

Child Care Cooperative Task Force

LANDSCAPE MEMO

Summary

We start with our grounding statement that: "**child care is the profession that makes all professions possible.**" shared with us by Karen Henkemeyer. Yet as we examine the landscape in the United States, Oregon, Multnomah and Washington Counties we have not historically seen that grounding statement expressed in action, legislation or support.

OREGON

Oregon and much of the country has "child care deserts" and COVID-19 has both expanded the need for child care, reduced the availability of child care and paradoxically provided one of the first opportunities in 80 years to center child care. Now is the time to secure public/ private partnerships, utilize expanded federal level support and acknowledge that the care of children is central to our success as a nation.

"For families with infants every Oregon county is a childcare desert. The picture is only slightly better for families with preschool-age children; families in 25 of 36 counties live in a child care desert. Issues of supply and public funding are greater for infant/toddler than for preschool-age child care supply. Increasing supply will not meet family needs unless the added slots are affordable, accessible, and high enough quality to meet safety and developmental needs of children.

MULTNOMAH/ WASHINGTON

Childcare is local; there is a limit to how far a family can travel to obtain childcare, and the majority of families find care near their home."

Last summer Washington County voters did not even get a chance to vote on funding that would have raised over \$125 million to expand childcare and after-school programs. Because a majority of commissioners voted against it.

Last fall in Multnomah County, Multnomah County, Oregon, voters decisively approved the creation of a free, year-round, full-day universal preschool program that will be available to all three- and four-year-old's in the county within ten years. The program offers a wide range of choices for families and will pay living wages to all classroom staff, including teaching assistants.

Summary Continued

NATION-WIDE:

Nation-wide "Child Care Aware America" says the system that pre-COVID 19 the fragmented, inequitable, inaccessible and underfunded. And they have found that COVID-19 demolished an already broken system and that the supply of child care in many states may not fully recover without significant dedicated support from federal and state governments

At the federal level the Biden administration's Coronavirus Aid, Relief, and Economic Security (CARES) Act (H.R. 748) Could potentially help transform how child care is provided in Oregon and around the county.

The CARES act includes a Child Care and Development Block Grant: \$3.5 billion in grants to states, territories and tribes for immediate assistance to child care providers to prevent them from going out of business and to otherwise support child care for families, including for healthcare workers, first responders, and others playing critical roles during this crisis.

Community Services Block Grant: \$1 billion in grants to states, territories and tribes to provide a wide-range of social services and emergency assistance for those who need it most. And the Head Start: \$750 million, which includes up to \$500 million for summer Head Start programs and the balance distributed to Head Start programs to help them respond to coronavirus-related needs of children and families. In addition, CARES transforms the child tax credit to a monthly payment that can yield between \$300 to over \$1500 per month in income depending on the number of children and parents' income.

TRENDS:

Child care is rising as a primary issue for business and industry as they look to ramp up and return to in-person working and expanding employee shifts. Child care is also front and center in both racial and gender equity as the impact in both the child care industry and for those seeking services has disproportionally women and specifically women of color. There are models out there where communities are working to solve the issue of licensing, access, cost, provider support and more. Ultimately what rises to the top is that we must consider a system of universal child care that is both affordable for users and pays providers a living-wage where they can make a career choice to care for children.

OREGON



Oregon

- Oregon's statewide childcare capacity has declined by about 22% since March 2020
- The largest decline occurred in the highest quality settings; availability dropped by over 45% during the first six months of 2020

The number of providers with a 5 Star rating in Oregon's Quality Rating and Improvement System dropped from 338 to 169 pre-pandemic and mid-pandemic.

Affordability: In 2018, the average cost of childcare in Oregon for one year was \$14,160. Oregon Progress Board adopted a benchmark that families should pay no more than 10% of their income for childcare.

