#### SUPPORTING STATEMENT FOR

### THE NATIONAL DATABASE OF CHILDCARE PRICES

#### OMB CONTROL NO. 1290-0025

This ICR seeks a reinstatement with change.

#### A. JUSTIFICATION

### 1. Explain the circumstances that make the collection of information necessary. Identify any legal or administrative requirements that necessitate the collection. Attach a copy of the appropriate section of each statute and regulation mandating or authorizing the collection of information.

The programmatic authority of the Women's Bureau is to formulate standards and policies which shall promote the welfare of wage-earning women, improve their working conditions, increase their efficiency, and advance their opportunities for profitable employment (see Attachment A). Under the Women's Bureau programmatic authority, the Women's Bureau is charged with conducting research and reporting on conditions affecting the welfare of working women. Section 2 of Public Law 66-259 that established the Women's Bureau authorizes this information collection. *See* 29 U.S.C. 13.

Access to affordable childcare is critical to support women's employment.<sup>1</sup> Because of high childcare prices in the United States and limited government subsidies, childcare access and affordability are issues that affect most working mothers. About 72 percent of mothers of children under the age of 13 are employed.<sup>2</sup> Yet, in areas with high childcare prices, mothers' employment rates are lower and associated with reduced employment and earnings in the short and long term.<sup>3</sup> However, comprehensive research on the effects of childcare on women's employment had been limited due to the lack of federal data on childcare prices. The National Database of Childcare Prices, first approved for collection by the Office of Management and Budget in August 2019 and made available to the public in September 2022, fills an important

<sup>&</sup>lt;sup>1</sup> The term "childcare" is spelled differently across the field, including within the federal government. In this Supporting Statement, "child care" is used when presented as a noun and "childcare" when used as an adjective, in line with Department of Labor standards except in Attachment D. Attachment D contains the proposed communications with respondents and these are cosigned by the Department of Health and Human Services; the Department of Health and Human Services prefers the term "child care." The substantive meaning is the same throughout.

<sup>&</sup>lt;sup>2</sup> Landivar, Liana Christin. 2023. "Mothers' Employment Three Years Later: An Assessment of Employment Loss and Recovery During the COVID-19 Pandemic." Women's Bureau, U.S. Department of Labor. Issued May. https://www.dol.gov/sites/dolgov/files/WB/media/Mothers-employment-3-years-later-Final.pdf.

<sup>&</sup>lt;sup>3</sup> Landivar, Liana Christin, Nikki L. Graf, and Giorleny Altamirano Rayo. 2023. "Childcare Prices in Local Areas: Initial Findings From the National Database of Childcare Prices." Women's Bureau Issue Brief. Issued January. <u>https://www.dol.gov/sites/dolgov/files/WB/NDCP/508\_WB\_IssueBrief-NDCP-20230213.pdf</u>; Johnson, Richard W., Karen E. Smith, and Barbara A. Butrica. 2023. "Lifetime Employment-Related Costs to Women of Providing Family Care." Urban Institute. Issued February. <u>https://www.dol.gov/sites/dolgov/files/WB/Mothers-Families-Work/Lifetime-caregiving-costs\_508.pdf</u>.

gap in data availability on local childcare prices. No other data source, governmental or private, provides comprehensive county-level childcare price data. Other existing data sources are limited in several ways.

- **Geography.** Childcare data collected through federal data sources, including the Survey of Income and Program Participation, the Current Population Survey, and the National Survey of Early Care and Education, are restricted to national- or state-level estimates. These surveys are not large enough to provide sub-state estimates. State-level data underestimate the costs of childcare in urban areas which tend to be significantly more expensive than rural areas.<sup>4</sup> County-to-county variance is also obscured and does not allow for more localized estimates of childcare's associations with women's employment. Because parents must choose childcare providers that are in close proximity to their homes or workplaces and prices vary significantly by geographic location within state, state averages are typically not close estimates of the prices parents actually pay which we show using the NDCP.<sup>5</sup> Private sources of childcare data do not have actual county-level data or it is unavailable for most states. The Economic Policy Institute (EPI) derives county-level childcare prices from state-level prices combined with county-level housing rental costs. All families in counties within metro areas are assigned center-based care prices and all families in counties within nonmetro areas are assigned home-based care prices.<sup>6</sup> EPI has conveyed their intent to update their models using the NDCP which provides more accurate county-level data. Child Care Aware of America provides partial county-level data for six states in 2021.<sup>7</sup> Local Child Care Resource and Referral agencies do not make price data publicly available.
- Universe. The primary federal agency charged with collecting childcare data and reporting on availability and price is the Administration for Children and Families (ACF), Health and Human Services (HHS). However, ACF HHS primarily serves low-income families covered by Child Care and Development Funds (CCDF).<sup>8</sup> As such, HHS tabulations are limited to low-income families. Because childcare is a significant cost for most families,<sup>9</sup> the Women's Bureau seeks data on childcare prices for all families who pay for care. These data exist. Market Rate Surveys (MRS) conducted by each state assess the price of care in the paid childcare markets of childcare centers and family

<sup>&</sup>lt;sup>4</sup> Swenson, Kendall. 2008. "Child Care Arrangements in Urban and Rural Areas." U.S. Department of Health and Human Services. Washington, DC.

