



TO: Assemblywoman Shanique Speight, Chair  
Assemblywoman Shama Haider, Chair  
Members of the Assembly Aging and Human Services Committee  
Members of the Assembly Children, Families, and Food Security Committee

FROM: [Winifred Smith-Jenkins](#), Ed.D., Director of Early Learning Policy and Advocacy, ACNJ

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**Re: The Condition of Child Care in New Jersey**

Good morning, and thank you for the opportunity to speak with you today about child care. My name is Winifred Smith-Jenkins. I sit before you as a wife and mother of five children, a former child care director, and now the Director of Early Learning for Policy and Advocacy at Advocates for Children of New Jersey, which also allows me to be part of the First 1000 Days Policy Coalition, supported by NJ's Early Years Funders, where we are collectively focusing on affordable, high-quality child care for families and financial support for the early childhood workforce. Based on my twenty-plus years in this industry, I know how critical high-quality child care is for families, businesses, and communities. I also understand the challenges child care centers face, often operating as small, minority-owned businesses that struggle to stay afloat due to high costs and an inability to charge parents enough to cover the true cost of quality care.

Providers have significant expenses to ensure safe, high-quality care and education. However, providers often cannot charge parents the actual cost of quality child care because they can only charge what the market can bear. This means that providers are often forced to underpay the workforce. This ripple effect means that many early childhood educators must rely on public assistance to make ends meet. [New Jersey faces a staggering \\$1.7 billion dollar annual loss due to the lack of reliable infant and toddler care—a crisis that impacts family income, business productivity, and the broader economy.](#) Addressing this urgent need for affordable, high-quality child care could unlock economic growth and stability across the state.

High-quality child care is transformative. It not only supports the development of children but also enables parents to work and businesses to thrive, contributing to stronger economy. However, running a child care center is challenging, especially as many are small, for-profit, minority-owned businesses. Even with the best business practices, these centers often face financial struggles, largely because they operate in what is known as a "market failure." This economic concept describes a situation where the benefits of a service, like early education, extend to society as a whole, yet the providers cannot charge families enough to cover all costs. The benefits of high-quality child care include reduced crime, higher high school graduation rates, a narrowing of the achievement gap, workforce stability and diversity now and in the future—but these societal gains do not translate into sustainable funding for child care centers.

I also understand the tremendous commitment of early childhood educators. These dedicated professionals invest so much into nurturing and educating our children, yet many rely on public

assistance themselves due to low wages. During the pandemic, the impact of child care closures was felt deeply across communities, highlighting just how essential this service is.

On a personal level, when I accepted my role at ACNJ, my primary concern wasn't leaving the family business after over 20 years—it was wondering how I'd manage child care costs during school closures or summer months. This challenge, and others like it, affects working mothers particularly hard, often forcing them out of the workforce or limiting their career growth. While my support system helped me navigate this, many families don't have the same resources.

So, what exactly is child care? In New Jersey, licensed and registered group care is provided for children from birth to age 13. For today's discussion, we're focusing on the care and education of children from birth to six years old, before kindergarten. "Child care" may sound like basic supervision, but it involves much more—licensed centers and family child care homes offer high-quality interactions, structured learning, and protection from stress, preparing young children to contribute to an increasingly diverse society.

[New Jersey has two types of regulated childcare. Both, Licensed center-based and registered family child care providers](#) face extensive regulatory requirements to ensure the safety and well-being of children. These are not mere businesses but places where the next generation—our future doctors, teachers, and first responders—are nurtured in their formative years. Yet, despite the high cost of child care for families, the workforce remains underpaid and struggles to meet basic needs. This disparity is due to high operational expenses, including meeting regulatory standards, maintaining safe facilities, and providing appropriate materials, which parent tuition fails to fully cover.

### **Child Care Cost Model Findings**

Thanks to the [Prenatal to Five Fiscal Strategies' 50-state Child Care Cost Model](#), we have detailed insights into child care costs in New Jersey. We can also use this information to highlight the effects of preschool expansion on child care availability, especially infant and toddler slots. As of April 1, 2024, New Jersey had 4,071 licensed child care centers, with 3,216 focused on children younger than age 6. These centers have an average capacity of 97 children.

