



**Testimony of Lynette M. Fraga, Ph.D.
Executive Director
Child Care Aware® of America
February 4, 2020**

Dear Chairman Sablan, Ranking Member Allen, and members of the Early Childhood, Elementary and Secondary Education Subcommittee of the House Committee on Education and Labor:

Child Care Aware® of America appreciates the opportunity to submit testimony for the Subcommittee's hearing on, "Solving America's Child Care Crisis: Supporting Parents, Children, and the Economy." Child care is crucial to the growth, development and educational advancement of all children, and creates a positive economic impact for families and communities. For these reasons, it is our vision that every family in the United States has access to a high-quality, affordable child care system.¹

Our nation is in a child care crisis that hurts children, families, businesses, and communities. In 40 states and the District of Columbia, the annual price of child care for two children exceeds annual mortgage payments for homeowners, forcing families to make difficult decisions in order to raise their children.² This not only takes a toll on families but on our economy as well. New research estimates an annual economic cost of \$57 billion in lost earnings, productivity and revenue due to the nation's child care crisis.³ U.S. businesses alone shoulder an economic loss of \$12.7 billion each year due to child care breakdowns, and the combined effect of a broken child care system and a lack of paid family leave hurts working families to the tune of \$36.9 billion each year.⁴

Child Care Aware® of America is a national, membership-based nonprofit organization working to advance the affordability, accessibility, and quality of child care environments and to support the positive development and learning of all children in child care. Founded in 1987, we advocate for child care policies that improve the lives of children and families, lead research that advances the child care and early learning field, leverage technology to help families make informed decisions about child care and provide professional development for providers.

¹ Child Care Aware® of America's 2020 – 2022 Policy Agenda. <https://info.childcareaware.org/2020-2022-public-policy-agenda>

² *The US and the High Price of Child Care*, Child Care Aware® of America, 2019.

<https://www.childcareaware.org/our-issues/research/the-us-and-the-high-price-of-child-care-2019/>

³ Belfield, C.R. (2018). The economic impacts of insufficient child care on working families. ReadyNation.

⁴ Belfield, C.R. (2018). The economic impacts of insufficient child care on working families. ReadyNation.

To advance our mission, we rely on our relationships with Child Care Resource & Referral (CCR&R) agencies. CCR&Rs are part of a nationwide system with touchpoints at the local, state, and national levels. These agencies support families in their communities by helping them navigate complicated child care systems and by leading initiatives that increase the quality, affordability, and accessibility of child care. With over 400 community-based agencies serving over 860,000 families a year, the CCR&R network is the most trusted place to find child care.

Because CCR&Rs connect families to child care providers, they are able to understand and relay parent experiences and perspectives, which are crucial to addressing our nation's child care crisis. They also track and monitor trends, including changes in price, quality, and the supply of care available in states and local communities. As a result, these invaluable stories and data form the foundation of Child Care Aware® of America's research, such as our 2019 report, *The US and the High Price of Child Care*. The message from all stakeholders – parents, providers, employers and policymakers alike – is clear; without access to high-quality, affordable child care, the opportunity for economic stability for families, and the opportunity for economic growth for communities, will remain out of reach.

Currently, millions of working families are unable to access high-quality, affordable child care. One reason is the decrease in the number of child care programs across the country. From 2017 to 2018 alone, 48 percent of states reported a decrease in child care centers, while 83 percent of states reported a decrease in family child care.⁵ Care during nonstandard working hours is particularly difficult to find; only 8 percent of center-based providers, and 34 percent of listed, paid family child care providers, offer any sort of nonstandard hours care.⁶ This creates an even larger barrier for the roughly 31 million children with at least one parent working nonstandard or unpredictable schedules.

In addition, in every state, child care remains unaffordable and out-of-reach for many American families. Last October, our *Price of Care* report revealed that our nation's child care crisis continues to get worse, with the average price of infant care in the U.S. ranging from \$11,400 to \$11,900 per year in 2018.⁷ For the average single parent, that is 36 percent of her or his income. And in 30 states and the District of Columbia, the

⁵ Checking In on the Child Care Landscape: 2019 State Fact Sheets. Child Care Aware® of America, 2019. <https://www.childcareaware.org/our-issues/research/statefactsheets/>

⁶ *It's About Time!: Parents Who Work Nonstandard Hours Face Child Care Challenges*. Child Care Aware® of America, 2019. <https://info.childcareaware.org/download-nonstandard-hours-report>

⁷ *The US and the High Price of Child Care*, Child Care Aware® of America, 2019. <https://www.childcareaware.org/our-issues/research/the-us-and-the-high-price-of-child-care-2019/>

average annual price for infant care is higher than in-state tuition at a public four-year college.⁸ This is unsustainable for most families, and forces many parents and guardians, primarily women, to choose between their job, their economic security, and their newborn child. No parent, no matter their job or income, should be forced to make that choice.

