The Honorable Chuck Schumer Majority Leader, U.S. Senate

The Honorable Bernie Sanders Chair, Senate Committee on the Budget

The Honorable Patty Murray Chair, Senate Committee on Health, Education, Labor, and Pensions

The Honorable Ron Wyden Chair, Senate Committee on Finance

The Honorable Nancy Pelosi Speaker, U.S. House of Representatives

The Honorable John Yarmuth Chair, House Committee on the Budget

The Honorable Bobby Scott Chair, House Committee on Education and Labor

The Honorable Richard Neal
Chair, House Committee on Ways and Means

Dear Majority Leader Schumer, Chair Sanders, Chair Murray, and Chair Wyden, Speaker Pelosi, Chair Yarmuth, Chair Scott, and Chair Neal,

As the budget reconciliation process gets underway, we write to encourage Congress to include and pass robust and multi-faceted investments to address the clear, persistent, and systemic problems facing our nation's early learning and care structure. The pandemic brought to light the essential nature of child care in our country, while also revealing profound flaws in the system. The bottom line is that America's existing child care market is unsustainable. Most parents can't afford the high cost of care, while too many Americans live in areas without access to quality care options at all. Further, providers can only charge what families in their area can afford, which often translates to near-poverty wages for early educators. Addressing these present and ongoing challenges requires a comprehensive approach to securing ample child care supply and capacity, while ensuring there are quality options available for families.

Federal relief funding was critical to ensuring the survival of child care, but it will not address its longstanding instability. As the country moves toward economic recovery, Congress must look across multiple jurisdictions to support a system that works for families and providers alike.

## Therefore, Congress must:

- Ensure parents have access to quality child care and preschool options that support children from birth through kindergarten by providing significant investments in the stability of a mixed-delivery system that includes center-based, home-based, and family child care, Pre-K programs, and Head Start.
- Increase the supply of early care and education programs by investing in the construction and improvement of child care facilities.

• Increase affordability for families paying for care by investing in child care subsidies and enhancing the Child and Dependent Care Tax Credit (CDCTC).

Specifically, this can be done by:

Ensuring a Sustainable System: Congress must build on existing federal programs by making long-term, robust investments in a mixed-delivery, birth-through-five system that provides access to high-quality early care and education that meets the needs of families. Quality improvements, which must include investing in the education and compensation of the workforce, require additional funding to ensure child care businesses do not have to pass along associated costs to parents or be penalized should they lack financial means to meet higher standards. Additionally, these investments increase options for safe, high-quality child care. Stable grant funding to providers across states and settings has been proven to work over the last year and should be continued to ensure a sustainable system.

**Building an Ample Supply:** Even before the pandemic, the supply of high-quality child care businesses was sparse and inadequate to meet the needs of working families: as many as <u>one in</u> three children with a working parent may lack access to care in their communities, with that gap more pronounced in rural areas. Investments in facilities are needed to address gaps in child care availability, particularly in areas considered <u>child care deserts</u>. Likewise, investment is needed to ensure existing facilities are safe and provide a positive learning environment.

**Supporting Families:** Too often, affordable child care is out of reach for many families. As we have seen over the last year, this <u>means parents</u> may choose to reduce their work hours or to leave the workforce altogether. To help more parents access and afford child care, Congress should increase funding and expand eligibility for child care subsidies through the Child Care and Development Block Grant. Additionally, Congress should seek to make permanent the enhanced <u>Child and Dependent Care Tax Credit</u> (CDCTC) so the recent, temporary, changes are sustained in order to support families who can least afford quality child care. While we support the expansion, extension, and improvement of the Child Tax Credit (CTC), the two credits have separate and distinct purposes. Scholars have indicated that families with lower household incomes are <u>more likely to use the CTC</u> to pay for essential costs such as food or rent. The CDCTC, on the other hand, is the only tax credit that directly helps parents' pay for child care. Making the recent changes to the CDCTC both permanent and refundable helps ensure parents have access to affordable, quality care.

The COVID-19 crisis exacerbated many of the problems already facing the child care industry. Families have long struggled to access affordable, high-quality options, and providers have faced precarious financial situations long before the pandemic took hold. Now is the time to address these pervasive flaws in the fabric of the American economy by investing in a high-quality system of early care and education to support families, businesses, and the workforce.

Sincerely,

Acelero Learning

Advance Illinois

Advocates for Children of New Jersey (ACNJ)

Alabama Partnership for Children

Alaska Children's Trust (ACT)

Alliance for Early Success

America Forward

Arizona Association for the Education of Young Children (AzAEYC)

Association of Illinois Montessori Schools (AIMS)

Big Blue Marble Academy (BBMA)

Bipartisan Policy Center (BPC)

**Bright Horizons** 

Cadence Education

California Child Care Resource & Referral Network

Center for American Progress (CAP)

Center for Law and Social Policy (CLASP)

Child Care Action Council (CCAC)

Child Care Aware of Washington (CCA of WA)

Child Care Aware® of America (CCAoA)

Child Care Resources

Child Care Services Association/T.E.A.C.H. Early Childhood® National Center

(CCSA/National Center)

Childcare Network

Childhaven

Children Now

Children's Alliance

Children's Campaign Fund (CCF)

Children's Home & Aid

Children's Home Society of Washington (CHSW)

Children's Home Society of West Virginia

Children's Advocacy Alliance (CAA)

