing.

Differences by Community and Children Served: Centers



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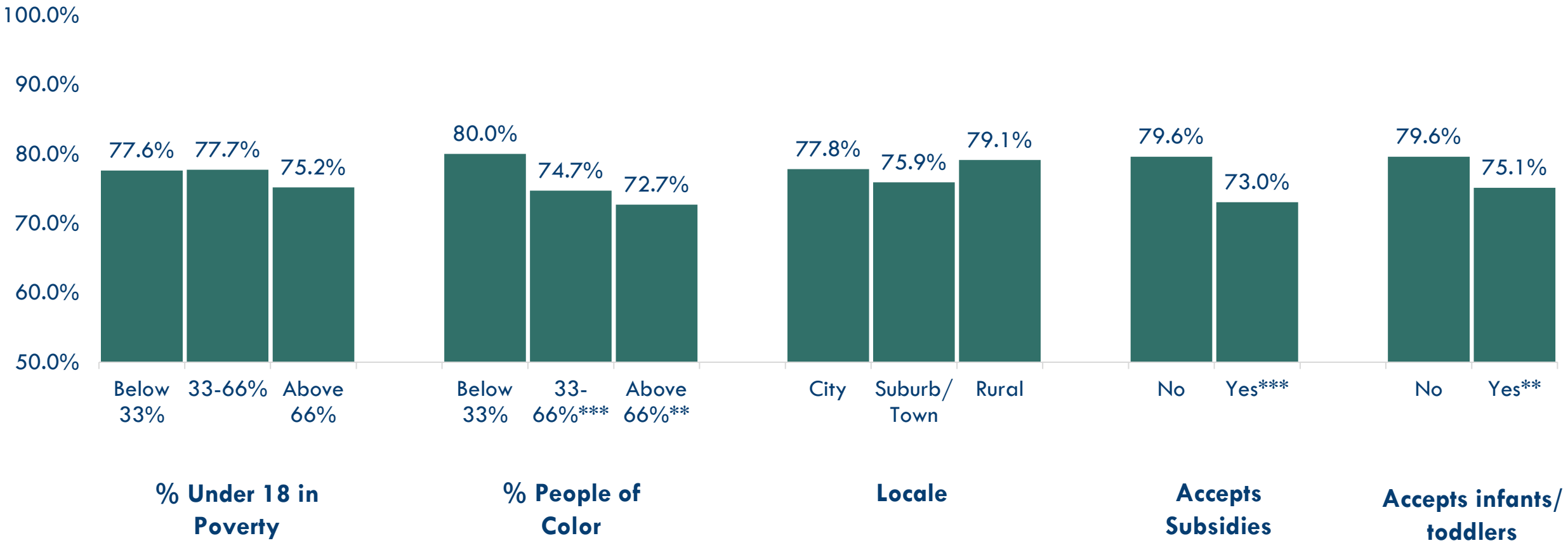

