Congress of the United States

Washington, DC 20510

June 22, 2021

The Honorable Charles Schumer Senate Majority Leader United States Senate Washington, D.C. 20510

The Honorable Nancy Pelosi Speaker of the House U.S. House of Representatives H-232 U.S. Capitol Washington, D.C. 20515 The Honorable Mitch McConnell Senate Minority Leader United States Senate Washington, D.C. 20510

The Honorable Kevin McCarthy House Minority Leader U.S. House of Representatives H-204 U.S. Capitol Washington, D.C. 20515

Dear Majority Leader Schumer, Minority Leader McConnell, Speaker Pelosi, and Minority Leader McCarthy:

We write to urge you to include a substantial investment in child care in the upcoming infrastructure funding package that better reflects the scale and scope of needed support. As the pandemic has made clear, child care is essential infrastructure that makes all other work in our country possible. High-quality child care also has long-lasting benefits for young children's development. The next funding package should include at least \$700 billion over 10 years in direct spending for long-term, structural investments in child care. We believe that this is a generational opportunity to invest in affordable, quality care for all children who need it, and we urge you not to let it go to waste.

Even before the pandemic, many families were struggling to find affordable, high-quality care for their children. Child care subsidy programs such as the Child Care and Development Block Grant are consistently under-funded: only 14% of eligible children were actually receiving subsidies as of 2017.² A national analysis found that half of all families live in neighborhoods classified as child care deserts, where there is an insufficient supply of quality child care.³ These shortages have a direct impact on the local economy. On average, child care deserts have maternal labor force participation rates that are three percentage points lower than in areas with a sufficient supply of child care providers.⁴

¹ National Women's Law Center, Written Testimony of Melissa Boteach, February 19, 2021, https://docs.house.gov/meetings/AP/AP07/20210219/111202/HHRG-117-AP07-Wstate-BoteachM-20210219.pdf ² U.S. Department of Health and Human Services, "Factsheet: Estimates of Child Care Eligibility & Receipt for Fiscal Year 2017," Nina Chien, November 2020, https://aspe.hhs.gov/system/files/pdf/264341/CY2017-Child-Care-Subsidy-Eligibility.pdf.

³ Center for American Progress, "America's Child Care Deserts in 2018," Rasheed Malik, Katie Hamm, Leila Schochet, Cristina Novoa, Simon Workman, and Steven Jessen-Howard, December 6, 2018, https://www.americanprogress.org/issues/early-childhood/reports/2018/12/06/461643/americas-child-care-deserts-2018/.

⁴ *Id*.

Child care workers have also long been dramatically underpaid and undervalued. Despite their work being crucial to our economy, child care workers rank among the bottom two percent of positions by salary.⁵ In 2020, the average pay for a child care worker was \$12.24 an hour.⁶ Due to poverty wages, child care workers experience significant economic insecurity. In most states, between 15 and 25 percent of the child care workforce live below the poverty line,⁷ and more than half of families of child care workers rely on public assistance programs such as Medicaid, SNAP, and TANF.⁸ Child care providers are disproportionately women of color,⁹ so this low pay contributes to the gender and racial wage gap.

Most child care providers operate on razor thin margins, and the pandemic caused thousands of child care providers to close their programs, some permanently. The American Rescue Plan Act (ARPA) included more than \$40 billion for child care programs, which fulfilled our dire call for much-needed emergency relief funding. This support is crucial for keeping child care providers afloat as they recover from the devastating effects of the COVID-19 pandemic. However, it is not a long-term solution to the lack of affordable, high-quality child care for working families. The emergency funding passed in March of 2021 was enacted more than a year into the pandemic during which child care providers experienced significant closures, reduced enrollment, and increased operating costs. Notably, of the \$40 billion in federal child care funds provided under the ARPA, only the \$633 million increase to the mandatory funding stream called the Child Care Entitlement to States was a permanent increase to annual federal child care dollars. By one estimate, the combined relief funds are enough to fill this revenue gap for less than six months. It is crucial that Congress provides a significant, long-term investment to transform this broken system into one that is sustainable for families and providers.

