



# Child Care Licensure: Afterschool Programs

## Executive Summary

The cost of child care is a significant problem both nationwide and in Missouri. Afterschool programs provide enriching child care for school-age children that takes place outside normal school hours or during the summer months. Depending on the specific criteria, Missouri afterschool programs may be required to be licensed or may be license-exempt. There are advantages and disadvantages of licensure and exemption including access to certain federal grants. During the 2022 legislative session in Missouri, several bills have been introduced that would modify child care provisions or add child care tax credits ([HB 1648](#), [HB 2441](#), [HB 2867](#), [HB 2886](#), [SB 683](#), and [SB 916](#)).

## Highlights

- Afterschool programs can provide enrichment to children in several different forms including academic assistance, building social skills and wellness, and/or career development. These programs have been associated with several positive outcomes for children including higher test scores, increased school attendance rates, and lower drug use.
- In Missouri, 55% of counties are classified as child care deserts meaning that there is a greater than 3-to-1 ratio of children to licensed child care slots.
- Women are disproportionately affected by child care shortages with 94% of involuntary part-time workers being women.

## Limitations

- Child care licensing laws vary between states. Therefore, best practices for afterschool licensing remain unknown. However, the U.S. Office of Children & Families has recommendations for policies that ensure safe and healthy child care including such topics as child-to-adult ratios; nutrition and physical activity; health and safety trainings; and background checks.

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## Research Background

### Afterschool Programs

Afterschool programs supply child care for school-age children, ages 5–18 years old outside of normal school hours (before school, after school, or during the summer). Afterschool programs

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provide enrichment to children in several different forms including academic assistance, building social skills and wellness, and/or career development. Some afterschool programs provide more comprehensive enrichment including academic assistance beyond basic homework help such as reading and math development.<sup>1</sup> These comprehensive afterschool programs also provide family engagement and are eligible for certain federal funds such as 21st Century Community Learning Centers ([21st CCLC](#)) grants. Afterschool programs are typically based in schools or in community-based organizations. Many afterschool programs are community-specific organizations and some, such as the Boys & Girls Club and YMCA, are nationwide nonprofits with local chapters throughout the United States. High-quality afterschool programs have been associated with several positive outcomes for children including higher test scores, increased school attendance rates, and lower drug use.<sup>2</sup>

### Child Care & Workforce Development

In addition to providing enrichment, afterschool programs also provide a safe place for children during parents' working hours, which commonly extend past normal school hours. Child care access is an important factor in workforce participation and can have broader effects on the economy. In 2016, 21,000 parents in Missouri were estimated to have quit a job, not taken a job, or greatly changed their job because of child care access difficulties.<sup>3</sup> This number has likely increased due to child care shortages exacerbated by the COVID-19 pandemic which forced child care facilities around the country to close.

In Missouri, 55% of counties are classified as child care deserts meaning that there is a greater than 3-to-1 ratio of children to licensed child care slots.<sup>4</sup> Women are disproportionately affected by child care shortages with 94% of involuntarily part-time workers being women.<sup>5</sup> Programs like the federal Child Care Development Fund, which provides child care assistance to low-income people, have been shown to increase the probability that working mothers can stay in the workforce.<sup>6</sup> Reports on afterschool programs in [Georgia](#), [Kansas](#), and [Vermont](#) have been stated to have a positive economic return on investments for each state.

### **Afterschool Program Regulations**

#### Licensed and License-Exempt Afterschool Programs

There are three categories of child care in Missouri 1) *Family Child Care Home* which can be up to ten children, 2) *Group Child Care Home* which can range from 11-20 children in an area separate from the provider's living space, and 3) *Child Care Center* which can be for larger numbers of children and must be separate from the provider's living space. Afterschool programs are licensed using the regulations for Group Child Care Homes and Child Care Centers ([5 CSR 25-500](#)). To be licensed, providers must complete an online orientation, submit an application including related-documents, and be inspected to prove that they comply with a comprehensive set of regulations. Exemptions from specific rules, called variances, may be requested by child care providers ([5 CSR 25-500.230](#)). Certain categories of afterschool programs (listed below) are

exempt from being licensed by the state of Missouri. However, if these organizations hire outside groups to provide child care services, then the outside groups may not be exempt from licensing. Additionally, school buildings are exempt from certain physical requirements for child care programs.