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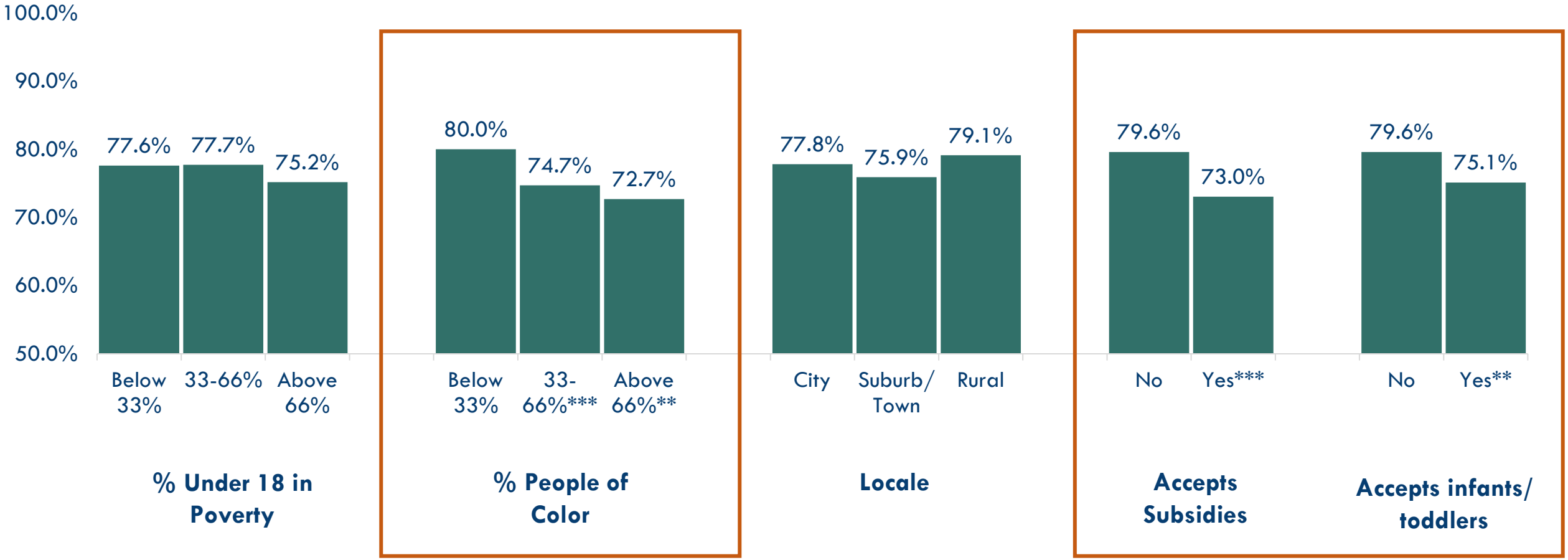
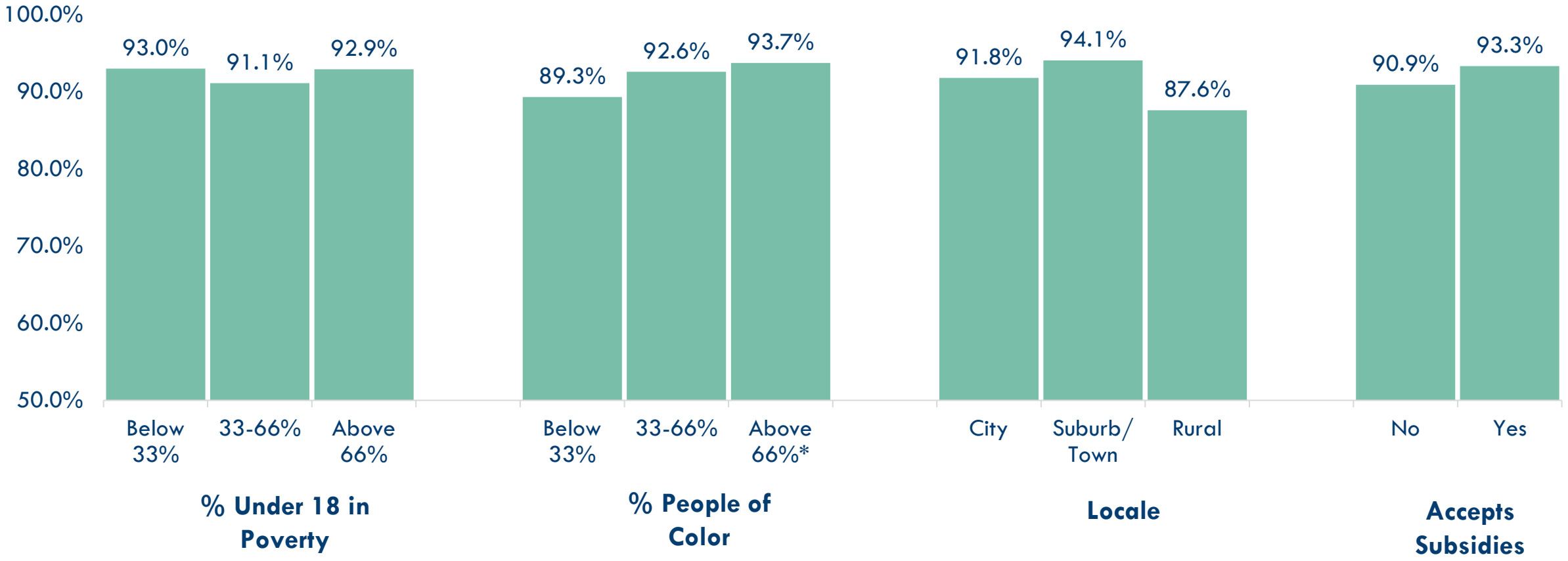