<sup>&</sup>lt;sup>5</sup> Women's Bureau. 2023. "Childcare Prices by Age of Children and Care Setting." <u>https://www.dol.gov/agencies/wb/topics/childcare/price-by-age-care-setting</u>

<sup>&</sup>lt;sup>6</sup> Gould, Elise and Zane Mokhiber. 2022. The Economic Policy Institute's Family Budget Calculator. Issued March 1. <u>https://www.epi.org/publication/family-budget-calculator-documentation/</u>

<sup>&</sup>lt;sup>7</sup> Child Care Aware of America. 2022. Child Care Data Center & State Fact Sheets. Retrieved June 12, 2023. https://www.childcareaware.org/our-issues/research/ccdc/

<sup>&</sup>lt;sup>8</sup> <u>https://www.acf.hhs.gov/occ/about</u>

<sup>&</sup>lt;sup>9</sup> Landivar, Liana Christin, Nikki L. Graf, and Giorleny Altamirano Rayo. 2023. "Childcare Prices in Local Areas: Initial Findings From the National Database of Childcare Prices." Women's Bureau Issue Brief. Issued January. <u>https://www.dol.gov/sites/dolgov/files/WB/NDCP/508\_WB\_IssueBrief-NDCP-20230213.pdf</u>

childcare homes.<sup>10</sup> States must report selected summary MRS results in their triennial CCDF Plan to HHS and use the most recent data to establish subsidy payment rates for low-income families. However, the underlying data used in the CCDF Plan are not reported to the federal government nor consolidated across states. In 2019 and 2020, the Women's Bureau obtained the already-collected data from 2008 to 2018 from the states and created a consolidated database of childcare prices (NDCP) without income or eligibility restrictions. A new cycle of MRS has been conducted by the states and this ICR seeks data covering 2019 through 2022 to update the NDCP.

- **Comparability.** To be able to conduct research on childcare prices throughout the country, the Women's Bureau requires data that are comparable across states and counties. MRS reports from each state must be harmonized to ensure that variables and definitions are uniform across states. Currently, MRS reports are not aggregated by state and reporting metrics differ across states. Access to the underlying data and tabulations would allow for greater standardization and a higher-quality statistical product.
- **Quality and reliability.** Pursuant to the Information Quality Act (Pub.L. 106-554),<sup>11</sup> federal agencies must maximize the quality, objectivity, utility, and integrity of information of disseminated statistics. Prior to the publication of the NDCP, the federal government did not have data on local area childcare prices. In the absence of the NDCP, the government would need to rely on proprietary data from non-governmental entities. Private entities may cease to provide estimates without notice, may modify their methodology, or provide inadequate documentation to certify quality and reliability. Alternatively, the federal government would need to use federal government surveys that were not designed to derive local childcare prices, yielding unacceptable margins of error and unrepresentative coverage.

## 2. Indicate how, by whom, and for what purpose the information is to be used. Except for a new collection, indicate the actual use the agency has made of the information received from the current collection.

The National Database of Childcare Prices was first released to the public in September 2022. The NDCP is available via a dedicated Women's Bureau website containing the original database, interactive maps, reports, fact sheets, a press release, and a technical guide.<sup>12</sup> The data are also freely and publicly available from a repository at the Child and Family Data Archive, hosted by the Inter-university Consortium For Political and Social Research in partnership with

<sup>&</sup>lt;sup>10</sup> Davis, Elizabeth, Lynn A. Karoly, Bobbie Weber, Pia Caronongan, Kathryn Tout, Patti Banghart, Sara Shaw, and Anne Partika. 2017. "Market Rate Surveys and Alternative Methods of Data Collection and Analysis to Inform Subsidy Payment Rates." OPRE Report #2017-115. Office of Planning, Research, and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services. Available online: <u>https://www.acf.hhs.gov/opre/resource/market-rate-surveys-and-alternative-methods-of-data-collection-andanalysis-to-inform-subsidy-payment-rates</u>.

<sup>&</sup>lt;sup>11</sup> Copeland, Curtis W. and Michael Simpson. 2004. "The Information Quality Act: OMB's Guidance and Initial Implementation." Congressional Research Service Report for Congress. Issued August 19.

<sup>&</sup>lt;sup>12</sup> National Database of Childcare Prices. 2023. Retrieved June 12, 2023. <u>https://www.dol.gov/agencies/wb/topics/featured-childcare</u>

the Office of Planning, Research and Evaluation (OPRE), an office of the Administration of Children and Families, U.S. Department of Health and Human Services.<sup>13</sup> Data are currently available for the years 2008 through 2018, covering 48 states and the District of Columbia.<sup>14</sup>

### Uses by the Women's Bureau and U.S. Department of Labor

The Women's Bureau published a consolidated database of county-level childcare prices based on Market Rate Surveys (MRS) and public county-level characteristics obtained from the American Community Survey (ACS). The MRS items requested from each state for this collection were: median price of center- and home-based care by age of children, 75<sup>th</sup> percentile price of center- and home-based care by age of children, geographic reporting unit, mode of survey administration, and survey response rates. Most of the analyses in published reports and data tools are based on the median childcare price, but the 75<sup>th</sup> percentile price was used for imputation when the median was not available. The geographic reporting unit (state, region, county cluster, county) was used to establish an appropriate county-level price match. The mode of survey administration and survey response rate were reviewed in data quality assessments.