- Families in poverty spend an average of 34% of their income on childcare.
- Availability: In 2018 there were 30 licensed childcare slots for 250 children ages 0-5

Acute need for infant and toddler care

 Quality: Used to describe specific characteristic of ECE (early childhood education) programs that research has associated with positive child outcomes. National estimates report that 60% of children under the age of 3 are in the category of "poor to fair", while 10% are in "excellent" care.

Oregon

Oversight:

The state provides oversight for child care and child care providers in Oregon. The state also sets the rules for licensing, training, insurance and locations of child care centers, family care, community care and others, see slide 9 for more detail. There are several state agencies and state funded agencies that help coordinate, oversee and fund child care in the sate:

- Department of Human Services: DHS
 - •The Employment-Related Day Care program (ERDC)
- Bureau of Labor and Industry: BOLI
 - Support for heavy highway apprentices
 - •The Pre-apprenticeship Childcare Initiative (PACCI)
- Oregon Department of Education: ODE
 - Early Learning Division
 - Child care Resource and Referral services: CCR&Rs

Resources:

The state serves multiple roles from a resource perspective. The Child Care and Development Fund (CCDF) provides resources to State, Territory, and Tribal grantees that enable low-income parents to work or pursue education and training. The Oregon Department of Education (ODE) and the Department of Human Services (DHS) can request Federal Funds Child Care Development Block Grant Funds (CCDBG). The Oregon Head Start Association (OHSA) is a 501 (c) (3) non-profit association which provides leadership, advocacy, and training for Oregon Head Start Pre Kindergarten (OPK), Head Start (HS), and Early Head Start (EHS) programs. The Association serves parents, staff, directors and volunteers through training activities, scholarships, conferences, a newsletter, website and assistance with resource development.

Oregon

Efforts Around the State:

The state of Oregon has approved \$250 million Summer Learning and Child Care package to help students and children learn, thrive, and have fun this summer. Combined with up to about \$75 million in federal funds, both in district matching funds and funding for the Employment-Related Day Care Program, as much as \$325 million will be invested in summer learning and child care programs.

- School Child Care Grants \$30 million: These grants will be used by Title I elementary schools and Tribes to partner with community-based providers to provide wraparound child care services—including health and wellness, mental and behavioral health, and nutrition services—for K-8 students participating in summer enrichment and academic programming. The funds will prioritize low-income, working families
- Early Learning Programs \$13 million: These resources will be used to help Early Learning Division grantees to continue providing their services to Oregon kids through the summer months. The programs include Oregon Pre-Kindergarten, Preschool Promise, and the Early Childhood Equity Fund.

Child Care Workgroup Discussion: The South Coast Regional Early Learning Hub: SCREL Steering Committee:

Bandon Community Child Care Center (BCCCC) Assessment

The goal was to bring a variety of partners together, see list in the notes section below, nonprofits, business and industry, funders address three elements: -Securing a backbone: SCBEC, -Securing space: BSD, -Securing funding: \$207,500 on the road to designing a pilot public/private child care pilot. The two slides that follow are from the SCREL steering committee and highlight the questions they are asking and what their next steps are.

Child Care in Rural Oregon: **Bold Approaches** to Address Systemic Inequity and Rebuild Child Care

- ODHS Child Care Survey data used to create accurate assumptions about cost variance
- Permanently waive, or significantly lower, co-payments for families who receive child care assistance
- Base child care assistance reimbursement on a child's enrollment rather that daily attendance
- Negotiate slot contracts with shared service hubs on behalf of a network of participating providers
- Revise chapter 414 of Oregon Department of Education rule to permit small child care located in a nonresidential setting to be licensed as a certified family child care home
- Support efforts to launch and scale a statewide strategy for linked regional provider networks, based on Shared Services framework, that include family child care and small centers across the state.

Next steps

- Child Care workgroup?
 - Legislative priorities
 - Regional alignment and representation
 - Education and awareness
 - Advocate for regional solutions to address lack of access to child care
 - Other?

From SCREL Steering Committee: Child Care Discussion Working Group.