Differences by Community and Children Served: Home-Based



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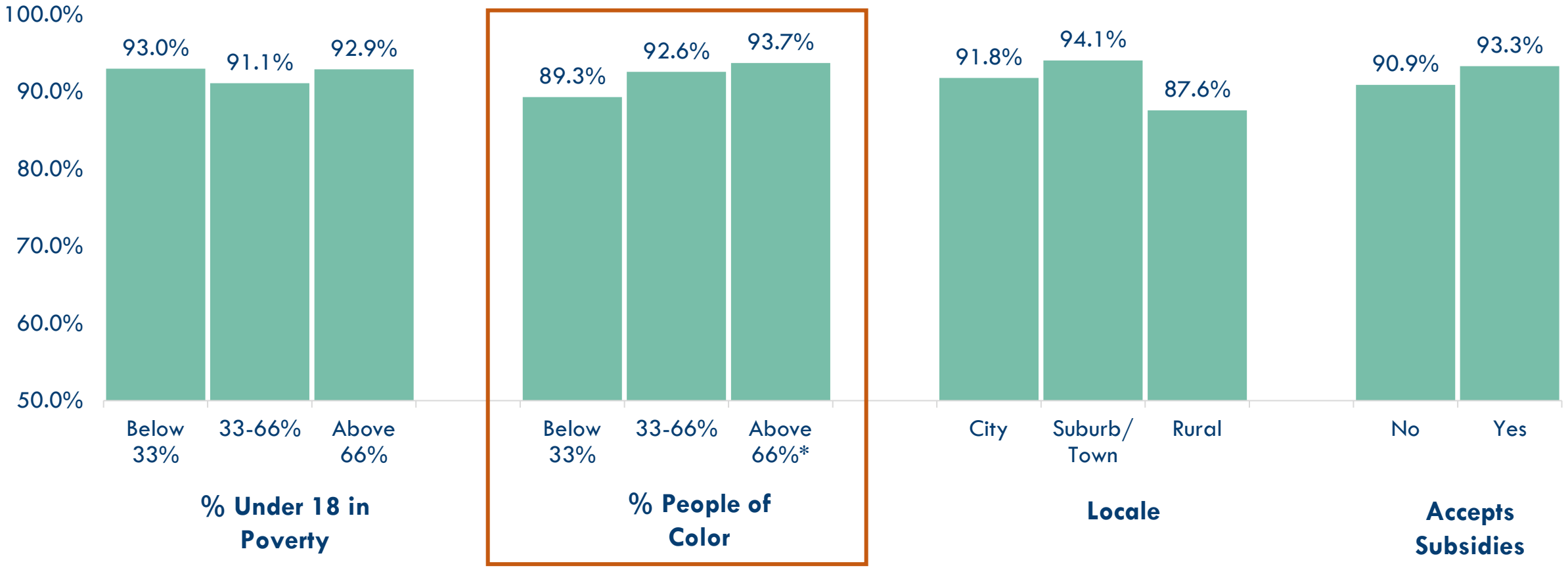

Are there larger gaps between authorized and current capacity among centers that report more substantial staffing challenges?

Why we focus on staffing challenges

- The number of children a provider can serve is directly linked to staffing due to ratio requirements.
- Yet, the child care workforce suffers from high rates of instability.

This **analysis is limited to centers only** as many home-based providers in Virginia do not rely on full-time employees other than the owner/operator.

Difference by Reported Staffing Challenges: Centers

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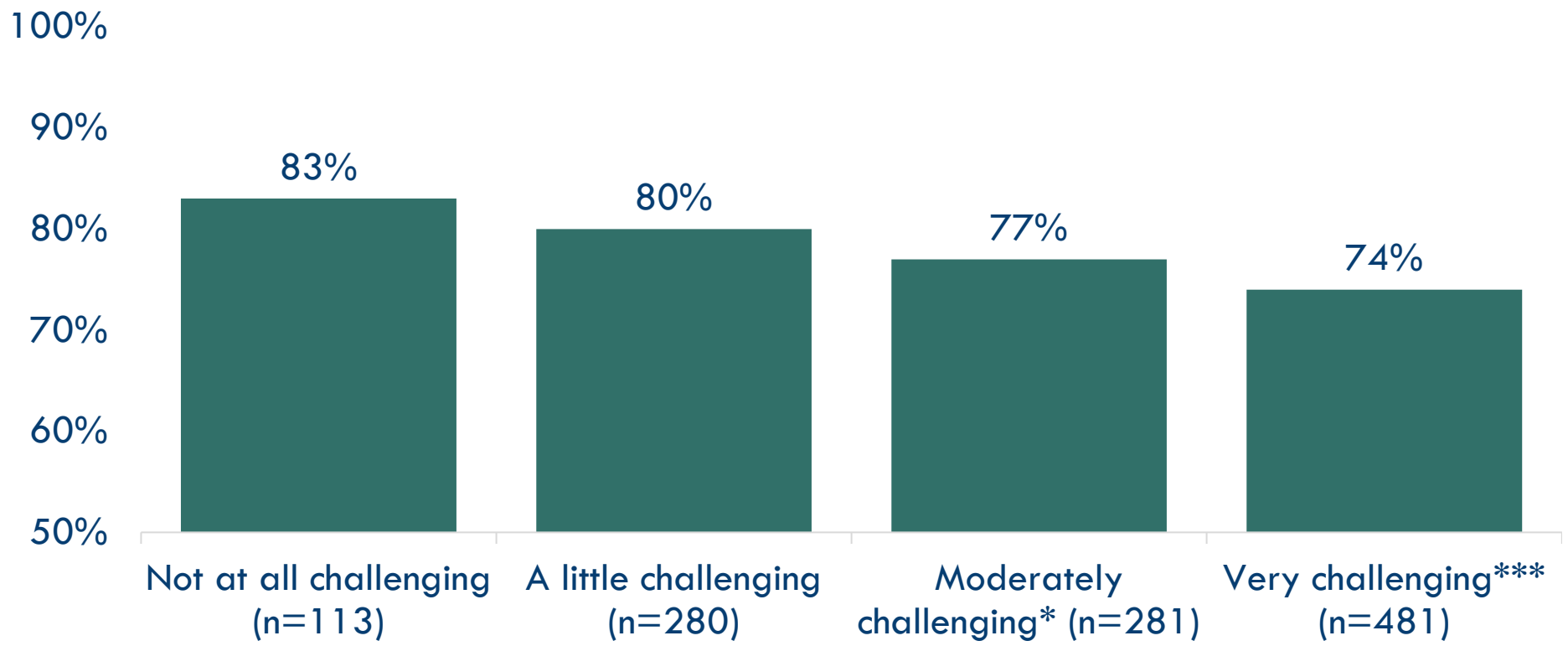

