

# Characteristics of rural & urban family child care grant applicants

Results from a 2020 study of the Peacetime Emergency Child Care Grant Program

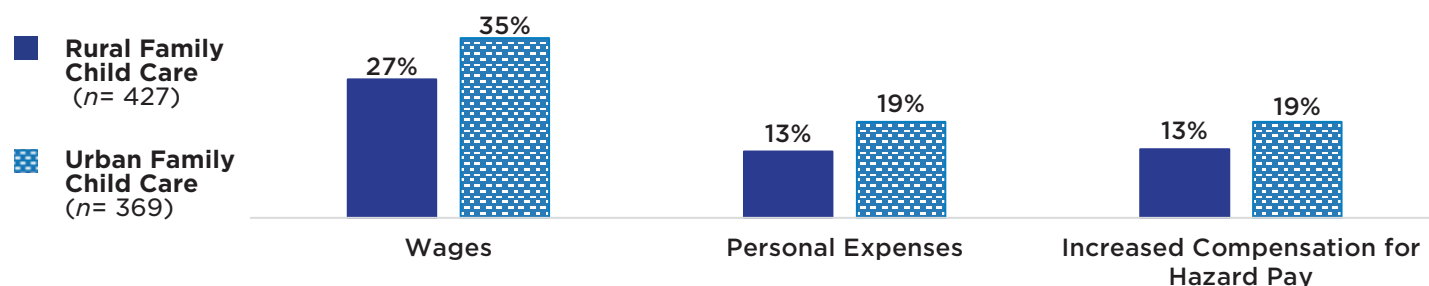
The COVID-19 pandemic has dramatically changed child care services in Minnesota and across the nation. To help providers withstand the financial burden caused by the pandemic, Minnesota created the Peacetime Emergency Child Care Grant program (PECC) and distributed the first round of funds in April through June 2020. More information about eligibility requirements and a summary of the applicants and awards by round can be found at <https://www.childcareawaremn.org/providers/emergency-child-care-grants/>. This fact sheet presents findings on characteristics of rural and urban<sup>1</sup> family child care applicants to the Peacetime Emergency Child Care Grant.

Note: The providers invited to participate were applicants to the Peacetime Emergency Child Care Grant Program, and thus, were a subsample of licensed and certified center-based programs and family child care providers throughout Minnesota. These findings are from all providers that applied and responded to the survey, regardless of whether or not they received the grant.

Among rural family child care providers, 72 percent applied for the Peacetime Emergency Grant Program (3,104 providers). **Across all license types, rural family child care providers were significantly more likely to apply than urban family child care providers.\***

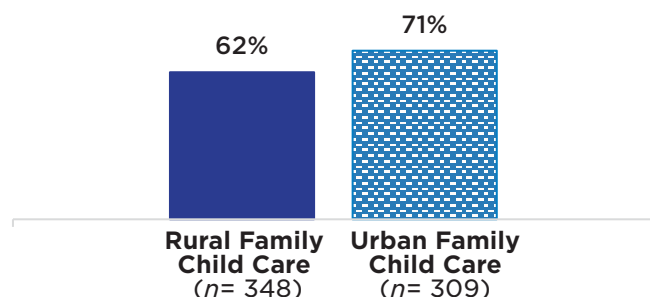
Compared to urban family child care providers, **rural family child care providers were significantly less likely to indicate using funds for wages, personal expenses, and increased compensation for hazard pay.\***

Significant Differences in Use of Funds by Provider Type



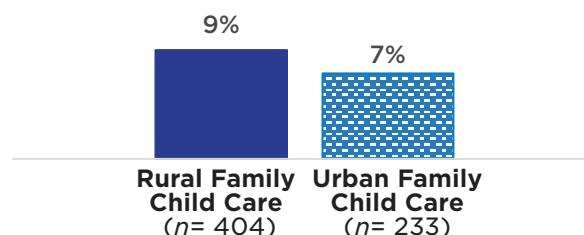
**More than 3 in 5 providers said the PECC grant helped them stay open, but rural family child care providers were less likely to say so than those in urban areas.\***

Providers who said the Grant Helped them Stay Open



The percentage of family child care providers who closed their licenses in 2020 was lower than in recent years. **Rural family child care providers closed at a higher rate than urban family child care providers.\***

Exit Rate for Providers who Closed after March 2020



Source: Minnesota Child Care Licensing Data, 2020-2021. Note: Changes in licensing rules allowed providers to close temporarily during the pandemic. These closures are not included in the count of closed businesses.

<sup>1</sup> The fact sheet defines rural and urban based on Census definitions: "urban" includes providers located in Urbanized Areas (population of 50,000 or more) and "rural" includes those located in Urban Clusters (population 2,500 to 50,000 outside of Urbanized areas) and those in rural areas.

Note: \* indicates a statistically significant difference ( $p < .05$ ).

This is one in a series of fact sheets from a study of Minnesota's Peacetime Emergency Child Care Grant program. For more information, visit: <https://www.childtrends.org/project/minnesota-child-care-policy-research-partnership>.