<b>Licensed Capacity</b>	<b>Number of Child Care Centers</b>
60 or less	1277
61 – 100	770
101 – 180	905
181 or greater	264

### **Child Care Cost Model Summary**

**Sample Scenario Using the Model:** In a model center licensed for 100 children with seven classrooms:

- Infants (0-12 months): 3 classrooms, 420 sq. ft. each, 36 children, 10 staff
- Toddlers (12-35 months): 2 classrooms, 420 sq. ft. each, 24 children, 5 staff
- Threes: 1 classroom, 700 sq. ft., 20 children, 2.5 staff
- Fours: 1 classroom, 700 sq. ft., 20 children, 2.5 staff

**Total Staffing: 24** (20 teaching staff and 4 non-teaching staff: Director, Clerical, Custodian, Food worker/Floating teacher) This is a very conservative staffing operation.

#### **Expenses:**

- Personnel: \$1,228,289 (wages and benefits)
  - Average salary per employee: \$40,666/yr or \$19.50/hr.
  - Average benefits per employee: \$10,513 (includes health insurance, 10 sick days and 10 paid leave days)
- Non-personnel: \$664,247 (education programs, occupancy, management, reserves)

#### **Cost per Child:**

- Infants: \$22,943 annually (\$1,912/month or \$441/week)
- Toddlers: \$19,464 annually (\$1,622/month or \$374 per week)
- Threes & Fours: \$15,307 annually (\$1,276/month or \$294 per week)

In a model scenario, a center licensed for 100 children might have seven classrooms and 24 total staff members, including 20 teaching staff. Annual expenses would reach nearly \$1.9 million, covering personnel costs like wages and benefits and non-personnel costs, including educational programs and facility maintenance. Families' cost per child ranges from \$15,307 to \$22,943 annually, depending on the child's age group. These cost estimates and staffing levels are extremely conservative. This model has concluded that only four staff members are needed to support a child care center that cares for and educates 100 students. The tuition is based on a model that leaves an operative reserve of less than \$90,000, which a bad winter could quickly eat into.

#### **Child Care Workforce**

The early childhood education sector in New Jersey continues to face significant workforce challenges, lagging behind other industries in returning to pre-pandemic employment levels. While most sectors have rebounded, child care services remain severely understaffed, with the workforce still down by approximately 39,400 workers as of September 2023 compared to February 2020. This slow recovery stems from low wages, high turnover rates, and the demanding nature of early childhood work, issues intensified by the COVID-19 pandemic.

In the early years of a child's life, the quality of care and education they receive has a profound impact, with a skilled, supported, and well-compensated teacher serving as the cornerstone of this essential foundation. Yet, in the United States, early childhood teachers often operate without consistent standards or the professional backing their K-12 counterparts enjoy. K-12 educators have structured pathways, steady professional development, and compensation that offers security. For early childhood teachers, by contrast, requirements and salaries fluctuate across settings, leaving them without the stability or recognition that reflects the complexity of their work.

This lack of structure and recognition comes with significant costs. The perception of child care as low-skilled work persists, creating a cycle of low wages and minimal support for those who nurture and educate our youngest learners. However, caring for and educating young children requires specialized skills beyond simple supervision. This work involves guiding children's development and responding to their social and emotional needs—a role that demands patience, knowledge, and adaptability.

In practice, however, the reality for many early childhood educators is challenging and fragmented. Without adequate investment, these educators often face low wages and a lack of financial security, which contributes to high turnover and, frequently, mental and physical strain. The visible effects of stress within the workforce are stark, with high rates of obesity and chronic health issues. Underneath the surface, many early childhood educators experience emotional distress, which, in turn, can affect the quality of care they provide. Stressed and under-supported teachers may struggle to respond sensitively to the children in their care, potentially impacting children's stress levels, well-being, and development.