Discussion

- Authorized capacity has been an invaluable datapoint in access studies, but current capacity—and the experiences of families—is likely to be much more dynamic.
  - Difficult to capture without mechanisms to collect information from providers on a more regular and ongoing basis

- Relying on authorized capacity may mask systematic gaps in access for particular families and communities.

- Further work needs to be done (and is currently in our pipeline) to understand how consistent these relationships are across time—both across the system and within sites.

A special thanks to our partners and all the child care providers who make this work possible!

Reach out with questions! km2ue@virginia.edu

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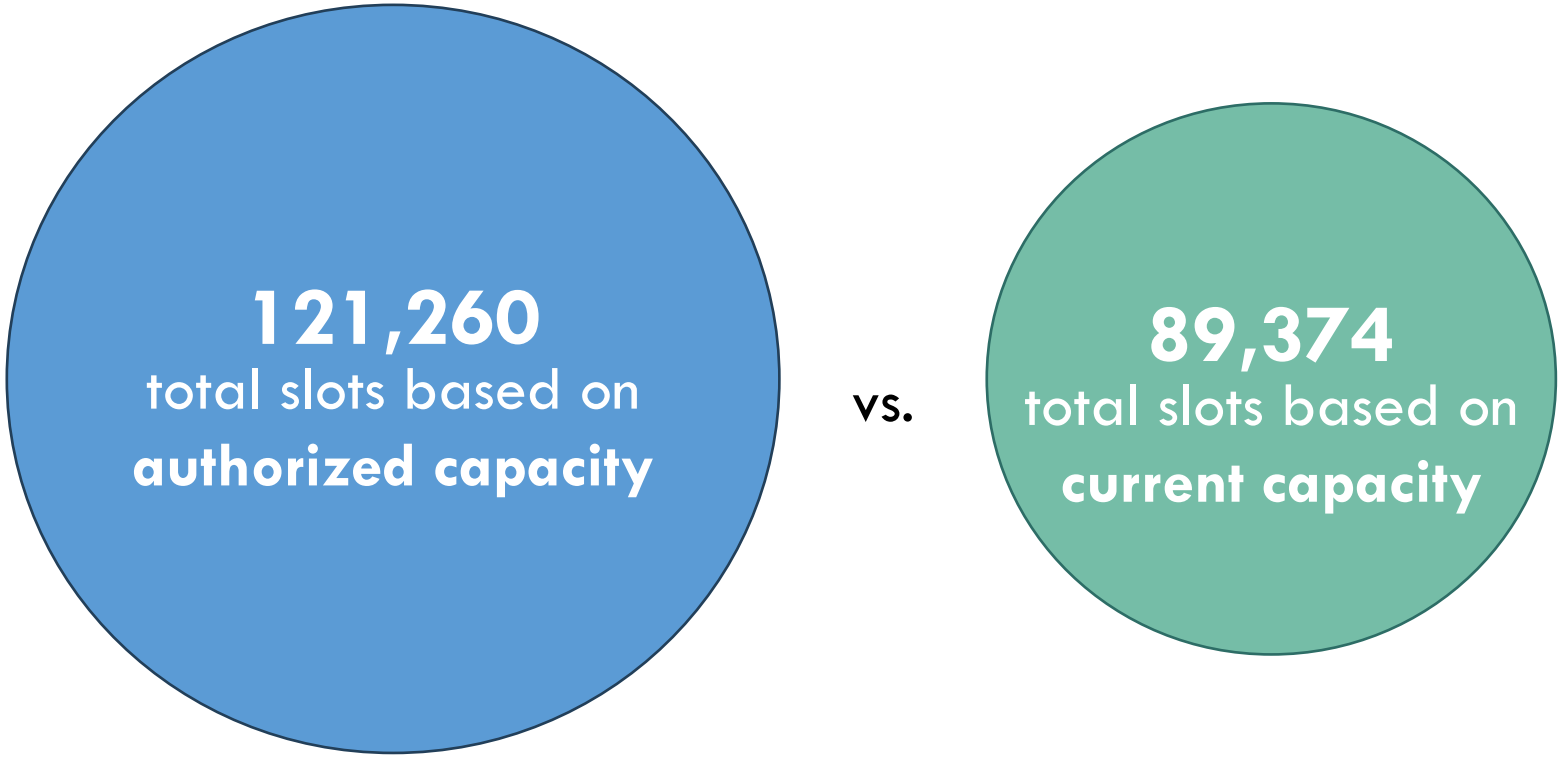
Appendix

