Congress of the United States

Washington, DC 20515

[[DATE]]

The Honorable Robert Aderholt Chairman U.S. House Appropriations Subcommittee on Labor, Health and Human Services, Education and Related Agencies 266 Cannon House Office Building Washington, DC The Honorable Rosa DeLauro Ranking Member U.S. House Appropriations Subcommittee on Labor, Health and Human Services, Education and Related Agencies 2413 Rayburn House Office Building Washington, DC 20515

Chairman Aderholt and Ranking Member DeLauro,

As you develop the Fiscal Year (FY) 2026 Labor, Health and Human Services, Education, and Related Agencies Appropriations bill, we are writing to respectfully request that you provide robust funding for the Child Care and Development Block Grant (CCDBG).

Recognizing the need to direct taxpayer resources to programs that demonstrate a return on federal investments, quality child care—which has a strong evidence base—plays a crucial role in supporting children's healthy development, learning, and school readiness, while also enabling parents to work, train, or pursue education advancement. By providing access to affordable, high-quality child care, CCDBG improves future opportunities for children while also empowering parents to choose the child care that best fits the needs of their family. In alignment with President Trump's *Expanding Educational Freedom and Opportunity for Families* Executive Order, CCDBG allows parents to choose the best educational setting for their children—whether it be public, private, faith-based, or home-based—starting at a young age.

CCDBG is a key component of the long-standing, federal-state child care partnership. Through CCDBG, the federal government works with every state to support local programs that best address the individual needs of children and families, while also prioritizing parental choice. CCDBG creates a solid foundation upon which states are building their own child care systems, by leveraging federal funding to create and expand high-quality early learning and care opportunities beyond what is possible with state funding alone.

For years, families at every income level have struggled to find high-quality care, yet only 13 percent of eligible young children receive support through the CCDBG subsidy program¹. Child care providers, many of which are small businesses themselves, operate on razor-thin margins while contending with workforce shortages, resulting in a limited supply of care for working families.

Lack of access to child care inhibits the economic success of parents and employers alike. A recent survey of small business owners highlighted that 84 percent believe it has been difficult for working parents to afford high-quality child care programs for their children, while only two percent say it has not been difficult at all. Furthermore, over one-third of small business owners say their employees have been forced to cut their work

¹ <u>https://www.ffyf.org/wp-content/uploads/2024/05/2024-National-CCDBG-State-Fact-Sheet.pdf</u>

hours or forgo work entirely because of the cost and/or availability of child care.² The same survey indicated that nearly 80 percent of small business owners support policymakers taking action to increase access to affordable child care. Additionally, a report by ReadyNation indicates that insufficient access to child care costs working parents up to \$78 billion per year in lost earnings, businesses up to \$33 billion per year in lost productivity, and taxpayers up to \$21 billion per year in lost revenue, for a total economic impact of \$122 billion each year.³ Given the importance of child care to working families across the country and the fundamental role it plays in supporting our economy, there is a critical need for robust CCDBG funding.

Congress has made bipartisan investments in CCDBG since its inception, including a historic investment under the previous Trump Administration that was the largest increase in funding up to that point. These investments have helped states meet critical quality and safety standards, take steps toward decreasing costs for parents, reduce waitlists, and support local providers; still, much work remains. As states continue working to ensure parents have a wide range of choices to meet the individual child care needs of families, we encourage you to prioritize funding for CCDBG, which increases access to quality child care for working families across the country.

Child care is the linchpin of our country's economy. Accessible, high-quality child care is indispensable for working families because it offers parents better job stability and overall economic security, sets children on a path to success, and supports economic growth. For these reasons, we urge you to include robust funding for CCDBG in the FY2026 Labor, Health and Human Services, Education, and Related Agencies Appropriations bill. We hope to continue to work with you to support investments in quality child care that advance the President's vision of school choice and educational opportunity as the appropriations process moves forward this year.

[[CLOSING]] [[SIGNATURES]]

² https://www.goldmansachs.com/community-impact/10000-small-businesses-voices/insights/child-care-challenges-compound-small-business-workforce-issue

³ <u>https://www.strongnation.org/articles/2038-122-billion-the-growing-annual-cost-of-the-infant-toddler-child-care-crisis</u>