3,029 2,493 <u>Child Care Programs</u> 2,108 2018 2019 As of July 2020 1,642 2020 State Fact Sheet 1,314 **OREGON** Children in Oregon Children under six 276,009 Children with all parents in the workforce Family Child Care Child Care Centers 169,500 Children at or near poverty % of "of Median Child Care Affordability Median 115,201 Income -Income -Single Married Child Care Spaces Parent Couple Child Care Center 2018 2019 As of July 2020 \$10,092 38% 11% Child Care Center Spaces Family Child Care \$7,848 29% 9% 76,213 \$10,092 per year 82,825 Child Care Center 11% 38% 49,963 \$7,848 per year Family Child Care 29% Family Child Care Spaces 28,590 \$7,536 per year 28% Child Care Center 31,223 \$7,392 per year Family Child Care 28% 8% 24,665 NR NR NR Child Care Center

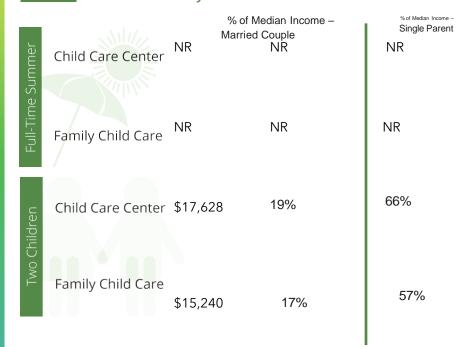
NR NR

Family Child Care

NR



Child Care Affordability Cont'd



In Oregon, a family of 3 with one child, earning 25% of FPL, pays 188% of their household income for child care.

Child Care Quality

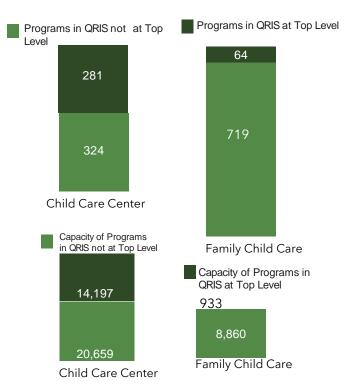
% of Nationally Accredited Programs

Child Care Centers

Child care Centers %5

Child care Home %2

Quality Rating and Improvement System



| <u>Li</u> | cense Exempt | <u>Lice</u> | <u>nsed</u> | | |
|---|---|---|--|---|--|
| Recorded Programs | Regulated Subsidy Provider | Registered Family Child Care | Certified Family Child Care | Certified Child Care Center | 2 |
| What are the care options? | Preschool programs that operate four hours or less per day and school-age programs that aren't required to be licensed. | reimbursement but are not required to be licensed. Includes family, friends and some program with limited hours. | Home-based child care program with up to 10 children. | Home-based child care program with up to 16 children. | Center-based child care program with number of children determined by floor space and number of staff. |
| Is this type of care regulated? | Recorded Programs: comply with background checks | Regulated Subsidy Providers: meet health and safety standards (on-site inspections) comply with background checks are regularly monitored participate in ongoing training | | kground checks with Of | standards (on-site inspections) fice of Child Care |
| Which are eligible to accept subsidy dollars? | No. Unless programs meet requirements for regulated subsidy. | These types of care can accept subsidy paymer | nts as long as they are li | sted with Department o | f Human Services. |
| Which are licensed? | No. These programs are recorded with the State. | No. | have a guidance have a daily rou are certified to h are trained in first are trained in ch | ducational activities e and discipline policy tine/schedule andle food preparation st aid and CPR ild abuse and neglect | evelopment hearth and safety |
| Which are eligible for quality ratings? | No. | No. | Eligible to apply for quemploy staff whouse materials, co | ality rating (3, 4 or 5 sta o meet training and edu urricula, and activities th | rs). Licensed child care: |

IN OUR COMMUNITIES CCR&Rs are located in 15 regions across Oregon:

- Blue Mountain (Union, Morrow, and Umatilla Counties)
- Clackamas County
- Central (Deschutes, Crook, and Jefferson Counties)
- Eastern (Malheur, Wallowa, and Baker Counties)
- Frontier (Grant and Harney Counties)
- The Gorge (Gilliam, Hood River, Sherman, Wasco, and Wheeler Counties)
- Lane County
- Linn, Benton, and Lincoln Counties
- Marion, Polk, and Yamhill Counties
- Multnomah County
- North Coast (Tillamook, Clatsop, and Columbia Counties)
- South Central (Douglas, Klamath, and Lake Counties)
- South Coast (Coos and Curry Counties)
- Southern (Jackson and Josephine Counties)
- Washington County

MULTNOMAH AND WASHINGTON COUNTIES



| County | Average yearly price of child care | Price as a percentage of 100% FPL for a family of 3 | Price as percentage of median household income |
|--------------------------|---|---|--|
| Oregon (State) | \$9,655 | 47% | 16% |
| Multnomah County, OR | \$10,642 | 52% | 15% |
| Washington County, OR | \$14,865 | 72% | 19 |

The Federal Poverty Level (FPL) is:

- -\$20,578 for a family of 3 with 2 adults and 1 child under 18
- \$17,622 for a family of 2 with 1 adult and 1 child under 18

Multnomah /Washington Counties

The Average monthly price for full-time child care per child in **Multnomah county is \$887 per child**, the state average is \$805. That represents 15% of the median household income for a family of a child under 6. In **Washington County the average price per child is \$1,239** which represents 19% of the median family income for a family of a child under 6. Experts suggest families pay no more than 7% of their household income, based on sliding scale fees, for child care.

Median Income Percentage to child care

| County | Median monthly price of child care | Median monthly income for a family | Price as percentage of median household income |
|--------------------------|------------------------------------|------------------------------------|--|
| Oregon (State) | \$805 | \$5,000 | 16% |
| Washington County, OR | \$1,239 | \$6,667 | 19% |
| Multnomah County, OR | \$887 | \$6,000 | 15% |

Multnomah County

In Multnomah County one significant change is the voter approved "**Pre-School for All.**" Financing for the program will come from a county income tax levied on the highest-income 8 percent or so of households. It's a two-tier tax structure that begins at 1.5 percent of income above \$125,000 (after deductions) for individuals and \$200,000 for couples.

Free, year-round, full-day universal preschool program that will be available to all three- and four-year-olds in the county within ten years.

- Will pay living wages to all classroom staff, including teaching assistants.
- Funded by a tax on high-income households
- The program will serve children who have not traditionally had access to preschool opportunities, who will get first dibs for spaces in the new schools.
- The program promotes the recruitment of preschool providers who are Black, Indigenous, and other people of color.
- Oregon is among the ten least-affordable states in the country for child care.
- Wide range of options for families, including a choice of language, schedules, and settings.
- Programs may focus on an individual linguistic group or culture but must be open to all.
- Home-based providers, child care centers, and public schools may all participate.
- Schedule options will include both school year and full year, part-time and full-time, up to five days a week, including weekend days.

All children will be able to attend for up to six hours a day, and families in the lower half of the income spectrum will have the option of up to ten hours a day of care.

Multnomah County

While pre-school for all is a revolutionary approach it will take several years before the program will reach the ability to enroll enough young students to impact the child care gap in the county.

In 2020 **Worksystems**, Oregon Department of Education Early Learning Division, and Oregon Department of Human Services launched a demonstration project to align workforce training and employment services with child care services. This person-centered approach incorporated the necessary supports for households with dependent children who are living in poverty to:

