

# The Child Care Cliff Effect:

Defining the problem and working towards solutions

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# Agenda

- Welcome & Introductions
- Overview of the Child Care Cliff Effect
- The Cliff Effect Study in Butte County
- Making Change

# The Cliff Effect

This video highlights the work of The Women's Foundation of Colorado surrounding the "Cliff Effect".

Part of a series on women's poverty alleviation programs funded by women's funds in the W.K. Kellogg Foundation's Women's Poverty & Philanthropy Cluster.



## Stories from families



# Butte County Low-income Child Care Study



Population 225,000  
32,000 children under 12

Employment  
59% of parents of children ages 0-12  
vs. 63% State-wide

Poverty  
22% Butte County  
16% California

-2015 California Child Care Portfolio

# Community Stakeholder Meetings

Butte Parent Cafe



# Mixed Methods

Survey, n = 117

Of those families currently receiving the child care voucher, **35%** answered “yes” to hitting the cliff effect.

Some of the strategies that families indicated they have undertaken to avoid the cliff include

- Not taking a raise at work
- Not taking additional hours at work
- Not taking a job offer
- Not getting married/changing family status
- Not accepting child support
- Not turning in paperwork

## Interviews, n = 10 parents

- 9 female, 1 male
- Average age = 30
- Number of children = 2
- 4/10 Latina/Hispanic
- All had high school diploma, 9/10 college coursework
- Average household income = \$1,830/month



# Themes

- *the cliff effect*
- *struggling with basic needs*
- *administrative hassles*
- *multiple health issues*
- *transportation*

# Cliff Effect

- *I was working two jobs at the time and both my jobs were like - 'We're going to give you a \$1 raise' and I said no. Please do not give me raise.*
- *How much more am I getting? I'm getting \$80 a month before taxes and I'm going to lose a \$1000 benefit, I mean, depending on the care I'm getting. It's so stupid.*
- *My boss said this year I'm thinking about giving you a raise again and I'm like no. Don't give me a raise. And then it looks bad when I go to apply for a new job 'Oh why were you only getting \$13 an hour?'.*
- *If we get our yearly bonus, that's gonna put me over income. I probably will say please don't give this to me, I don't want it because there's no way that I would be able to be off the program and have to pay for child care cause I would be working to pay for child care.*

# Struggling with basic needs

*Managing daily life with limited resources*

*Social supports*

- *It's a scary thought, but I try to just hope and pray that nothing goes wrong because its just me and my kids.*
- *I don't have a strong network of friends because I work and I take care of two boys that takes up all my time.*

# Administrative Hassles

- *I have to check in with all these people... My life is micromanaged*
- *It's a lot of paperwork I have to turn in every month. I have to keep track of my hours and everything. The faster I get off this help would be the better. I mean I appreciate the help I'm getting from the county, but it's just too many things I have to keep track of that I'd rather just be able to take care of myself and my family.*

# Health

*The rules are that if you are at home with one of your children or you are sick you can't have child care. That's the rule. So even though you might be vomiting continuously you're supposed to be able to watch your children so you can't have child care. That is a messed up rule.*

# Transportation

- *Not very many centers do transportation. It seems to be an issue. My son use to go to a center that did transportation, but then they didn't have any transportation spots so I had to move him to a different person.*
- *I take the bus to school and to work. My boyfriend has a car but he tries not to drive very much just because of gas. It makes managing all of our family obligations very difficult.*

# Conclusions

35% of families report having to make difficult decisions when successful job activities and other potential increases in income have forced them to strategize in some way to maintain their child care benefits

In addition to the child care cliff, families face multiple other barriers to making ends meet

While child care support for low-income families remains a vital resource, securing sufficient funding and policy implementation that actually helps to move parents out of poverty remain challenges for providers, advocates and families

# Discussion: opportunities & barriers

**State** budget investment of \$147 million in 2016-17 to increase early education and child care support

**Federal** Child Care and Development Fund change would ensure that once qualified, families would be eligible for a minimum of 12 months of assistance