

Investing in Virginia's Child Care Workforce

Child Care Subsidy Program as a Recruitment and Retention Tool



The Problem

Child care programs across Virginia face severe staffing shortages due to low wages and limited benefits —often below the pay of most other local jobs. As a result, programs cannot operate at full capacity, limiting available child care options for working parents.

- The average wage is **\$14.49 per hour (about \$30,150 annually)**—barely above the poverty line for a family of three and below wages in most other community jobs.
- Programs struggling to recruit and retain staff are unable to operate at full licensed capacity, leaving parents without available care and employers without a stable workforce.
- The shortage of child care staff directly reduces child care supply, impacting families' ability to work and the overall state economy.

The Solution: Child Care Subsidy for the Child Care Workforce

Child Care Aware of Virginia recommends using the child care subsidy program as a tool to invest in the workforce that supports all other workforces—ensuring programs can stay fully staffed and families have real choices for quality child care in their communities.

Providing child care subsidy as an employment benefit helps workers afford care for their own children, supports program stability, and makes child care jobs more competitive with higher-paying industries.

Investment Models in Other States

In 2022, Kentucky became the first state to allow child care workers to receive child care subsidy for their own children—making employment in the field more sustainable and attractive. Since then, <u>Arkansas</u>, <u>Georgia</u>, <u>Indiana</u>, <u>Iowa</u>, <u>Maine</u>, <u>Massachusetts</u>, <u>New Hampshire</u>, <u>North Dakota</u>, <u>Oklahoma</u>, and <u>Rhode Island</u> have followed suit. <u>Nebraska</u> and <u>Utah</u> have enacted similar laws pending implementation.

These policies have proven effective in helping programs stabilize staffing, reopen closed classrooms, and expand access for families.