Across the 1,968 child care providers in our sample, there were…



…a difference of almost 32,000 slots

Federal Reserve Bank of Boston®

Child Care Tradeoffs Among Massachusetts Mothers

For Institute for Research on Poverty
August 26, 2026

Sarah Ann Savage, Federal Reserve Bank of Boston
Wendy Wagner Robeson, Wellesley Centers for Women

The views expressed are my own and not those of the Federal Reserve Bank of Boston, the Federal Reserve System, or the Federal Reserve Board of Governors.

Accessibility of Child Care is an Economic Issue

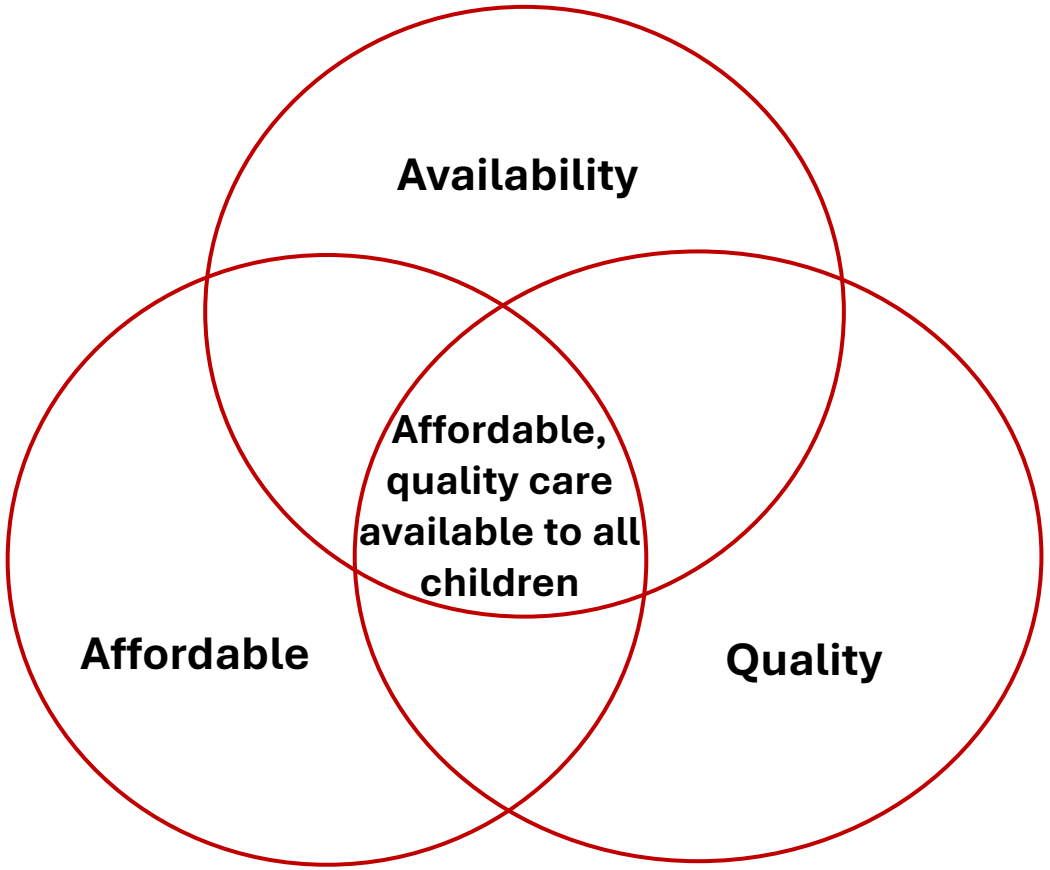
Women's labor force participation remains persistently lower than men’s

Mothers of young children (under 6) are 29.2 percentage points less likely to be in the labor force than fathers of young children

Child care costs and supply constraints depress maternal employment

Access to affordable, high-quality, available care is limited

Why Study Child Care Tradeoffs?



Care cannot simultaneously maximize dimensions (Morgan, 1986)

Economic model of consumer choice **assumes tradeoffs**

Accommodations model and "satisficing" (Meyers & Jordan, 2006)

Build on prior studies (Kim & Fram, 2009; Sandstrom & Chaudry, 2012)

A tradeoff lens can better inform solutions

Why Massachusetts?