- Succeed at completing occupational training.
- Attain middle wage employment.
- Increase self-sufficiency including food and housing security through higher incomes.
- Increase access to quality early childhood development programs and Head Start.
 - Most recent data (December 2020)
- Participants receiving Child Care Assistance and training through WorkSource Portland Metro programs 31
- 24 Participants have completed training. 4 participants have not completed training. 85% Completion Rate
 - o 4 are still in training or have paused:
 - 1 was in final -term for nursing pre-reqs. COVID will delay her nursing start.
 - 1 is enrolled in online training. Should complete Summer 2021.
 - 1 was in Medical Assistant training at PCC and has paused for COVID.
- 23 of the 24 participants who have completed training are employed.
 - Only 1 participant started employment in a field not related to their training. 84% of completers are getting employed in field of training.
 - Average Wage = \$17.59

Washington County

Early Learning Washington County (ELWC) is one of 16 early learning hubs funded through the Oregon Department of Education. CYF partners with the United Way of the Columbia-Willamette to support the hub, which is made up of a range of community partners and residents. It takes a countywide approach to improving the ability of children to be ready for school and life success. This involves a holistic approach to the child that includes health, family health and stability, a wide range of social, emotional and educational supports in addition to educational programs and services.

- **Preschool Promise** provides preschool for those who would otherwise not be able to attend. The goal of the program is to increase kindergarten readiness and promote success in school. Currently almost 300 children are enrolled in Preschool Promise classrooms.
- PAX Good Behavior Game is an evidence-based social-emotional learning program that promotes nurturing classroom environments and teaches children preschool 8th grade social emotional skills. Over 900 school district teachers and staff have been trained in Washington County. PAX GBG improves attendance and increases time for teaching and learning. The program has also demonstrated long-term outcomes of reduced substance use, smoking, severe mental health issues, criminal behavior and suicide.
- **Kindergarten Partnership Innovation (KPI)** Current KPI programs are innovative strategies to support children and families to transition from preschool to kindergarten.
- Focused Child Care Networks The purpose of a Focused Child Care Network is to gather two cohorts of Latino Early Educators to meet frequently with a Quality Improvement Specialist to discuss best practices, access and share resources, receive training and encourage progress as they work toward increasing the quality of their programs. The Focused Child Care Networks will utilize Spark, Oregon's Quality Rating and Improvement System, as the framework to support continuous quality improvement with an expectation that programs will submit a portfolio to receive a Spark quality rating.
- **Black Student Success Program** provides a wide range of education and family supports for African immigrant families in select schools within the Beaverton School District. The program is a partnership with the Center for African Immigrants and Refugees Organization (CAIRO) and the Beaverton School District.

SHARED ISSUES

BARRIERS

- Rentals- cannot provide child care in a rental unit.
- Municipalities- permits needed, long wait times (creates barrier to recruitment)
- Physical locations for child care

■ HB 2484

- On Monday, February 8th, the Committee held a hearing on HB 2484, which provides protections
 to child care providers operating in rental homes. Two child care providers testified to share their
 powerful stories about searching for housing and having landlord after landlord said no."
- Navigation of resources
- Cost barriers for providers
 - High cost to quality care
 - Slim profit for providers because of cost of quality care
 - Stipend for child care providers
- Breastfeeding facilities

Hidden System

- Who makes up the hidden system: Immigrant parents/ Children of immigrants
- Language barriers
- Building Trust in communities
- Lack of refugee services

THE BUSINESS COMMUNITY

CENTER FOR AMERICAN PROGRESS:

Key findings

- The COVID-19 pandemic has dealt a striking blow to a child care sector that was already failing to support all families, and 4.5 million child care slots could be lost permanently.
- There were nearly 10 million mothers of young children in the labor force in 2019. This report explores how insufficient child care could affect their work, their wages, their long-term economic outcomes, and the economic recovery.
- This report estimates that the risk of mothers leaving the labor force and reducing work hours in order to assume caretaking responsibilities amounts to \$64.5 billion per year in lost wages and economic activity.
- Without both immediate and long-term action to shore up the child care infrastructure and establish more progressive work-family policies, the United States cannot achieve continued economic growth nor protect and advance gender equity.