The NDCP has been used by the Women's Bureau to develop reports and data tools showing how childcare prices vary throughout the country and are associated with women's employment in local areas. In January 2023, the Women's Bureau published a report, *Childcare Prices in Local Areas: Initial Findings from the National Database of Childcare Prices*,<sup>15</sup> providing estimates on childcare prices and childcare prices as a share of family income by age of children, care setting, and county. The report provides an initial assessment of the relationship between county-level childcare prices and maternal employment in those counties, showing that maternal employment drops in areas with more expensive childcare, even in higher-wage areas. Accompanying this report, the Women's Bureau issued a fact sheet available in English and Spanish, a press release available in English and Spanish, and a summary blog.<sup>16</sup>

The Women's Bureau produced two interactive maps showing childcare prices and childcare prices as a share of family income. The maps include the following summary statistics for each county: childcare prices by age of child and care setting, childcare prices as a share of family income by age of child and care setting, women's labor force participation rate, women's median earnings, family median income, percent of families in poverty, county total population, and percent of county residents who are Asian, Black, Hispanic (of any race), or White. These interactive maps show how childcare prices vary throughout the country and how they are associated with county demographic and economic characteristics. The ease of use of the interactive maps made the NDCP broadly accessible to a wide range of data users.

<sup>&</sup>lt;sup>13</sup> National Database of Childcare Prices, 2008-2018, ICPSR 38303. 2003. Retrieved June 12, 2023. <u>https://doi.org/10.3886/ICPSR38303.v2</u>

<sup>&</sup>lt;sup>14</sup> The number of states available varies by year.

<sup>&</sup>lt;sup>15</sup> Landivar, Liana Christin, Nikki L. Graf, and Giorleny Altamirano Rayo. 2023. "Childcare Prices in Local Areas: Initial Findings From the National Database of Childcare Prices." Women's Bureau Issue Brief. Issued January. <u>https://www.dol.gov/sites/dolgov/files/WB/NDCP/508\_WB\_IssueBrief-NDCP-20230213.pdf</u>

<sup>&</sup>lt;sup>16</sup> National Database of Childcare Prices. 2023. Retrieved June 12, 2023. <u>https://www.dol.gov/agencies/wb/topics/featured-childcare</u>

The Women's Bureau is preparing additional research products based on the NDCP. One project underway examines the change in childcare prices over time and by geography, showing where childcare prices have increased the most and how these price changes impact maternal employment. Another ongoing research project evaluates spatial inequality in access to affordable childcare, evaluating childcare prices and childcare prices as a share of family income by geography, county racial and ethnic distribution, and county poverty rates.

The COVID-19 pandemic profoundly impacted childcare providers and childcare access for families.<sup>17</sup> The most recent MRS data (2019-2022) we seek to obtain will show how childcare prices changed during the pandemic. This will allow us to update the NDCP to show the most current childcare prices, which the Consumer Price Index from the Bureau of Labor Statistics shows have increased nationally by 18 percent since 2018.<sup>18</sup> In addition to updating the NDCP data for the public, the Women's Bureau would produce additional reports showing how childcare prices and affordability changed for families during the pandemic.

Reports, briefs, and tools produced by the Women's Bureau are research-based products designed to be informational to a wide audience. The Women's Bureau would not use the information collection to develop specific policy proposals.

#### **Uses for Policy Discussion**

Since the first release of the NDCP in 2022, the NDCP has been cited by the President of the United States, the Council of Economic Advisers, numerous members of Congress, federal agencies, governors' offices, and the National Academies of Sciences, Engineering, and Medicine.

The Women's Bureau provided multiple briefings to the White House, including members of the Domestic Policy Council, Council of Economic Advisers, Office of Management and Budget, and Gender Policy Council. Following these briefings, the NDCP has been cited multiple times by the White House. President Biden, in his remarks on the announcement of the Executive Order on Increasing Access to High-Quality Care and Supporting Caregivers,<sup>19</sup> cited data from the NDCP on childcare prices and unaffordability for families. The White House cited the NDCP in their State Legislative Convening on Child Care Access and Affordability which was convened to improve childcare access and affordability across the country.<sup>20</sup> The Economic

<sup>&</sup>lt;sup>17</sup> Crouse, Gilbert, Robin Ghertner, and Nina Chien. 2023. "Child Care Industry Trends During the Recovery from the COVID-19 Pandemic." Office of the Assistant Secretary for Planning and Evaluation, U.S. Department of Health and Human Services. Issued January; Lee, Emma K. and Zachary Parolin. 2021. "The Care Burden during COVID-19: A National Database of Child Care Closures in the United States." *Socius*. First online July 21. https://doi.org/10.1177/237802312110320.

<sup>&</sup>lt;sup>18</sup> Bureau of Labor Statistics. 2023. CPI for all urban consumers, day care and preschool in U.S. city average, not seasonally adjusted. Retrieved June 12, 2023. https://beta.bls.gov/dataViewer/view/timeseries/CUUR0000SEEB03.
<sup>19</sup> The White House. 2023. "Executive Order on Increasing Access to High-Quality Care and Supporting Caregivers." Issued April 18. <u>https://www.whitehouse.gov/briefing-room/presidential-actions/2023/04/18/executive-order-on-increasing-access-to-high-quality-care-and-supporting-caregivers/.</u>

<sup>&</sup>lt;sup>20</sup> The White House. 2023. "Readout of White House State Legislative Convening on Child Care Access and Affordability." March 21. <u>https://www.whitehouse.gov/briefing-room/statements-releases/2023/03/21/readout-of-white-house-state-legislative-convening-on-child-care-access-affordability/</u>.