The next funding package presents an opportunity to provide needed support for child care providers, create and support over 2.3 million jobs for women, especially women of color, and

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⁵ EdSurge, "Little band-aids' Won't Fix the Child Care Industry. New Report Proposes an Overhaul," Emily Tate, February 24, 2021, https://www.edsurge.com/news/2021-02-24-little-band-aids-won-t-fix-the-child-care-industry-new-report-proposes-an-overhaul

⁶ U.S. Bureau of Labor Statistics, "Childcare workers," April 9, 2021, https://www.bls.gov/ooh/personal-care-and-service/childcare-workers.htm

⁷ Center for the Study of Child Care Employment, "Early Educator Pay and Economic Insecurity Across the States," https://cscce.berkeley.edu/workforce-index-2020/the-early-educator-workforce/early-educator-pay-economic-insecurity-across-the-states/

⁸ Center for the Study of Child Care Employment, University of California-Berkeley, "Early Childhood Workforce Index," 2018, https://cscce.berkeley.edu/wp-content/uploads/2018/06/2018-Index-Executive-Summary.pdf.

⁹ National Women's Law Center, "One in Five Child Care Jobs Have Been Lost Since February, and Women Are Paying the Price," Claire Ewing-Nelson, August 2020, https://nwlc.org/wp-content/uploads/2020/08/ChildCareWorkersFS.pdf.

¹⁰ "Warren, Smith Successfully Secure \$40B for Child Care & Early Learning in Senate COVID-19 Relief Package," March 6, 2021, https://www.warren.senate.gov/newsroom/press-releases/warren-smith-successfully-secure-40b-for-child-care-and-early-learning-in-senate-covid-19-relief-package.

¹¹ Public Law, 117-2, Section 9801, https://www.congress.gov/117/bills/hr1319/BILLS-117hr1319enr.pdf.

¹² Center for Law and Social Policy, "Child Care is Key to Our Economic Recovery," April 2020, https://www.clasp.org/sites/default/files/publications/2020/04/CCKeytoEconomicRecovery.pdf. This analysis found that \$9.6 billion per month would be needed to sustain the child care sector.

invest in the next generation.¹³ This must include guaranteeing child care for every family who needs it, capping out-of-pocket costs at no more than 7% of income, raising payment rates for providers to ensure that they are paid a living wage with benefits, equivalent to other educators with similar credentials, and addressing administrative burdens that act as barriers to accessing this critical benefit for low-income communities and communities of color. These changes were estimated to cost at least \$60 billion per year in 2017¹⁴ and since that time, the need and cost have only grown. Our investment in child care should also support the expansion of Early Head Start and grow the supply of child care providers that has been decimated by the pandemic through dedicating mandatory child care funding to a new grant program for facility modifications and upgrades, family child care homes, and start-up costs. In upgrading or retrofitting facilities, we should also move toward eliminating carbon emissions and eradicating toxic materials such as lead, mold, and asbestos that have been found in child care settings. As with roads and bridges, child care is infrastructure that will uplift our economy. President Biden's Fiscal Year 2022 Budget Request reaffirmed these needs by calling for permanent investments that would modernize existing child care facilities and expand the total number of child care settings in the U.S. 15 To that end, we urge you to include at least \$700 billion in direct spending for child care programs over the next ten years in the next major funding package to make these long-term, structural investments possible.

This investment would have lasting positive effects, not just on children and families, but on the economy at large. High-quality early education has been proven to have long-term benefits for children's outcomes, including academic skill development and well-being, ¹⁶ and investments in these programs bolster student success. ¹⁷ Additionally, a recent study from the National Women's Law Center and the Center on Poverty and Social Policy at Columbia University found that providing affordable, high-quality child care to every family that needs it would increase the number of women with young children working full time by 17%, narrow the pay gap between women and men, and increase women's lifetime earnings by nearly \$100,000 on average, with a corresponding increase in their savings and Social Security benefits. ¹⁸

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¹³ Center for American Progress, "The Child Care for Working Families Act Will Boost Employment and Create Jobs," Ajay Chaudry and Katie Hamm, December 7, 2017, https://www.americanprogress.org/issues/early-childhood/reports/2017/12/07/443783/child-care-working-families-act-will-boost-employment-create-jobs/.