#### License-Exempt Groups in Missouri ([RSMo 210.211](#))

- Religious Organizations: Religious child care facilities are required to have [Notices of Parental Responsibility](#) on file that have been signed by the parents of attending children.
- School Systems
- Hospitals and Health Care Facilities
- Neighborhood Youth Development Programs: Examples include the Boys & Girls Club, 4-H, and YMCA. Must be affiliated with “national congressionally chartered organization's standards under [Title 36, Public Law 105-225](#)” [RSMo210.278](#).
- Summer Camps: Only exempt from May to September.
- Businesses: If they provide child care for less than four hours while parents are on site (e.g., IKEA Småland).

In response to reducing cases of child abuse and neglect, the Missouri legislature added requirements to license-exempt child care facilities including that they report their existence to the Department of Social Services, and that they must comply with certain requirements including fire, safety, and health inspections, background checks, and other information about the facility and its participants ([HB 557 & HB 560](#)). For more information about child abuse and neglect in childcare facilities, please see our Science Note, [Childcare Facilities and License Exemptions](#).

#### Advantages and Disadvantages of Being License-Exempt

The same organization might run both licensed and license-exempt afterschool programs because there are advantages and disadvantages to being license-exempt. Some of the advantages of being exempt include being able to have 16- and 17-year-old child care personnel, and not having to comply with certain rules that may be relevant to very young children but not school-age children. License-exempt child care providers must still comply with certain [rules](#) and must have an annual fire safety inspection along with a health and sanitation inspection. However, only licensed child care facilities are eligible for certain federal grants such as the School Age Community Grant (SAC) though [Missouri Child Care Relief](#) funds are available for both licensed and license-exempt child care programs.

#### Tiered System of Monitoring

Afterschool programs that receive certain competitive federal grants (21<sup>st</sup> CCLC and SAC) are subject to a tiered system of monitoring operated by DESE. This monitoring system focuses on potential fiscal waste and fraud. Combined, the two federal grant programs awarded over \$19 million dollars to afterschool programs in Missouri. Every grantee must submit a self-assessment

to the Office of Childhood at DESE and have their records monitored. In addition, 10% will have phone monitoring and 10% will have on-site monitoring. Grantees will be selected for these additional monitoring measures based on a risk assessment. Currently, 77 organizations and school districts at 175 sites throughout Missouri received federal funding that qualified them for the tiered system of monitoring.<sup>7</sup>

### Child Care Regulations in Other States

Child care regulations vary considerably [from state to state](#).<sup>8</sup> Therefore, best practices for afterschool licensing remain unknown. However, the U.S. Office of Children & Families has recommendations for policies that ensure safe and healthy child care including such topics as child-to-adult ratios, nutrition and physical activity, health and safety trainings, and background checks. Regulations specifically for school-age care have been implemented in at least 14 states ([CA](#), [CO](#), [HI](#), [IN](#), [KS](#), [NM](#), [NY](#), [ND](#), [OK](#), [RI](#), [SD](#), [TX](#), [VT](#), [WA](#)). Educational requirements for staff, health and safety trainings, and which programs are license-exempts are examples of other regulations that vary between states.<sup>9</sup>

### **Funding for Afterschool Programs**

Funding specifically for afterschool programs in Missouri is substantially larger in FY2023 than in previous years because of \$20,000,000 provided from American Rescue Plan Act (ARPA) funding, under the current version of The Elementary and Secondary Education appropriations bill [HB 3002](#). The appropriations bill also includes \$21,577,278 that would come from federal grants for afterschool funding and \$350,00 from the Missouri General Revenue. Other child care assistance programs are also funded mostly through federal block grants. Due to one-time APRA funding, there are large allocations for child care stabilization (\$444,140,749) and child care discretionary services (\$257,132,195) in the budget for FY2023 in Missouri. Additionally, there are allocations for child care subsidies (\$145,648,290) from federal block grants.

### **Appendix A. Child Care-Related Legislation Introduced in the 2022 Legislative Session in Missouri**

<b>Bill Number</b>	<b>Bill Summary</b>
<a href="#">HB 1648</a>	Allows public officials to use campaign funds for child care costs incurred while campaigning or performing official duties.
<a href="#">HB 2441</a>	Allows up to two children related to the operator of a licensed child care facility to not be included in the total number of children allowed under the related license.
<a href="#">HB 2867</a>	Authorizes a tax credit for employers that assist employees with child care.
<a href="#">HB 2886</a>	Authorizes a tax credit for employers that assist employees with child care.
<a href="#">SB 683</a>	Contains several different provisions related to child care.
<a href="#">SB 916</a>	Adds day camps to list of license-exempt child care facilities.

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