Report of the President in the Annual Report of the Council of Economic Advisers makes numerous references to the NDCP and the Women's Bureau analysis of the data to show how much families are spending on child care as a share of their income and how that varies by age of children.<sup>21</sup>

The Women's Bureau has provided four dedicated briefings on the NDCP to members of Congress and their staff: Senate Appropriations Committee, House Appropriations Committee, Joint Economic Committee (House of Representatives and Senate), and a Congressional briefing open to all members of Congress to which 134 offices attended. Members of Congress have cited the NDCP in discussions of childcare prices and unaffordability for families in their states and districts, as well as in support of the Child Care for Working Families Act.<sup>22</sup>

The Department of Health and Human Services (HHS) has been a close partner of the Women's Bureau and supporter of the NDCP. HHS supported the current collection, co-signing letters to state Lead Agencies requesting MRS data be provided to the Women's Bureau, and is partnering with the Women's Bureau again in support of this ICR. HHS has requested NDCP data to evaluate equitable access to child care, including affordability gaps in families' access to child care by race and ethnicity and the extent to which existing childcare subsidies cover a sufficient share of childcare prices in local areas. At the request of the HHS Office of Child Care (OCC), data collected for the NDCP through this ICR would be shared with the OCC after the removal of personally identifying information (PII). To reduce burden on states, the OCC does not require states to submit detailed reports, such as the MRS studies, nor underlying data files with the Child Care and Development Fund (CCDF) Triennial Plan. Therefore, the OCC is unable to use these data for internal planning and administrative purposes. However, it would be helpful to OCC to obtain these data for internal use only as part of their ongoing effort to understand the childcare landscape and its impact on children and families. OCC would only use the data for internal planning and administrative purposes. OCC would not use any data obtained from the Women's Bureau in actions related to CCDF compliance decisions. Only OCC staff that work with administrative data would have access.

The National Academies of Sciences, Engineering, and Medicine (National Academies) were commissioned by the U.S. Census Bureau to convene a panel of poverty experts to assess the strengths and shortcomings of the current supplemental poverty measure (SPM) and to recommend changes. The National Academies issued a consensus report recommending changes on poverty measurement, *An Updated Measure of Poverty: (Re)Drawing the Line.*<sup>23</sup> In this

<sup>&</sup>lt;sup>21</sup> The White House. 2023. "Economic Report of the President." Issued March. <u>https://www.whitehouse.gov/wp-content/uploads/2023/03/ERP-2023.pdf</u>

<sup>&</sup>lt;sup>22</sup> Some examples include: Reed & Whitehouse Offer Plan to Help Working Families Afford Child Care, <u>https://www.reed.senate.gov/news/releases/reed-and-whitehouse-offer-plan-to-help-working-families-afford-child-care</u>; Rep. Bobby Scott, Sen. Tim Kaine help reignite effort to overhaul child care for working families, <u>https://bobbyscott.house.gov/media-center/in-the-news/rep-bobby-scott-sen-tim-kaine-help-reignite-effort-overhaul-child-care</u>.

<sup>&</sup>lt;sup>23</sup> National Academies of Sciences, Engineering, and Medicine. 2023. "An Updated Measure of Poverty: (Re)Drawing the Line." Washington, DC: The National Academies Press.

consensus report, the National Academies recommend use of the NDCP in setting a basic childcare need in the poverty threshold for households with children under 13, varying by geography and number of children, data only the NDCP provides at the federal level. Should the U.S. Census Bureau implement this recommendation from the National Academies, it will be critical to ensure that NDCP data collection and dissemination be maintained and updated to the most current data available.

State governments have cited the NDCP on the impact of childcare prices in their states.<sup>24</sup> The NDCP can be used by federal, state, and local policymakers and government agencies for evaluation on childcare access and local economic impacts of stemming from lack of affordable childcare. The Child Care and Development Block Grant of 2014 requires that states examine childcare supply and demand, identify childcare deserts, and implement solutions.<sup>25</sup> Childcare deserts are more prevalent in low-income areas, rural counties, areas with greater concentration of Black and Hispanic families, and in areas with a larger share of families working irregular or non-traditional schedules.<sup>26</sup> The NDCP provides states with a tool at their disposal to evaluate the presence of childcare deserts in their states, specifically affordability deserts where relatively high prices may significantly constrain access to child care. The NDCP includes counties' economic characteristics, enabling states to identify the characteristics of underserved areas.

Availability of affordable childcare has positive effects on parental employment,<sup>27</sup> resulting in interest in subsidies and publicly-provided child care as a strong policy tool for increasing women's employment. While there are national- and state-level studies that inform research in this area, none of the studies assess the prices of different types of care or for different age groups using county-level or more localized data. The NDCP helps to close this critical research gap. These data will allow policymakers and local governments to more accurately measure potential economic impacts and identify strategies for enhancing employment options and economic security for women by expanding access to child care within their communities.

### Uses by Researchers, Analysts, and the Media

Since its release, the NDCP has been well received by researchers, analysts, and the media. NDCP data and reports have been downloaded more than 13,100 times in less than a year,

http://usa.childcareaware.org/wp-content/uploads/2016/09/Child-Care-Deserts-report-FINAL2.pdf.

https://www.acf.hhs.gov/sites/default/files/opre/subsidy\_literature\_review.pdf.

<sup>&</sup>lt;sup>24</sup> Some examples include: Child care costs more than college in Washington state,

https://housedemocrats.wa.gov/blog/2023/06/20/tuesday-june-20-2/; Governor's Office of Workforce Innovation. 2023. "Childcare Policy Report." Governor's Workforce Development Board Childcare Working Group. Issued February 15. https://owinn.nv.gov/uploadedFiles/owinnnvgov/Content/GWDB/Meetings/2023/Childcare %20Report GOWINN GWDB FINAL.pdf.

<sup>&</sup>lt;sup>25</sup> Child Care and Development Block Grant Act of 2014. <u>https://www.congress.gov/bill/113th-congress/senate-bill/1086</u>.

