



THE DECREASE OF LICENSED FAMILY CHILD CARE IN MINNESOTA

(supplement to [*The Child Care Supply Crisis – Why Deregulation is Not the Answer*](#))

The decrease in licensed family child care is part of a national trend and not unique to Minnesota.

- Minnesota has had a decrease of 20% in licensed family child care programs from Fiscal Year 2014 through Fiscal Year 2018.¹ The neighboring states of Wisconsin and North Dakota have seen the same trend.²
- This closely matched the decline nationally; the number of licensed, small family child care homes fell nationwide by 21% between 2014 and 2017.³

This decline in Minnesota, and nationally, began long before significant changes to the regulatory environment.

- As a result of federal rule changes, Minnesota implemented significant changes to child care regulation in 2014. However, the decline in the number of family child care settings reach back to at least 2010.⁴ Nationally, this decline reaches back to at least 2009.

The problem is due to many factors and requires multiple policy strategies to address it.

This includes:

- Supporting the needs of the early childhood workforce by recruiting and retaining early childhood educators and improving their support, training, and compensation.
- Supporting the needs of families by helping them pay for child care.

¹ Minnesota Department of Human Services. *Legislative Report. Status of Child Care in Minnesota 2018*. Accessed on 11/12/19 at <https://www.leg.state.mn.us/docs/2019/mandated/190314.pdf>

² Sankar, Ashwini. *Child Care Availability Raises Concerns*. Federal Reserve Bank of Minneapolis, July, 2018. Accessed on 12/11/19 at <https://www.minneapolisfed.org/article/2018/child-care-availability-raises-concerns>

³ The National Center on Early Childhood Quality Assurance. *Addressing the Decreasing Number of Family Child Care Providers in the United States*. Accessed on 11/12/19 at https://childcareta.acf.hhs.gov/sites/default/files/public/1909_addressing_decreasing_fcc_providers_final.pdf

⁴ Minnesota Department of Human Services. *Licensed Child Care Trends in Minnesota, Fact Sheet*. Accessed on 11/12/19 at https://mn.gov/dhs/assets/licensed-child-care-trends-in-minnesota_tcm1053-340441.pdf