The private funding model for early childhood education further strains providers and educators. Early care settings, largely privately owned and reliant on parental fees or state subsidies, operate within tight financial constraints. To cover high costs—licensing, real estate, insurance, and utilities—providers often have no choice but to pay low wages. Unlike the K-12 workforce, where salaries often align with community incomes, early care educators frequently rely on public assistance to make ends meet.

In the classroom, the challenges grow even more acute. Still developing communication skills and emotional regulation, young children depend heavily on teachers to help them navigate fears and big feelings. This constant demand can lead to burnout, particularly when teachers lack private spaces for breaks or a place to store personal belongings. Compounding these challenges, early childhood educators face daily physical demands, from lifting and bending to crouching down to interact with children. These repeated movements can lead to injuries, and teachers often endure uncomfortable environments with inadequate seating options and noise levels as loud as a busy street.

Yet, amid these challenges, early childhood educators show resilience. They carry out their work with a steadfast commitment, often under conditions that make it difficult to focus on the needs of young learners as fully as they would like. It's a story of dedication, underscored by a workforce that does vital work for society but often lacks the support and recognition to make a lasting difference in their lives—and, by extension, the lives of the children they teach.

### **Space Requirements and the Impact of Preschool Expansion**

Adding to these challenges are the Department of Education's requirements for community-based child care centers seeking to partner with local school districts to offer public preschool in their space. The first issue is the space requirement. The Department of Children and Families mandates 35 square feet per child, but in collaborative preschool programs, the Department of Education requires 63.3 square feet or 950 square feet per classroom. To meet these higher standards, centers often face costly renovations, a reduction in capacity, and uncertainty due to annual renewal requirements for collaboration contracts. Using our scenario from above, meeting these higher requirements would mean:

- Closing three infant rooms, reducing capacity from 36 to 15.
- Combining the three- and four-year-old classrooms reduces the capacity from 40 to 15.

- Reducing total slots from 100 to 54, with only three preschool rooms, one infant room, and one toddler room.

The second issue is the temporary nature of the contract. These collaborative agreements require annual renewals, creating uncertainty for sustained partnerships. The third issue is the steep penalty for under-enrollment: if a classroom in a provider site enrolls fewer than 14 students, the district can withhold funding, jeopardizing the financial viability of the entire program.

To strengthen our mixed delivery system, we need a balanced approach—one that includes both preschool expansion and dedicated support for infant and toddler care, as well as modernized contracts and tailored implementation that reflects each community's unique needs. Without this balanced strategy, preschool expansion could undermine the essential infrastructure our families, communities, and economy rely on.

### **The Need for a Mixed Delivery Approach**

To support the early childhood system as we expand public preschool, we need to commit to delivering public preschool through a true mixed delivery model. A mixed delivery model in public preschool offers early education through a combination of public schools, private child care centers, and community-based programs, allowing families to choose settings that best meet their needs. This approach leverages diverse provider types to expand access, support workforce stability, and ensure quality across various community contexts.

Public preschool provides transformative opportunities, but as we expand, we must also remove barriers that prohibit community child care centers from participating, offer incentives to programs that retain their infant-toddler programs, modernize contracts and funding formulas, and address the unique needs of diverse communities.

Public preschool is based on the landmark *Abbott v. Burke* case, where Administrative Law Judge Steven Lefelt commented in 1988 that,

[“many poor children start school with an approximately two-year disadvantage compared to many suburban youngsters. This two-year disadvantage often increases as urban students progress through the educational system without receiving special attention. Poor children often do not receive the same verbal stimulation as children in middle-class homes. They are not exposed to things like books and blocks, essential for reading readiness. They are often from single-parent households headed by a mother who is poorly educated. They are exposed to more stress from street crime, overcrowding, and financial problems... Nutrition and health care are also likely to be deficient.”](#)

While well-intentioned, these observations are based on outdated stereotypes. We know now that while early interventions and support are critical, the needs of children and families are unique and diverse, especially across different communities. The *Abbott* case and the push for public preschool have led to transformative, long-lasting benefits. However, we must now update and modernize our system to address today's varied community needs, particularly where preschool expansion is underway. This means investing in a flexible, community-centered model and committing to implementing public preschool through a strong mixed delivery system.