<sup>&</sup>lt;sup>26</sup> Child Care Deserts, Child Care Aware of America. 2016.

<sup>&</sup>lt;sup>27</sup> Forry, Nicole, Paula Daneri, and Grace Howarth. 2013. "Child Care Subsidy Literature Review." OPRE Brief 2013-60. Office of Planning, Research and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services. Available online:

making the NDCP the most downloaded resource on the Women's Bureau's website. There are over 200 national and local media articles and broadcasts based on or referencing the NDCP.

Several academic and non-profit organizations have indicated they are evaluating the NDCP for use in their research and products. Some examples include the Massachusetts Institute of Technology for the MIT Living Wage Calculator and the Economic Policy Institute for use in the Family Budget Calculator.<sup>28</sup> Child Care Aware of America has expressed interest in including NDCP data in their Child Care Data Center to make more county-level childcare price data available in their resources which presently include county-level data for six states.<sup>29</sup> The Child Care for Every Family Network included the NDCP in their toolkit for implementing CHIPS & Science Act investments as a source to identify local childcare prices for CHIPS Act applicants.<sup>30</sup> The Annie E. Casey Foundation used NDCP data to show variation in childcare affordability for single mothers and married couples with children by state in their Kids Count Data Book.<sup>31</sup>

The lack of childcare price data at the county level has been cited by researchers as a barrier to understanding its effects on women's employment.<sup>32</sup> The Women's Bureau's initial assessment of county-level childcare prices and maternal employment shows that counties with childcare prices that are twice as expensive as the median county price have a 4 percentage point reduction in maternal employment at the county level.<sup>33</sup> The negative association between childcare prices and maternal employment remains even in counties that offer higher wages to women. Beyond this initial assessment, the NDCP will be used extensively by childcare researchers and analysts to understand variation in childcare prices and availability over time and by geography. Researchers and analysts will publish reports, journal articles, books, and other sources of information for the public.

Researchers who are funded through HHS Child Care and Development Fund grants will also be interested in using the database to further their research and have access to a wide range of county-level demographic and economic characteristics linked with childcare data.

<sup>&</sup>lt;sup>28</sup> Living Wage Calculator, <u>https://livingwage.mit.edu/;</u> Economic Policy Institute Family Budget Calculator, <u>https://www.epi.org/resources/budget/</u>.

 <sup>&</sup>lt;sup>29</sup> Child Care Aware of America Child Care Data Center, <u>https://www.childcareaware.org/our-issues/research/ccdc/</u>.
 <sup>30</sup> Child Care for Every Family Network. 2023. "Effective and Inclusive Child Care Solutions: Toolkit for Implementing CHIPS & Science Act Investments." Available online: <u>https://childcareforeveryfamily.org/wp-content/uploads/2023/06/CCEFN\_FULL-TOOLKIT\_CHIPS.pdf</u>.

<sup>&</sup>lt;sup>31</sup> Annie E. Casey Foundation. 2023. "Kids Count Data Book: Trends in Child Well-Being." Available online: <u>https://assets.aecf.org/m/databook/aecf-2023kidscountdatabook-embargoed.pdf</u>.

<sup>&</sup>lt;sup>32</sup> Gonalons-Pons, Pilar. 2018. "When Does It Pay Off to Work? Childcare Costs and Employment after Birth, 1984-2014." Work and Family Researchers Network conference presentation. June 21.; Strader, Eiko Kiraoka, 2018. "Do Race and Marriage Matter? The Motherhood Wage Penalty in the Military." Work and Family Researchers Network conference presentation. June 21; Ruppanner, Leah, Stephanie Moller, and Liana Sayer. 2019. "Expensive Childcare and Short School Days = Lower Maternal Employment and More Time in Childcare? Evidence from the American Time Use Survey." *Socius*. First online July 29. <u>https://doi.org/10.1177/237802311986027</u>.

<sup>&</sup>lt;sup>33</sup> Landivar, Liana Christin, Nikki L. Graf, and Giorleny Altamirano Rayo. 2023. "Childcare Prices in Local Areas: Initial Findings From the National Database of Childcare Prices." Women's Bureau Issue Brief. Issued January. <u>https://www.dol.gov/sites/dolgov/files/WB/NDCP/508 WB IssueBrief-NDCP-20230213.pdf</u>

Business analysts and childcare providers may be able to use these data to identify underserved areas to establish additional childcare centers.

# 3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g., permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also, describe any consideration of using information technology to reduce burden.

The information collected will initially be requested via mailed letter and email follow-up. The letters and emails will explain the purpose and value of the data collection and provide instructions for submitting data and reports electronically. Each state will have the ability to upload data files and supporting documentation to a secure online portal. We expect to receive 100% of the responses electronically.

The final product resulting from this data collection will be a freely-available online database of county-level childcare prices linked to American Community Survey data on state- and county-level characteristics and women's employment. This database will be compatible for use with open source software, including open source statistical software.

## 4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item A.2 above.

Childcare price data at the county level are not provided by any other federal agency. Furthermore, complete childcare pricing data at the county level for all counties in the United States are not available from non-federal sources (e.g., non-profits, childcare advocacy groups).

Existing data provided by the Administration for Children and Families, Department of Health and Human Services (HHS) do not meet the needs of the Women's Bureau. Although market rate surveys (MRS) cover all eligible childcare providers in the childcare market, these data are not reported back to HHS, and existing HHS data and tabulations have incomplete coverage of families with childcare needs. Because HHS's mandate is to provide tabulations and subsidy data on low-income families, these sources exclude many families who do not meet the criteria yet have childcare needs. The Women's Bureau seeks to provide childcare prices at the county level that are inclusive of all family types.