¹⁴ Vox, "27 Senate Democrats get behind a big new plan to make child care an entitlement," Jeff Stein, September 14, 2017, https://www.yov.gom/policy.org/poli

^{14, 2017, &}lt;a href="https://www.vox.com/policy-and-politics/2017/9/14/16307090/child-care-senate-democrats">https://www.vox.com/policy-and-politics/2017/9/14/16307090/child-care-senate-democrats
15 Administration for Children and Families, "Fiscal Year 2022: Justification of Estimates for Appropriations Committees," June 2021,

https://www.acf.hhs.gov/sites/default/files/documents/olab/fy_2022_congressional_justification.pdf

¹⁶ American Educational Research Association, "Impacts of Early Childhood Education on Medium- and Long-Term Educational Outcomes," Dana Charles McCoy, Hirokazu Yoshikawa, Kathleen Ziol-Guest, Greg Duncan, Holly Schindler, Katherine Magnuson, Rui Yang, Andrew Koepp, and Jack Shonkoff, November 2017, https://journals.sagepub.com/doi/full/10.3102/0013189X17737739.

¹⁷ Learning Policy Institute, "Untangling the Evidence on Preschool Effectiveness," Beth Meloy, Madelyn Gardner, and Linda Darling-Hammond, January 2019, https://learningpolicyinstitute.org/sites/default/files/product-files/Untangling Evidence Preschool Effectiveness REPORT.pdf.

¹⁸ National Women's Law Center and Center on Poverty and Social Policy at Columbia University, "A Lifetime's Worth of Benefits: The Effects of Affordable, High-quality Child Care on Family Income, the Gender Earnings Gap, and Women's Retirement Security," Robert Paul Hartley, Ajay Chaudry, Melissa Boteach, Estelle Mitchell, and Kathryn Menefee, March 2021, https://nwlc.org/wp-content/uploads/2021/04/A-Lifetimes-Worth-of-Benefits-FD.pdf.

The upcoming infrastructure package presents an historic opportunity to not only recover from the devastating effects of the pandemic, but also to build a stronger caregiving economy for women and families across the country. Providing affordable, quality care for every child and family who needs it would create jobs, increase productivity, and have lifelong benefits for children's development and growth. We urge you to prioritize investments in a stronger child care system in the next funding package to ensure that women and families are not left behind in our recovery.

Thank you for your support for children and families and your consideration of this important

Sincerely,

United States Senator

Katherine Clark

Member of Congress

Ron Wyden **United States Senator**

Ron Wyden

Suzanne Bonamici Member of Congress Jamaal Bowman, Ed.D. Member of Congress

Also signed by:

Tina Smith United States Senator

Alex Padilla **United States Senator**

Cory A. Booker **United States Senator**

Kirsten Gillibrand **United States Senator**

Reverend Raphael Warnock **United States Senator**

Jackie Speier Member of Congress

Lois Frankel Member of Congress

Brenda L. Lawrence Member of Congress

Veronica Escobar Member of Congress

Sylvia R. Garcia Member of Congress

Jeffrey A. Merkley	Hakeem Jeffries
United States Senator	Member of Congress
Ben Ray Luján	Danny K. Davis
United States Senator	Member of Congress
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Member of Congress	Member of Congress
Cori Bush	Nanette Diaz Barragán
Member of Congress	Member of Congress
James P. McGovern	Lisa Blunt Rochester
Member of Congress	Member of Congress
Jahana Hayes	Pramila Jayapal
Member of Congress	Member of Congress
Jesús G. "Chuy" García	Bill Foster
Member of Congress	Member of Congress
Ayanna Pressley	Jimmy Panetta
Member of Congress	Member of Congress
Ritchie Torres	Joe Neguse
Member of Congress	Member of Congress
David N. Cicilline	Karen Bass
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Jan Schakowsky	Sheila Jackson Lee
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Bonnie Watson Coleman	Joyce Beatty
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Member of Congress	Member of Congress
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Marie Newman	Barbara Lee
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Debbie Wasserman Schultz	Ruben Gallego
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