

# Child Care in State Economies Report Series, Part I: Recent Trends in Paid Child Care Usage

## FACT SHEET

### Colorado

One of the most fundamental roles played by child care is enabling parents to participate in the labor force. To support employment, parents choose from a range of child care options both paid and unpaid. Understanding who uses paid care and factors related to the use of paid care can be helpful in supporting strategies related to economic growth.

#### By the Numbers

- The number of children 14 and younger in paid child care declined from 228,236 in 2019 to 217,027 in 2022.
- The number of children under age 5 in paid child care increased from 82,878 in 2019 to 87,157 in 2022.
- The number of school-age children in paid child care declined from 145,358 in 2019 to 129,870 in 2022.

#### By the Percentages

- The share of children 14 and younger in paid child care declined from 21.7% in 2019 to 21.6% in 2022.
- The share of children under age 5 in paid child care declined from 27.6% in 2019 to 26.5% in 2022.
- The percentage of school-age children in paid child care was the same in 2019 and 2022 (19.3%).

#### Trends in the Use of Paid Child Care in Colorado

- The overall share of children age 14 and younger averaged 20.3% in paid care from 2011 to 2022 and 18.8% from 2000 to 2010.
- Among children under age 5, use of paid child care averaged 30.3% between 2011 to 2022 and 24.3% from 2000 to 2010.
- Among school-age children, use of paid child care averaged 15.8% between 2011 to 2022 and 15.9% from 2000 to 2010.

#### Labor Force Participation of Mothers in Colorado

- Labor force participation of mothers with children age 14 and younger was 78.8% in February 2020 declining to 72.2% in June 2023.
- Labor force participation of mothers with children under age 5 was 78.5% in February 2020 declining to 68.2% in June 2023.

#### Use of Paid Care is Related to Family Income in Colorado

- Households with children age 0-14 in paid care had an average reported income of \$139,639 in 2020 and \$179,807 in 2022.
- The average income of households with children age 0-14 not using paid care was \$162,548 in 2022.
- The average income of households with children under age 5 using paid care was \$199,909 in 2022.
- The average income of households with children under age 5 not using paid care was \$155,435 in 2022.
- In 2022, the income for families with children age 14 and younger using paid care was \$17,259 higher than families with children of that age not using paid care.
- In 2022, the income for families with children under age 5 using paid care was \$44,475 higher than families with children under age 5 not using paid care.

#### Families Not Using Paid Care in the U.S.

- It is unclear whether families with children not using paid care prefer other arrangements, cannot afford child care amidst other household expenses, or the supply of child care in their community falls short of meeting the need.



Note: Data for this analysis is from the Current Population Survey (CPS) Annual Social and Economic Supplement (ASEC) sponsored jointly by the U.S. Census Bureau and U.S. Bureau of Labor Statistics. Child care usage was first surveyed in the CPS ASEC in 2001, while child care expenditures were first collected in 2010. The underlying CPS data used in the analysis are extracted from the IPUMS-CPS database maintained by the Minnesota Population Center at the University of Minnesota. In some states, the sample size is too limited to accurately assess the data.