The Women's Bureau has met with HHS to ensure that they did not already collect the data sought by the Women's Bureau. The Women's Bureau verified that HHS did not collect or retain MRS data from the states and HHS would like to partner with the Women's Bureau so they, too, can access MRS data. MRS data are retained by the states and need to be requested from them directly. However, because MRS data are already collected by states, states would be reporting the information out of existing records and would not have to obtain information specifically for the Women's Bureau. By leveraging data that have already been collected, we would not need to burden the states or childcare providers with a new survey to obtain childcare pricing data.

In the current collection spanning data years 2008 through 2018, the Women's Bureau, through its contract with ICF, conducted a review of all 51 state childcare agency websites to locate and archive all childcare MRS reports that are already publicly available. This minimized duplication of asking states to provide studies that are already available online. On average, states published the most recent two reports online, typically covering two years each. In reviewing the most recently published reports, 10 states provided county-level estimates that could be used for the purposes of this data collection. Among states that provided complete county-level data, ICF used the public reports as the source of data for the database and generally did not need any additional information from these states. The Women's Bureau expects that in a new collection spanning fewer years (2019 through 2022), more states will have MRS reports publicly available online reducing our need to request as many studies. The Women's Bureau, through its contractor, ICF, will again evaluate all the MRS reports that are already in the public domain prior to contacting states for their reports.

### 5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.

This collection obtains information from state government agencies only.

## 6. Describe the consequence to federal program or policy activities if the collection is not conducted or is conducted less frequently, as well as any technical or legal obstacles to reducing burden.

If this data collection is not conducted, the federal government will continue to lack an inclusive and complete federal source on local area childcare prices. The federal government would have to rely on incomplete or inadequate proprietary sources to estimate local childcare prices or derive estimates from surveys that were not designed to be used at the local level. Neither of these sources would provide data that reflect childcare prices parents pay at the local level.

The NDCP is a new public source of information on local childcare prices and this information is not available elsewhere, therefore, studies and reports on local childcare prices and change in prices over time would not be conducted. The NDCP is linked with public American Community Survey data on women's employment to assess how childcare prices are associated with employment outcomes. Studies on how local area childcare prices are associated with women's employment would also not be conducted should the NDCP be discontinued. The newest cycle of MRS data is expected to include pandemic-related impacts on childcare prices, thus older NDCP data will not reflect the current childcare market conditions. Childcare prices are estimated to have increased 18% nationally since 2018, the last year of data the current NDCP provides. Without including the latest MRS data, childcare prices would be underestimated and resulting studies would lack validity. Studies on change in childcare prices and resulting employment outcomes are of critical interest to policymakers and government agencies as they consider changes to childcare grant programs and subsidies and consider measures to increase women's labor force participation.

The National Academies recently recommended that the supplemental poverty measure include a basic childcare need for households with children under 13. This childcare need should reflect the variability in childcare prices at the local level and recommended that the NDCP be used as a source of local childcare price data. Should the U.S. Census Bureau follow this recommendation from the National Academies, it would be lacking a federal source of local childcare price data to implement the recommendation.

7. Explain any special circumstances that would cause an information collection to be conducted in a manner: requiring respondents to report information to the agency more often than quarterly; requiring respondents to prepare a written response to a collection of information in fewer than 30 days after receipt of it; requiring respondents to submit more than an original and two copies of any document; requiring respondents to retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years; in connection with a statistical survey, that is not designed to produce valid and reliable results that can be generalized to the universe of study; requiring the use of statistical data classification that has not been reviewed and approved by OMB; that includes a pledge of confidentially that is not supported by authority established in statute or regulation, that is not supported by disclosure and data security policies that are consistent with the pledge, or which unnecessarily impedes sharing of data with other agencies for compatible confidential use; or requiring respondents to submit proprietary trade secret, or other confidential information unless the agency can demonstrate that it has instituted procedures to protect the information's confidentially to the extent permitted by law.

This data collection will be conducted once and will provide respondents with at least 30 days to submit requested documents. Respondents will not be requested to provide more than one copy of a document and will not require any retention of records. Statistical results will be generalizable to the universe of the study and will not require use of statistical data classifications. Proprietary information or personally identifying information (PII) will not be requested. Any proprietary information or PII that is received will be removed and destroyed by the Women's Bureau and its contractor, ICF. Reports and data files received from states and used to build the NDCP may be shared with HHS per a data sharing agreement for internal and statistical purposes after the removal of any PII received. Aggregated and standardized data from the NDCP can be used by other agencies as the NDCP will not contain any private or identifying information.

8. If applicable, provide a copy and identify the date and page number of publication in the *Federal Register* of the agency's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the agency in response to these comments. Specifically address comments received on cost and hour burden.

**Federal Register Announcement** 

On July 6, 2023, a 60-Day Federal Register Notice was published in the Federal Register (88 FR 43144). See Attachment B.

The notice received 6 comments from researchers and organizations. The comments strongly supported the data collection. Researchers noted the importance of the NDCP to understand changes in childcare pricing and economic recovery post-pandemic, as well as how childcare access impacts equity in work and family outcomes. The First Five Years Fund firmly supports the data collection, noting the essential need the NDCP fills in understanding local variation in childcare prices which can inform additional investments in childcare. Afterschool Alliance noted the NDCP was critical to their work on school-age care prices by geography and to estimate how these prices impact family budgets for those with school-age children. These families are often left out of important policy discussions and programs considering childcare affordability because many sources lack school-age care data which the NDCP provides.