- Among highest child care costs in the nation
- High cost of living
- Limited subsidy participation (50% of providers at time of study)
- Nearly 11,500 children on subsidy waitlists at time of study

Research Questions

What caused the tradeoffs made by parents?

What were the consequences of those tradeoffs?

What kind of tradeoffs occurred?

Were the tradeoffs patterned in meaningful ways?

Methodology: Interview-Based Qualitative Study

Sample: 67 mothers across Massachusetts

Timeline: October 2019 – January 2020

Approach: In-depth structured interviews (45-90 min)

Eligibility:

- Living in Massachusetts
- Children not yet in kindergarten
- Working/attending school OR not working due to child care needs

Sample Characteristics

Average age: 33 years

44 working, 4 in school, 14 stay-at-home, 5 unemployed

Majority had Associate's degree or higher

43 White, 10 Latinx, 8 Asian, 6 Black mothers

31 mothers had incomes below state median ($81,215)

24 mothers with incomes <$50K; 14 had experience with child care assistance

Key Finding #1: Tradeoffs Occurred Along Multiple Care Dimensions

All mothers made some degree of tradeoff

Preferences were not actuated, resulting in loss of some degree of a care dimension (affordability, quality, availability)

Example: Mothers initially seeking center-based infant care settled for family child care due to lack of availability and affordability constraints

Key Finding #2: Mothers Used Mitigating Strategies

- Financial help from extended family
- Working at child's center for tuition discount
- Advocating for workplace flexibility
- Using mixed care arrangements (grandparent + formal care)

BUT: These strategies had limitations

- Inequitable across income levels
- Not sustainable long-term for many families

Key Finding #3: Tradeoffs Varied in Severity

Compromises (Less severe):

- Choices not aligning with preferences
- No clear consequences
- Examples: Enduring screen time, teacher turnover, less-than-ideal communication

Sacrifices (More severe):

- Clear consequences - job or care changes
- Examples: Leaving workforce, reducing hours, abrupt care disruptions

Tradeoff Examples by Dimension

Quality Compromise:

- *"My major compromise is screen time…"*
- *"…I was nervous about sending a baby there with all the dogs."*

Availability Compromise:

- *"If someone is sick, the whole thing falls apart…"*
- *"Usually, I would have to leave 10 minutes too early to get [child]…"*

Affordability Compromise:

- *"We have a small amount of credit card debt we wouldn't have…"*

Quality Sacrifice:

- *"I heard a teacher yell at a kid and I ran out….I'm not doing this."*

Availability Sacrifice:

- *"Only way could see going back to work is if one of our immediate relatives would move in with us or close to us."*

Affordability Sacrifice:

- *"I'm dropping to 32 hours and three days a week. We cannot afford to have them there more than three days a week."*

Key Finding #4: More Accessible Care = Less Severe Tradeoffs

- When care was accessible on **multiple dimensions**, tradeoffs were less severe
- When care had accessibility challenges in **more than one domain**, sacrifices were more likely
- **Example**: A mother needing subsidized infant/toddler care within walking distance (no car) couldn't work full-time until child was almost 3 and subsidized care became available

Key Finding #5: Tradeoffs Varied in Meaningful Ways

By Marital Status:

Married mothers could leave workforce when faced with affordability constraints

Unmarried mothers unemployed and struggling to find work

By Job Characteristics:

Supportive employers enabled flexibility

Unsupportive employers created fear and stress

By Race/Ethnicity:

Mothers of color experienced quality sacrifices related to cultural insensitivity

Black and Latinx mothers described incidents and fears non-Hispanic white mothers never raised

Using a Tradeoffs Lens for Informing Solutions

1

Make tradeoffs part of the narrative - Acknowledge forced choices in defining access problems

2

Assess programs through a tradeoffs lens - Investigate what parents must give up at varying income levels

3

Employer engagement - Flexibility, paid family leave, and child care benefits can mitigate tradeoffs

4

Address the fundamental constraint - Educator wages are tethered to parent tuition, limiting supply of affordable, high-quality care

Conclusion: Key Takeaways

The mostly private child care market forces parents to make tradeoffs in pursuit of economic security

Tradeoffs have consequences for economic advancement and child development

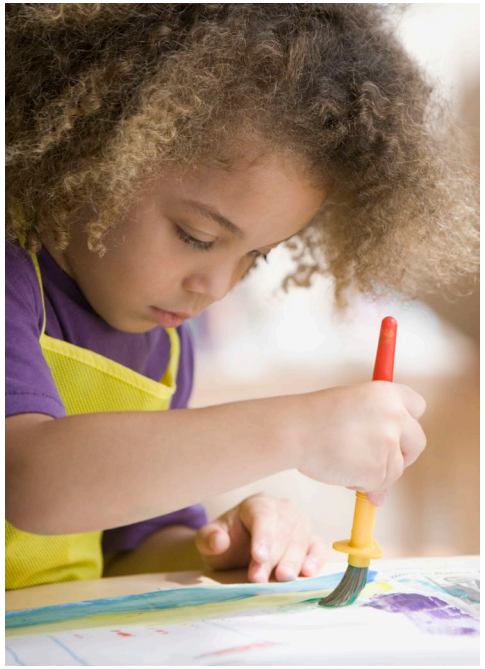
Tradeoffs occur inequitably - affecting vulnerable populations more severely