An extensive survey conducted by ACNJ in 2022 indicates that infant and toddler care in Abbott districts is extremely limited. There were only about 68,000 slots available for children under 3 in ECE centers while the population of children under 3 was a little over 200,000.

**Table 4. Availability of Infant-Toddler Child Care in former "Abbott" Districts**

County	District	Number of Centers Licensed to Serve Infants and Toddlers	Estimated Number of Infants and Toddlers Typically Serve	Number of Children Under Age 3	Estimated Number of Infants and Toddlers in Need of Care	Percent of Slots Available for Infant-Toddler Care
Atlantic	Pleasantville	3	52	892	649	8%
Bergen	Garfield	4	83	1,194	789	11%
Burlington	Burlington	3	55	1,052	754	7%
Burlington	Pemberton	2	44	1,031	739	6%
Camden	Camden City	26	824	3,679	2,763	30%
Camden	Gloucester	1	7	393	295	2%
Cape May	Woodbine Boro	1	16	79	58	28%
Cumberland	Bridgeton	5	100	1,237	875	11%
Cumberland	Fairfield	0	0	143	101	0%
Cumberland	Millville	5	193	1,087	769	25%
Cumberland	Vineland	11	584	2,034	1,438	41%
Essex	East Orange	18	447	2,682	1,966	23%
Essex	Irvington	22	614	2,655	1,946	32%
Essex	Newark	53	1632	12,112	8,878	18%
Essex	City of Orange	6	151	1,405	1,030	15%
Hudson	Harrison	5	129	701	466	28%
Hudson	Hoboken	32	988	3,336	2,218	45%
Hudson	Jersey City	86	2352	12,948	8,610	27%
Hudson	Union City	22	629	2,488	1,654	38%
Hudson	West New York	19	506	2,161	1,437	35%
Mercer	Trenton	9	221	4,339	3,003	7%
Middlesex	New Brunswick	6	144	2,109	1,303	16%
Middlesex	Perth Amboy	4	63	2,370	1,465	4%
Monmouth	Asbury Park	2	36	589	391	9%
Monmouth	Keansburg	0	0	310	206	0%
Monmouth	Long Branch	1	31	1,228	815	4%
Monmouth	Neptune	6	257	1,052	699	37%
Monmouth	Red Bank	4	114	424	281	40%
Ocean	Little Egg Harbor	1	27	480	213	10%
Passaic	Passaic City	8	173	3,303	2,071	8%
Passaic	Paterson	27	733	7,405	4,643	16%
Salem	Salem	1	18	281	199	9%
Union	Elizabeth	5	99	5,615	4,110	2%
Union	Plainfield	15	426	2,752	2,014	21%
Warren	Phillipsburg	3	107	547	385	28%

In Fall 2022, of the nearly 20,000 preschool students in districts funded through PreK Expansion, only 17% were enrolled in private providers or Head Start programs. This indicates that the roll-out of Universal PreK is already limiting the choice of parents to provide a suitable environment for their young children. Without a balanced approach, preschool expansion risks straining infant-toddler care and compromising the viability of community-based child care providers. A truly effective system requires a commitment to a mixed delivery model that strengthens the entire early childhood landscape, ensuring we meet the needs of every child, family, and community.

### Securing a Strong Future for Child Care

If we want affordable child care and a stable workforce, we must make public investments that support educators through supplemental wages, health benefits, and expanded subsidy eligibility. The role that the early childhood educator plays in the lives of children, families, communities and our economy cannot be automated or outsourced - There are no robots that

can replace the care and education of our babies. Investing in this industry is essential for families today and our economy's future.

Thank you for considering these vital issues and for your commitment to building a child care system that genuinely supports the unique needs of every community in New Jersey.

Respectfully submitted by:

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