The Economic Policy Institute (EPI) submitted comments in support of the collection, noting county-level childcare data is essential to understand the childcare landscape and cost burden for families. EPI noted the importance of continuity of data collection in future years so that the NDCP remains available and up to date. EPI requested that the Women's Bureau consider including U.S. territories and Puerto Rico, specifically, in the database as there is currently no comprehensive database on Puerto Rico childcare prices. The Women's Bureau evaluated data availability for U.S. territories and concluded that Puerto Rico had available childcare market rate survey data as well as American Community Survey (ACS) data and could be included in this ICR. The Women's Bureau has revised the total burden estimate and total number of respondents in section 12 to reflect the inclusion of Puerto Rico. Other territories do not have ACS data or updated economic and demographic data on a yearly basis, thus cannot be included in the NDCP at this time.

The Century Foundation (TCF) strongly supports continued data collection for the NDCP as an invaluable resource to understand variation in childcare prices across the country, to understand how childcare prices are impacting family economic security, and to understand childcare provider compensation and shortages. TCF indicated that this proposed data collection should not represent a significant time burden for Lead Agencies as the data are already collected by the Lead Agencies. TCF requested that the Women's Bureau issue guidance to the states to improve the uniformity of their data collection and to expand state coverage to states using alternative, cost-based methodologies. As the state data collection of market rate surveys are guided by the Department of Health and Human Services (HHS), the Women's Bureau cannot issue guidance to the states on their data collection protocols. However, the Women's Bureau will provide these comments to HHS. The Women's Bureau will hold a panel on alternative, cost-based methodologies to determine if states that use these alternative methods can be included to expand the NDCP's coverage. TCF requested that the NDCP report out the number of childcare providers responding to state market rate surveys (MRS). MRS do not always include the number of providers by children's age. The Women's Bureau will work with its contractor to determine if any information on number of care providers can be included uniformly in the NDCP following data collection. TCF also requested data aggregations to the state or congressional district level in addition to county-level estimates. The Women's Bureau plans to

include state-level aggregates in the next database release. The inclusion of congressional districts would represent a significant cost increase to the government and would pose many methodological challenges, thus it is not considered for inclusion in this ICR.

# Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, the clarity of instructions and recordkeeping, disclosure, or reporting format (if any), and on the data elements to be recorded, disclosed, or reported.

For the current collection, the Women's Bureau conducted several meetings with representatives from the Office of Child Care and the Office of Planning, Research, and Evaluation, Administration for Children and Families, Health and Human Services (HHS). These meetings were conducted to ensure there is no duplication in data collection activities, to obtain HHS support for the data collection, and to obtain expert input on the data collection plan. The Women's Bureau verified that HHS does not have county-level childcare price data. HHS supported the collection of data from the states for the National Database of Childcare Prices.

For the proposed collection, the Women's Bureau has continued meetings with representatives from HHS. HHS continues to support the ICR and has confirmed this ICR will not consist of duplication in data collection activities.

The Women's Bureau consulted with the Census Bureau to obtain detailed information on the type of childcare pricing data collected, accuracy, and geographic limitations. The Women's Bureau verified that childcare data are not available at the county level, as childcare pricing data are collected through surveys too small to obtain county estimates (i.e., Survey of Income and Program Participation and the Current Population Survey).

The Women's Bureau held several meetings and panels with Lead Agency representatives, childcare organizations knowledgeable about availability of childcare price data, and experts that conduct market rate surveys on behalf of Lead Agencies. These meetings were designed to assess the feasibility of the data collection by gathering information on the type of sub-state data collected, availability of tabulations, and state willingness to provide this information. Panels were held with Lead Agencies from several states to discuss how to handle missing data and when imputation methods were appropriate. Meetings with childcare organizations, such as Child Care Aware of America and Afterschool Alliance, were held to discuss data availability and utility of the NDCP collection and these organizations were supportive of this data collection.

Consultation with representatives of those from whom information is to be obtained or those who must compile records should occur at least once every 3 years -- even if the collection-of-information activity is the same as in prior periods. There may be circumstances that may preclude consultation in a specific situation. These circumstances should be explained. Market rate survey data collection occurs on a three-year cycle. As a result, the NDCP can only be updated every three years. Consultation with the Department of Health and Human Services (HHS) and Lead Agencies is timed with each data collection cycle. HHS provides guidance on the optimal timing to conduct the data collection to reduce burden for Lead Agencies. Data collection is timed to avoid Child Care and Development Fund Plan reporting periods that are busy periods for Lead Agencies. HHS has been consulted as to the optimal time frame to collect new data from the states for the proposed ICR. As with the current collection, the Women's Bureau will reconvene representatives from Lead Agencies from a sample of states to provide input on data standardization methods.

### 9. Explain any decision to provide any payments or gifts to respondents, other than remuneration of contractors or grantees.

This information collection will not provide any payment or gifts to respondents.

### 10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.

The Women's Bureau will not request and does not expect to collect any data that include personally identifying information (PII) or business identifying information (BII). However, some states may submit unpublished tabulations and data files in response to this ICR. The Women's Bureau will request that any PII and BII be removed from the files before transferring files to the Women's Bureau's contractor, ICF. If there are any instances in which a state indicates that it will not be feasible to remove PII and BII from the source file, the Women's Bureau, through its contractor, ICF, will provide the state with access to a secure online portal into which the files can be transferred. ICF will remove and destroy the PII and BII data before the data are entered into the database. ICF has extensive experience obtaining, handling and securing PII for a range of federal clients (e.g., CDC HIV Supplemental Surveillance project, CDC National Program of Cancer Registries and Cancer Surveillance System) and will apply that experience to ensure compliance with federal and state security standards, including the Federal Information Security Modernization Act of 2014 (FISMA, S.2521) and the National Institutes of Standards and Technology. All files will be secured with access granted only to individuals developing the database.

