

Congress of the United States

Washington, DC 20515

[[DATE]]

The Honorable Robert Aderholt
Chairman
House Appropriations Committee
Subcommittee on Labor,
Health, and Human Services
and Related Agencies
Washington, D.C. 20510

The Honorable Rosa DeLauro
Ranking Member
House Appropriations Committee
Subcommittee on Labor,
Health, and Human Services
and Related Agencies
Washington D.C. 20510

Dear Chairman Aderholt and Ranking Member DeLauro:

As you consider Fiscal Year (FY) 2024 Labor, Health and Human Services, and Education appropriations legislation, we urge you to include the following essential investments in early education, early intervention, and high-quality child care:

Provide at least \$12.4 billion for the Child Care and Development Block Grant (CCDBG) for FY 2024. CCDBG provides federal funding to states for child care subsidies for low-income families with children younger than 13 years old. Efforts to maintain and expand CCDBG funding in recent years have helped states make important progress in addressing the critical care needs of children, families, and providers. The funding increase for CCDBG in FY 2018, which doubled funding for the program, helped decrease the number of children on waitlists for child care assistance by 55 percent and enabled more than half of states to increase payments to providers by an average increase of more than \$100 a month per child.¹ The funding increase to CCDBG in FY 2023, which enjoyed strong bipartisan support, is further helping states serve more children and families by expanding access to affordable, high-quality child care options and should be maintained. States are facing the impending expiration of critical relief funding passed by Congress during the COVID-19 pandemic, and significant gaps remain in the federal programs to support access to affordable child care and early learning.

According to the most recent federal data,² only one in nine young children who were eligible for child care subsidies through CCDBG actually received assistance. In a United States Census Bureau survey from last year, more than 365,000 adults reported losing a job because they needed to take time to care for children under the age of five in the four weeks preceding the survey. In the same survey, more than 1.3 million households reported that an adult in their household had left a job to care for children in the past four weeks, and more than 1.6 million parents reported supervising one or more children while working.³ **Child care challenges for parents and caregivers in the workforce cost the economy an estimated \$122 billion in lost**

¹ Schulman, Karen, *Early Progress: State Child Care Assistance Policies 2019*, National Women's Law Center (Oct. 2019), <https://nwlc.org/wp-content/uploads/2019/11/NWLC-State-Child-Care-Assistance-Policies-2019-final.pdf>.

² Kashen, Julie, *The Top Six Reasons We Need Comprehensive Child Care and Universal Pre-K*, The Century Foundation (Feb. 24, 2022), <https://tcf.org/content/commentary/top-six-reasons-need-comprehensive-child-care-universal-pre-k/>.

³ U.S. Census Bureau, *Week 48 Household Pulse Survey: July 27-August 8, 2022* (Aug. 17, 2022), <https://www.census.gov/data/tables/2022/demo/hhp/hhp48.html>.

earnings, productivity, and revenue, while productivity problems associated with child care challenges cost employers \$23 billion annually.⁴

By continuing to work toward the bipartisan goal⁵ of funding CCDBG at a \$12.4 billion level, we can significantly increase the number of children and families able to access child care subsidies. This will help lower the cost of care for working families and expand the number of children who can access the care that supports positive physical and brain development. Specifically, increased investment would result in the following:

- **Helping more families access child care:** The demand for child care from working families is clear, but the lack of supply is preventing parents and guardians across the nation from accessing the care they need. More than half of American families live in child care deserts where there are more than three young children for every licensed child care slot.⁶ Child care subsidies currently only reach a fraction of eligible families, and more than a dozen states have waiting lists or have frozen intake for child care assistance.⁷ Meanwhile, the cost of child care is one of the highest in a family's monthly budget, with the national price of child care averaging \$10,600 annually.⁸ A significant increase in CCDBG funding will expand the program's reach and ability to provide high-quality care to more eligible children who are not currently receiving subsidies.
- **Increasing payments and wages for providers:** Although prior increases in CCDBG funding have helped some states increase at least some of their payment rates for providers serving families receiving child care assistance, more work is needed. In 2021, only two states paid child care providers at the federally recommended rate.⁹ The child care sector has lost a net 57,600 jobs since the start of the COVID-19 pandemic, which has further threatened child care supply and compromised the ability of this sector to support working families.¹⁰ The inadequate wages paid to caregivers also drives staffing shortages. According to the Bureau of Statics at the Department of Labor, child care workers only earn an average of \$13.32 per hour.¹¹ These low wages are disproportionately harmful to women, especially women of color, who make up a large

⁴ Ready Nation, *\$122 Billion: The Growing, Annual Cost of the Infant-Toddler Child Care Crisis*, Council for a Strong America (Feb. 2023), <https://www.strongnation.org/articles/2038-122-billion-the-growing-annual-cost-of-the-infant-toddler-child-care-crisis>.

⁵ Letter from Congresswoman Katherine M. Clark and 132 colleagues, to House Appropriations Subcommittee on Labor, Health, and Human Services, Education, and Related Agencies (April 27, 2022), <https://katherineclark.house.gov/press-releases?ID=FFAA8165-20B8-4DAA-969B-7B9A9E4E6AA0>; Letter from Senator Richard Burr and 4 colleagues, to Senate Appropriations Subcommittee on Labor, Health, and Human Services, Education, and Related Agencies (May 23, 2022), https://www.collins.senate.gov/imo/media/doc/ccdbg_letter.pdf.