Minimizing tradeoff severity requires accessible care on **multiple dimensions**

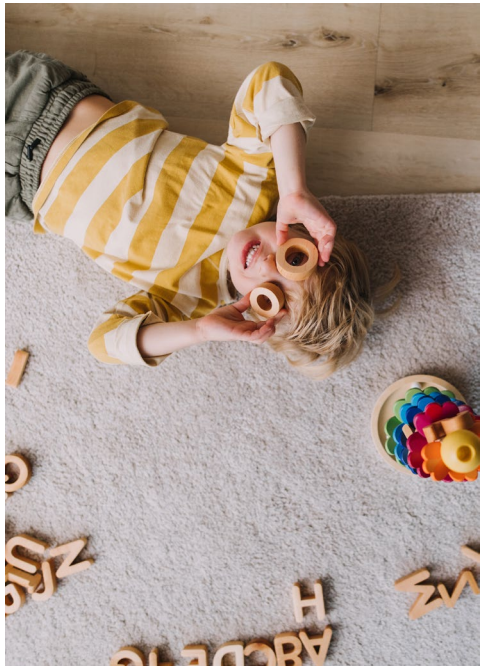
Solutions must address affordability, quality, AND availability simultaneously

Understanding Family Child Care Supply and Closures

Findings from Wisconsin







Acknowledgments

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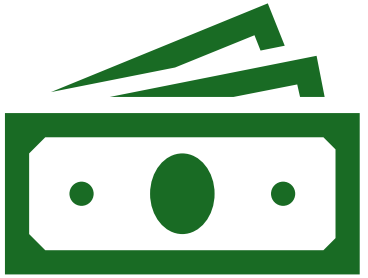
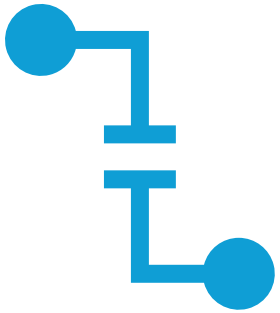


What is Family Child Care (FCC)?



Licensed Group and Family Child Care Slots in Wisconsin

Change from 2005 to 2019

	All Counties (n=72)			
All Licensed Child Care	- 2,468 (- 1.6%)			
Licensed Group Child Care	12,847 (10.2%)			
Licensed Family Child Care	- 15,315 (- 50.9%)			

Licensed Group and Family Child Care Slots in Wisconsin

Change from 2005 to 2019

	All Counties (n=72)	Rural Counties (n=30)
All Licensed Child Care	- 2,468 (- 1.6%)	- 1,992 (- 19.3%)
Licensed Group Child Care	12,847 (10.2%)	- 555 (- 7.4%)
Licensed Family Child Care	- 15,315 (- 50.9%)	- 1,438 (- 50.6%)

FCC is an important option for families

- Home-like environment
- Flexible schedules
- Locations closer to home
- Lower cost
- Health and safety standards

Supporting Family Child Care

What does research tell us?

Potential Explanations for Licensed FCC Closures and Decline in Supply

1. Business sustainability
2. Working conditions
3. **Early care and education policy and systems**

Child Care Subsidy Dollars and Likelihood of Closure

	Infant and Toddler Care	Preschool-Aged Care
For every $100 received in subsidy per month	**7% less likely**	**4% less likely**
For every $100 received in subsidy per child per month	**13% less likely**	**6% less likely**

Child Care Quality Ratings and the Likelihood of Closure

- Compared to higher quality ratings, lower ratings are associated with a higher likelihood of closure.

	QRIS	QRIS + total subsidy receipt	QRIS + subsidy amount per child
Higher Ratings (3-5 Stars)	-		
Lower Ratings (1-2 Stars)	**1.4 x higher**		
Not Participating	**2.3 x higher**		

Child Care Quality Ratings and the Likelihood of Closure

- Compared to higher quality ratings, lower ratings are associated with a higher likelihood of closure.
- Elements to consider:
  - Participation requirements

	QRIS	QRIS + total subsidy receipt	QRIS + subsidy amount per child
Higher Ratings (3-5 Stars)	-	-	
Lower Ratings (1-2 Stars)	**1.4 x higher**	1.16 x higher	
Not Participating	**2.3 x higher**	1.03 x higher	

Child Care Quality Ratings and the Likelihood of Closure

- Compared to higher quality ratings, lower ratings are associated with a higher likelihood of closure.
- Elements to consider:
  - Participation requirements
  - Marketable advantage
  - Tiered reimbursements