Children's Institute

Clayton Early Learning

Colorado Children's Campaign

Community Organizing and Family Issues (COFI)

Connecticut Association for the Education of Young Children (CTAEYC)

Connecticut Early Childhood Alliance (CECA)

Council for a Strong America

Council for Professional Recognition

Delaware Association for the Education of Young Children (DEAEYC)

District of Columbia Association for the Education of Young Children (DCAEYC)

Early Care and Education Consortium (ECEC)

Early Learning NH

Early Opportunities

East Boston Social Centers

**Economic Opportunity Institute** 

Educare Learning Network

**Edward Street** 

**Endeavor Schools** 

First 5 Fox Valley

First Children's Finance

First Five Nebraska (FFN)

First Five Years Fund (FFYF)

First Up

Fond du Lac Area United Way

Georgia Early Education Alliance for Ready Students (GEEARS)

Golden Corridor Association for the Education of Young Children (GoAEYC)

Great Rivers United Way (GRUW)

Groundwork Ohio

Illinois Association for the Education of Young Children (Illinois AEYC)

Illinois Collaboration on Youth (ICOY)

Illinois Head Start Association (IHSA)

Illinois National Association for the Education of Young Children (INAEYC)

**Jumpstart** 

Kansas Action for Children (KAC)

Kaplan Early Learning Company

Kiddie Academy Educational Child Care

Kids Win Missouri

KinderCare Education

Kingsley House

Learning Care Group (LCG)

Learning Starts At Birth, Bank Street College

Let's Grow Kids (LGK)

Louisiana Policy Institute for Children (LPIC)

Main Street Alliance-Wisconsin (MSAWI)

Maine Association for the Education of Young Children (MaineAEYC)

Maine Children's Alliance

Maryland Family Network (MFN)

Massachusetts Association for the Education of Young Children (MAAEYC)

Minnesota Child Care Association (MCCA)

Nashville Area Association for the Education of Young Children (NAAEYC)

National Association for Family Child Care (NAFCC)

National Association for the Education of Young Children (NAEYC)

National Women's Law Center (NWLC)

National Workforce Registry Alliance (NWRA)

NC Child

NC Early Education Coalition

Nebraska Association for the Education of Young Children (Nebraska AEYC)

Neighborhood House

New Futures

New Hampshire Association for the Education of Young Children (NHAEYC)

New Horizon Academy (NHA)

New Jersey Association for the Education of Young Children (NJAEYC)

New Mexico Association for the Education of Young Children (NMAEYC)

New York Association for the Education of Young Children (NYAEYC)

Ohio Association for the Education of Young Children (Ohio AEYC)

Ohio Association of Child Care Providers (OACCP)

**Old School Academies** 

One Hope United (OHU)

Oshkosh Area United Way

Parents Leading for Educational Equity (PLEE)

Parents Organized to Win, Educate and Renew - Policy Action Council Illinois (POWER -PAC IL)

Pennsylvania Association for the Education of Young Children (Pennsylvania AEYC)

Pennsylvania Partnerships for Children

**Primrose Schools** 

Rhode Island Association for the Education of Young Children (RIAEYC)

Rhode Island KIDS COUNT

Right from the Start Campaign (Rhode Island)

Rodel

Save the Children

SC Association for the Education of Young Children (SCAEYC)

Schuyler Center for Analysis and Advocacy

SEIU Healthcare Illinois

Southeast Alaska AEYC (SEAAEYC)

Southern Arizona Association for the Education of Young Children (SAZAEYC)

Southwest Ohio Association for the Education of Young Children (SWOAEYC)

Start Early

Strategies for Children (SFC)

**Sunrise Preschools** 

**Teaching Strategies** 

TEAM for West Virginia Children

The Connecticut Association for Human Services (CAHS)

The Illinois Network of Child Care Resource and Referral Agencies (INCCRRA)

The Malvern School

The Registry, Inc.

The Wisconsin Partnership

Trying Together

United Migrant Opportunity Services (UMOS)

United Way Greater Milwaukee & Waukesha County (UWGMWC)

United Way Manitowoc County, Inc.

United Way of Dane County (UWDC)

United Way of Dodge County

United Way of Dunn County

United Way of Kenosha County (UWKC)

United Way of King County

United Way of Northern Ozaukee

United Way of Pennsylvania (UWP)

United Way of Salt Lake (UWSL)

United Way of Sheboygan County (UWSC)

United Way of the Greater Chippewa Valley (UWGCV)

United Way of Wisconsin

Virginia Early Childhood Foundation (VECF)

Virginia Promise Partnership

Voices for Utah Children

Voices for Vermont's Children

Voices for Virginia's Children

Washington Association for the Education of Young Children (WAEYC)

Washington Federation of Independent Schools (WFIS)

Washington State Association of Head Start and ECEAP

Washington State Community Action Partnership (WSCAP)

Washington State Parent Ambassadors (WSPA)

Wellspring Family Services

West Virginia CASA Association Inc (WV CASA)

West Virginia Foundation for Rape Information and Services (WVFRIS)

Wisconsin Chapter of the American Academy of Pediatrics (WIAAP)

Wisconsin Early Childhood Association (WECA)

Women's Fund of Rhode Island

Wyoming Kids First

YMCA of Metropolitan Chicago

Zero to Five Montana

ZERO TO THREE