⁶ Malik, Rasheed, *America's Child Care Deserts in 2018* (December 6, 2018), <https://www.americanprogress.org/article/americas-child-care-deserts-2018/?msclkid=8fd5208bb9a111ec904894424a46ee05>

⁷ Schulman, Karen, *State Child Care Assistance Policies 2021*, National Women's Law Center (May 2022), <https://nwlc.org/wp-content/uploads/2022/06/State-of-Child-Care-2022-WIP-accessibility.pdf>.

⁸ Child Care Aware of America, *New Report Finds that Increases in the Price of Child Care Continue to Exceed the Rate of Inflation* (Oct. 2022), <https://info.childcareaware.org/media/price-of-care>.

⁹ Schulman, Karen, *State Child Care Assistance Policies 2021*, NATIONAL WOMEN'S LAW CENTER (May 2022), <https://nwlc.org/wp-content/uploads/2022/06/State-of-Child-Care-2022-WIP-accessibility.pdf>.

¹⁰ LePage, Brooke & Tucker, Jasmine, *Women Gain 263,000 Jobs in January*, NATIONAL WOMEN'S LAW CENTER (Feb. 2023), <https://nwlc.org/wp-content/uploads/2023/02/Jan-Jobs-Day.pdf>.

¹¹ U.S. Bureau of Labor Statistics, *Occupational Outlook Handbook: Childcare Workers* (October 4, 2022), <https://www.bls.gov/ooh/personal-care-and-service/childcare-workers.htm>

proportion of the care workforce. By committing to greater investment in CCDBG, states are further incentivized to make changes that improve the quality of child care for all children and acknowledge child care providers as essential to our economic well-being.

- **Enabling women to fully participate in the workforce:** Studies have found that increases in CCDBG subsidies have the potential to substantially increase workforce participation and employment rates for low-income mothers in the United States.¹² In fact, a recent report by the United States Census Bureau found that child care subsidies help working mothers stay in the labor force and narrow the pay gap between spouses.¹³ The child care crisis is an economic issue that disproportionately affects women, and studies show that women have been nearly three times as likely as men to not work outside the home over the past few years because of child care demands.¹⁴ By making strong federal additional investments in CCDBG, we support working women and families.

Provide at least \$932 Million for IDEA Grants for Infants and Families and \$502.6 million for IDEA Preschool Grants. We also urge you to provide increased funds for the two critical early childhood programs under the Individuals with Disabilities Education Act (IDEA). Together, IDEA Grants for Infants and Families (Part C of IDEA) and IDEA Preschool Grants (Part B, Section 619 of IDEA) deliver comprehensive services for children with disabilities from birth through 5 years of age and their families. These programs serve more than one million children per year and benefit all states.¹⁵ Unfortunately, federal investments in both programs have failed to match increases in the number of children served as well as the cost of inflation. Consequently, both programs have experienced a significant erosion of funding over the last two decades.

We urge the Committee to significantly increase the federal contribution to these important investments by providing at least \$932 million in FY 2024 funding for IDEA Grants for Infants and Families to help increase program access and expand services. In addition, we ask the Committee to provide at least \$502.6 million in FY 2024 funding for IDEA Preschool Grants. High-quality early interventions in early care and education can produce a 13 percent per child, per year return on investment.¹⁶ This substantial return on investment is derived largely from long-term savings associated with a reduced need for special education, improved health outcomes, higher rates of high school and college graduation, decreased dependence on welfare

¹² Enchautegui, María et. al, *Effects of the CCDF Subsidy Program on the Employment Outcomes of Low Income Mothers*, U.S. Department of Health and Human Services, Office of the Assistant Secretary for Planning and Evaluation (December 2016), <https://aspe.hhs.gov/sites/default/files/private/pdf/253961/EffectsCCSubsidiesMaternalLFPTechnical.pdf>.

¹³ Gurrentz, Benjamin, *Child Care Subsidies Help Married Moms Continue Working, Bring Greater Pay Equity*, U.S. Census Bureau (Oct. 12, 2021), <https://www.census.gov/library/stories/2021/10/measuring-impact-of-child-care-subsidies-on-working-moms.html>.

¹⁴ Gurrentz, Benjamin, *Child Care Subsidies Help Married Moms Continue Working, Bring Greater Pay Equity*, U.S. Census Bureau (Oct. 12, 2021), <https://www.census.gov/library/stories/2021/10/measuring-impact-of-child-care-subsidies-on-working-moms.html>.

¹⁵ U.S. Department of Education, *43rd Annual Report to Congress on the Implementation of the Individuals with Disabilities Education Act*, 2021 (Jan. 2022), <https://sites.ed.gov/idea/files/43rd-arc-for-idea.pdf>.

¹⁶ Heckman, James, *Economist James J. Heckman: Early Education Packs a High Return on Investment*, Committee for Economic Development (March 6, 2017), <https://www.ced.org/blog/entry/comprehensive-birth-to-age-five-early-childhood-education-has-the-highest-r>.

programs, and increased workforce productivity of children who receive a high-quality early education.

We respectfully request that you fully support these critical investments in young learners, families, and early educators.

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