To ensure no individuals or businesses are identified in the public-use database, the Women's Bureau, through its contractor, will use imputation and other disclosure avoidance methodologies to avoid identification. Counties with few eligible providers will be imputed to avoid disclosure. A complete evaluation of the database will take place prior to release to ensure there is no PII and BII in the database.

### **11.** Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered

private. This justification should include the reasons why the agency considers the questions necessary, the specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.

No questions of a sensitive nature are asked in this information collection.

**12.** Provide estimates of the hour burden of the collection of information. The statement should:

- Indicate the number of respondents, frequency of response, annual hour burden, and an explanation of how the burden was estimated. Unless directed to do so, agencies should not conduct special surveys to obtain information on which to base hour burden estimates. Consultation with a sample (fewer than 10) of potential respondents is desirable. If the hour burden on respondents is expected to vary widely because of differences in activity, size, or complexity, show the range of estimated hour burden, and explain the reasons for the variance. General, estimates should not include burden hours for customary and usual business practices.
- If this request for approval covers more than one form, provide separate hour burden estimates for each form.
- Provide estimates of annualized cost to respondents for the hour burdens for collections of information, identifying and using appropriate wage rate categories. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.

The estimated burden to the states, the District of Columbia, and Puerto Rico is 104 total hours to respond to the request.<sup>34</sup>

Activity	No. of Respondents	No. of Responses per Responden t	Total Responses	Average Burden (Hours)	Total Burden (Hours)	Hourly Wage Rate	Monetized Value of Time
Provide existing	52	1	52	2	104	\$134 <sup>35</sup>	\$13,936

### Estimated Annualized Respondent Cost and Hour Burden

<sup>34</sup> Puerto Rico was added to the proposed data collection in response to a Federal Register Notice comment. The burden cost and burden hours were updated accordingly.

<sup>&</sup>lt;sup>35</sup> Average hourly wage rate was obtained from the Contract-Awarded Labor Category (CALC) tool. Wage rates based on costs for a program analyst with a bachelor's degree and less than 10 years of experience. <u>https://calc.gsa.gov/</u>

copies of				
market rate				
survey				
reports and				
data files				

## 13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).

This information collection will not require respondents to purchase equipment or software or pay for additional services outside of customary and usual business practices.

14. Provide estimates of the annualized cost to the Federal Government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operational expenses (such as equipment, overhead, printing, and support staff), any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 into a single table.

The estimated cost burden to the federal government is \$535,300. This estimate was derived from the cost of a contract to conduct the information collection and staff hours of five employees assigned to oversee and implement the project. No additional operational expenses are expected outside of normal labor and operations costs.

The cost of staff hours to oversee and implement the project, obtain OMB clearance, coordinate with the contractor, review and provide input on all deliverables, and develop new data tools and research is \$169,265. Staff hours are based on  $$126,949^{36}$  annual salary of 1.4 FTE for 1 year and 4 months. The staff hours are estimated based on the share of time five employees will devote to the project: 0.5 (senior researcher), 0.5 (statistician), 0.1 (supervisory statistician), 0.2 (contracting officer representative), 0.1 (contracting officer) = 1.4 FTE.

### 15. Explain the reasons for any program changes or adjustments.

There are three main changes in this information collection request: burden hours for respondents, scope of data collection, and the time and cost of the project.

This information collection request estimates a 49-hour decrease in respondent burden hours reflecting a reduction in the number of years of data requested from the states and the recency of the data files. States had more difficulty providing files for older MRS data cycles. The previous collection requested MRS data for the years 2008 through 2018. The current collection scope includes the most recent MRS data, covering fewer years: 2019 through 2022.

<sup>&</sup>lt;sup>36</sup> Staff annual salary is based on GS 13 step 5 Washington, DC locality adjusted.

The estimated price to the government of conducting the current collection is \$535,300. The prior collection was estimated at \$509,900 (\$607,500 in 2023 inflation adjusted dollars). The increase in cost reflects the rise in inflation impacting labor costs since the last contract was completed in 2020, the addition of Puerto Rico data, and the addition of state-level estimates. However, as a result of requesting fewer years of data and having developed methods to standardize the data, the current collection is estimated to take 1 year and 4 months compared with the previous collection of 2 years and 6 months. The reduced amount of time results in cost savings, mitigating some of the impact of inflation on the overall project cost.

# 16. For collections of information whose results will be published, outline plans for tabulations, and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.

The Women's Bureau will issue a new contract to begin collection of publicly available and unpublished reports and tabulations. Pending OMB approval, the Women's Bureau and its contractor will begin data collection of unpublished reports and tabulations in March 2024. The development of the updated NDCP files is expected to begin in October 2023 and conclude in September 2024. A public-use database and updated resources (e.g., interactive maps and reports) will be available by October 2024. A detailed schedule of contract plans, data collection and standardization, disclosure avoidance, data review and analysis, and publication is available in Attachment C.

## 17. If seeking approval to not display the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.

The OMB information collection number and expiration date will be displayed on the outreach letters and emails to each state and on the secure portal used to submit reports and data files.

### 18. Explain each exception to the certification statement.

There are no exceptions to the certification statement.