

FAMILY CHILD CARE IN NEW HAMPSHIRE

The U.S. has experienced significant declines in family child care (early care and education offered in a provider's home) over the last few decades and New Hampshire is no exception. This brief summarizes the challenges and shines a spotlight on innovative strategies for addressing these shortages—made possible by the state's Preschool Development Grant.

FAMILY CHILD CARE IN THE U.S.

Many families in the U.S. rely on family child care. Many families choose family child care because it is more affordable and aligns best with their [values](#) and [work schedules](#). Overall, there are about [one million paid family child care providers](#) caring for young children in the U.S. Family child care is especially critical for families with lower incomes. About [one quarter of children receiving child care subsidies](#) attend family child care settings.

Yet, family child care slots in the U.S. are decreasing. The number of licensed small family child care providers in the U.S. [declined by 52%](#) from 2005 to 2017. This decline was even higher (59%) among providers serving families who receive child care subsidies. This decline can be attributed to many factors such as low and unpredictable pay, high job demands, difficulty navigating increased regulatory requirements, and more.

NH'S PRESCHOOL DEVELOPMENT GRANT (PDG)

New Hampshire PDG is investing in New Hampshire's family child care infrastructure. In 2023, New Hampshire's Department of Health and Human Services (DHHS) partnered with the New Hampshire Community Development Finance Authority (CDFA) to identify and implement strategies that will stabilize the family child care workforce, including potential pathways towards developing a staffed family child care network.

New Hampshire PDG is helping to fund planning activities to support the creation of this staffed family child care network. With PDG funding, CDFA is:

- Convening family child care professionals, [early childhood regional partners](#), DHHS leaders, and philanthropic organizations to assess current workforce support initiatives for family child care providers.
- Developing a coordinated and comprehensive plan for increasing the number of family child care businesses and improving families' access to care.

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Families rely on family child care in New Hampshire. As of 2020, there were [97 family child care programs in New Hampshire](#) with spaces to serve 1,157 children. Many New Hampshire families rely on a [mix of child care](#), including some form of family child care. New Hampshire families report using family child care by a relative most often (48%), followed by non-relative care (15%) and other home-based care (10%).

In line with national trends, New Hampshire is also experiencing a decrease in family child care. From 2017 to 2021, New Hampshire family child care providers [closed at double the rate of centers](#). This decline comes at a time when New Hampshire parents are also reporting [difficulties finding child care](#) that is affordable and matches their families' needs. In response to such challenges, [Senate Bill 446](#) was passed to develop strategies that address staffing shortages statewide.

CONSIDERATIONS FOR THE FUTURE

Declines in family child care have important implications for equitable access. Family child care tends to be used more by families with [lower incomes, who have infants and toddlers, and who are Hispanic or Black](#). The decline in family child care is likely to make it even harder for these families to find flexible and affordable care. This suggests that PDG efforts to bolster family child care are promoting equitable access for these families.

Family child care closures matter more in rural communities. Research shows that New Hampshire families tend to have [better access to child care in urban areas](#) (e.g., Concord, Manchester, Portsmouth) than in rural ones (e.g., Coös County). While families in rural and urban communities tend to use child care at similar rates, [rural families tend to rely more on family child care](#). This suggests that PDG funding to support the family child care workforce will be particularly important for improving access among rural New Hampshire families.

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New Hampshire's
Preschool Development Grant