	QRIS	QRIS + total subsidy receipt	QRIS + subsidy amount per child
Higher Ratings (3-5 Stars)	-	-	-
Lower Ratings (1-2 Stars)	**1.4 x higher**	1.16 x higher	**1.3 x higher**
Not Participating	**2.3 x higher**	1.03 x higher	1.1 x higher

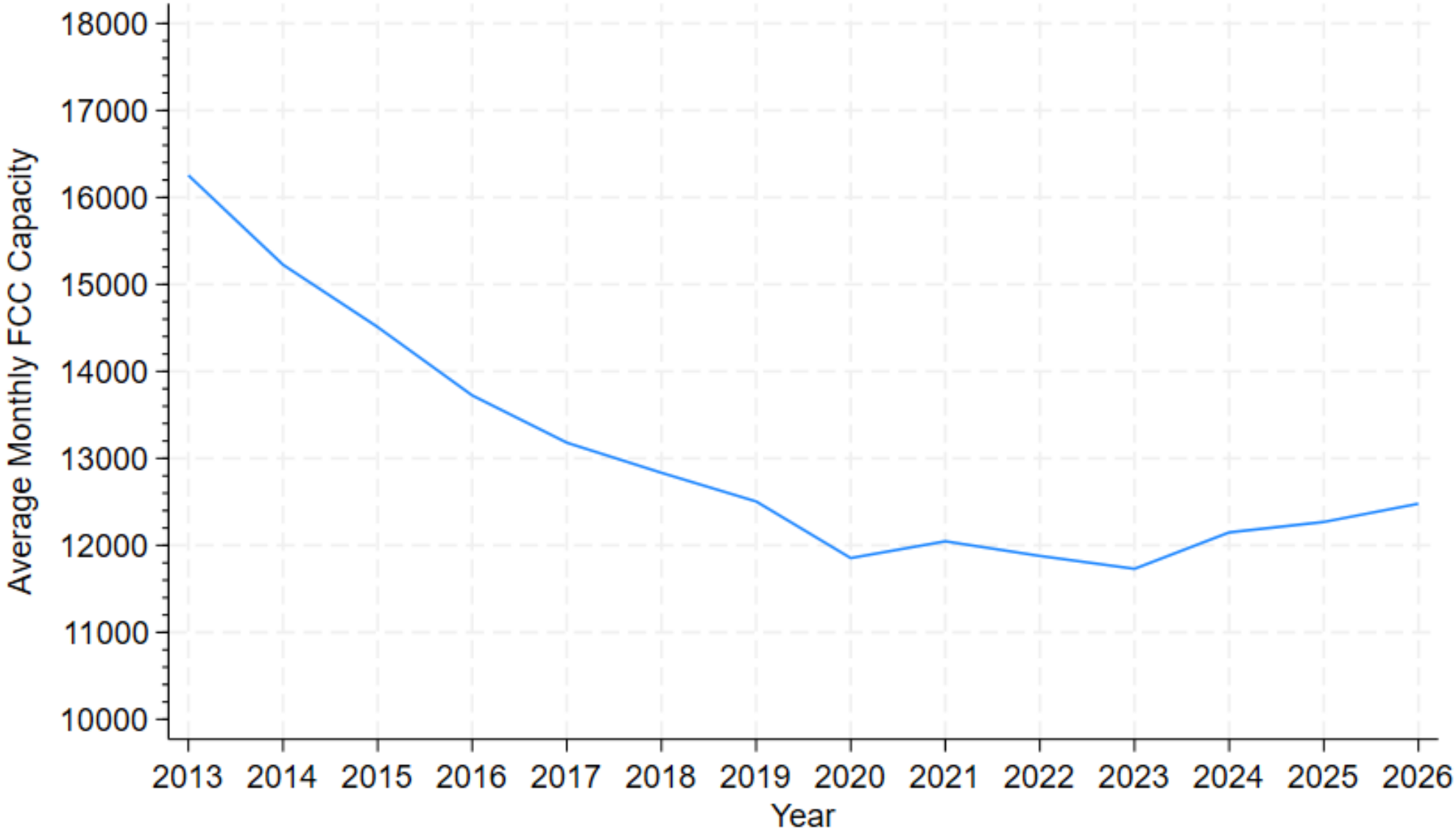
Closures Among 30 Formerly Licensed FCC Providers

- Most providers (77%) had multiple reasons for closing.
- Personal reasons factored into their decision to close most often (70%).
- About half (47%) of providers indicated that ECE policies or systems played a role.
  - Most discussed aspects of licensing, not the subsidy program or QRIS.

"The only thing I asked my inspector was, 'Do you have to have an emergency backup to remain open?' and she said, 'Yes.' And that was all I needed to get [my closing] rolling."

"I didn't want to do some of the things that were coming down the pipeline because this is my home."

Recent Trends & Future Directions



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