We also know that for the best outcomes for children, quality matters. Science tells us that birth to age 5 are the most crucial years of a child's development, and for this reason children who participate in high-quality child care programs experience positive lasting effects on IQ scores, boosted academic and economic achievement and lower incidences of childhood obesity and chronic illness.⁹ This is because early childhood education nurtures the whole child, including their social, emotional, physical and cognitive development. However, across the country access to high-quality programs remains limited. Just 48 percent of center-based programs, and 32 percent of family child care providers, participate in state Quality Rating and Improvement Systems.¹⁰ Child Care Aware® of America's *Mapping the Gap* initiatives shows that, in some areas of the country, as few as 7 percent of infants and toddlers have access to licensed child care.¹¹ This lack of access forces many families, particularly those of color or low-income, into unlicensed, unregistered care as they struggle to find other options.¹² For these reasons, access to high-quality child care should be viewed as more than just an economic issue. At its core, it is an equity issue as well.

All of the issues addressed in this testimony -- access, affordability, and quality -- cannot be discussed in silos. Rather, these issues are interconnected, highlighting the complexity of the child care ecosystem. Solely addressing access will not necessarily improve affordability or quality for families. Instead, solutions should be comprehensive, and involve adequate investments, to truly improve the child care system. To meet these needs, we recommend strong investments in crucial federal programs such as the Child Care and Development Block Grant (CCDBG), an essential funding source for states for providing financial assistance for working families and needed support for child care providers. However, even with FY2018's historic funding increase, CCDBG

⁸ *The US and the High Price of Child Care*, Child Care Aware® of America, 2019.

<https://www.childcareaware.org/our-issues/research/the-us-and-the-high-price-of-child-care-2019/>

⁹ Heckman, J. (2015). Quality early childhood education: Enduring benefits. Retrieved from <https://heckmanequation.org/resource/quality-early-childhood-education-enduring-benefits/>

¹⁰ Checking In on the Child Care Landscape: 2019 State Fact Sheets. Child Care Aware® of America, 2019.

<https://www.childcareaware.org/our-issues/research/statefactsheets/>

¹¹ *Mapping the Gap*, Child Care Aware® of America, 2017 – 2019.

<https://www.childcareaware.org/our-issues/research/mappingthegap/>

¹² *It's About Time: Parents Who Work Nonstandard Hours Face Child Care Challenges*. Child Care Aware® of America, 2019.

<https://info.childcareaware.org/download-nonstandard-hours-report>

remains severely underfunded.¹³ Therefore, we recommend increasing funding for this program by \$5 billion to better meet the needs of children and families.

We also support the Child Care for Working Families Act (H.R.1364), which builds upon the existing child care system to improve access, affordability, and the quality of child care for all working families. This bill improves access by creating universal preschool programs for 3 and 4-year-olds and providing higher matching rates for infants and toddlers. It provides support to the workforce by establishing provider payment levels that reflect higher wages and investing in professional development opportunities. It works to improve quality for care of all types, including the availability and quality of care during nonstandard working hours. And it ensures that no family, no matter their salary, pays more than 7 percent of income on high-quality child care.

We also recommend investing in CCR&R agencies, which play a vital role in recruiting and retaining child care providers, working with providers to improve safety and quality, enhancing parent and provider awareness of financial supports, and collecting various data points on the child care landscape. For most states, CCR&Rs are an existing but under-resourced infrastructure support that, due to their role in the system, are vital to ensuring the needs of both families and providers are met. CCR&Rs are truly the eyes and ears of the child care landscape, which is why legislation such as the Child Care for Working Families Act (H.R. 1364) encourages states to invest in them.

Once again, Child Care Aware® of America appreciates the opportunity to submit testimony. Children do better when they are able to enroll in safe, high-quality child care environments, and parents do better when they know that their child is in good hands. The economy also benefits when families have access to child care, with returns on investing in high-quality programs equal to between \$4 and \$16 for every dollar spent.¹⁴ For these reasons, we encourage you to take bold action on child care, including supporting and passing the Child Care for Working Families Act (H.R. 1364). All families deserve access to safe, high-quality child care, and a large public investment is necessary to make it a reality.

Sincerely,



Lynette M. Fraga, Ph.D.
Executive Director

¹³ CCDBG: 2019 State Snapshots. Child Care Aware® of America, 2019. <https://info.childcareaware.org/ccdbg-2019-state-snapshots>

¹⁴ R. Grunewald, "Investments in young children yield high public returns," Federal Reserve Bank of Philadelphia. (2016). Retrieved from https://www.philadelphiafed.org/community-development/publications/cascade/93/04_investments-in-young-children