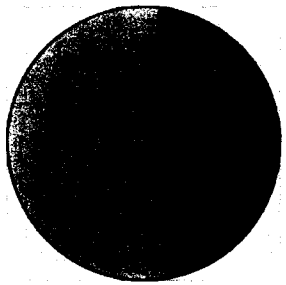
Income Required to Pay Housing and Child Care Costs

How child care costs fit into Montana family budgets:

Child Care for an infant in a licensed center = $7,278/year[1]; Housing = $6,036/year[2]

Families with One Minimum Wage Earner

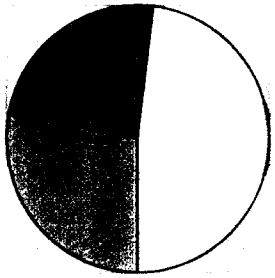


- Child Care 57%
- Housing 47%
- Other Living Expenses 0%

Annual Income: $12,792
(before taxes, based on $6.15/hr.)

- Care for 1 infant in a Licensed Center + Housing in a 2 bedroom apartment = 104%, exceeds Annual Income.
- No income available for food, utilities, telephone, transportation, medical, clothing and other living expenses.

Families with Two Minimum Wage Earners

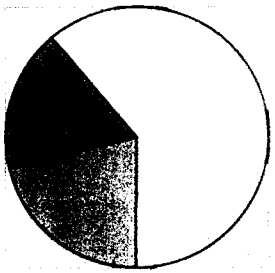


- Child Care 28%
- Housing 24%
- Other Living Expenses 48%

Annual Income: $25,584
(Low income[3] = $29,282)

- Care for 1 infant in a Licensed Center + Housing in a 2 bedroom apartment = 52% of Annual Income.
- 48% of Annual Income available for food, utilities, telephone, transportation, medical, clothing and other living expenses.

Families at State Median Income



- Child Care 21%
- Housing 18%
- Other Living Expenses 61%

State Median Income: $34,449

- Care for 1 infant in a Licensed Center + Housing in a 2 bedroom apartment = 39% of Annual Income.
- 61% of Annual Income available for food, utilities, telephone, transportation, medical, clothing and other living expenses.

[1] Montana Department of Public Health and Human Services, Child Care Rates, FY 06
[2] U.S. Department of Housing and Urban Development, Montana Survey Market Rent, FY 04
[3] Low income defined as 85% of State Median Income

EXHIBIT 30
DATE 3-5-07
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