

MN child care costs third highest in country

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ST. PAUL, Minn. - Child-care costs in Minnesota are the third highest in the nation, based on the price of care as a percentage of the median income for a two-parent family, according to a new report from the National Association of Child Care Resource and Referral Agencies. However, new laws passed in the last legislative session will help offset the high costs.

The report says the median family income for a single-parent family in Minnesota last year was more than 26,000 dollars, and the average yearly cost to have two children in day care was above 22,000 dollars - that is, better than 85 percent of that family's income. James Carlson, director of public policy for Child Care Works, says finding affordable and quality care is difficult in Minnesota, but that the state's new Quality Rating and Improvement System will help families make educated decisions about child care.

"It is designed to give parents a guideline as to care among providers regardless of where the providers are located."

He says a simple star rating system will be used. A second bill passed by the legislature will direct eight million federal stimulus dollars to help those families needing child-care financial assistance.

Currently, about 30,000 low-income children are in the state's Child Care Assistance Program, and now that will expand to include some of the 6,100 who had been on the waiting list. Carlson says adding more people to the program is good, but that purchasing power for child care is still at a 2002 level.

"Thirty-eight percent of child care centers charge at or below what the state can reimburse a family for their care. In addition, 45 to 48 percent of family care providers are collecting money at or below what the state can reimburse."

Carlson says by helping these families pay for child care, low-wage workers can stay in the work force.

The report is available on line at: www.naccrra.org