BOLI

The business case

Businesses that provide on-site child care benefit from having an asset that prospective employees want: the ability to know that their children are in safe, nearby care. The business case for offering on-site or employer- sponsored child care benefits is strong:



Subsidies can give parents
the ability to pursue more
stable child care
arrangements, while
businesses can benefit from
tax credits for employerprovided child care.

- On-site child care can be a competitive advantage in employee recruitment and retention.
- Providing on-site care can improve morale and productivity, leading to less turnover and absenteeism.

Lack of reliable child care has a direct effect on the cost of doing business.

On a national level, the cost of absenteeism of working parents costs employers millions of dollars a year in lost productivity.1 While many businesses may be initially reluctant about costs, a 2005 study, "How Companies Can Benefit from On-Site Child Care." details how employers that offer on-site child care saw returns and savings between 50 and 200 percent of the costs to operate the child-care.² While large employers typically have more resources to invest in on-site child care, small employers have tools at their disposal to provide on-site or near-site child care to their employees. Small businesses can collaborate with other area small businesses to provide on or near-site child care, and share the cost.3

Employees with access to onsite child care have higher levels of productivity and improved morale.

A U.S. General Services Administration study determined that fifty-five percent of workers who were offered a child care subsidy expressed that they were better able to concentrate at work and forty-eight percent were more likely to stay, while threefourths believed that the subsidy has improved their job performance.4 Similarly, a survey of Bristol Meyers Squibb employees found that employees who used the on-site child care centers had a deeper commitment to the company and felt better able to balance work and life responsibilities. As a result, the workers felt more positive about their relationship with their supervisor and were much more positive in general than non-users.5

2. The presence of on-site child care is an employee benefit that can be a valuable recruitment tool to attract high quality employees.

A study conducted by Simmons
College Graduate School of
Management found that ninetythree percent of parents consider
work-site child care as an
important factor in job change, and
that forty- two percent of all
employees surveyed said that the
availability of on-site child care was a
significant factor in choosing their
current employer.⁶

 Subsidies and tax incentives provide benefits to both employers and employees in Oregon.

Several tax credits are available to employers and employees seeking support for on-site child care:

- Oregon is one of twenty states in the country that offers a state tax credit for dependent care assistance to employees, allowing employers to offset fifty percent of their child care expenditures against their state tax liability.⁷
- The Child and Dependent Care tax credit and the Working Family Child Care tax credit help lower income Oregon families afford child care through the reduction of tax obligations, and in some circumstances, a tax refund when the credit exceeds tax liability.
- The Employer Provided
 Dependent Care tax credit
 allows businesses to apply a tax
 credit which equals up to fifty
 percent of expenditures for
 providing child care assistance
 and referral information.⁸

Through a partnership with Learning Tree Day School, the hospital offers near-site child care for all employees at reduced rates.

Tuality Hospital

The centers offer an open-door possibility that allows family members to visit their children throughout the day in the interest of promoting a healthy work/life balance.

Fred Meyer and Oregon Health Sciences University

NATION-WIDE



This stimulus bill has several supports for child care providers and parents.

For parents:

An expansion of the child tax credit from \$2,000 to \$3,000, with an extra \$600 supplement for kids five years old and younger, and
higher limits on the child care and dependent credit — which lets parents or guardians deduct the cost of caregiving for dependents
up to a certain threshold — leaves them better equipped to pay for child care. This benefit is only temporary, it is uncertain if it will be
extended into 2022

Providers:

- A \$24 billion stabilization fund for child care providers. The stabilization fund money, which would be distributed at the state level, would provide funds for child care providers to deploy for a diverse array of uses.
- It includes \$15 billion allocation for child-development block grants.
- \$1 billion allocation for the Head Start early education program.

Oklahoma: Improving Services

Building the Supply of High-Quality Child Care for Infants and Toddlers

The Oklahoma Department of Human Services recently made a major step forward in addressing the shortage of high- quality child care by investing \$635,000 in new CCDBG Dollars to establish the Oklahoma Right Start Infant-Toddler Project. The project offers child care programs:

- Free formal training
- Four months of technical assistance focusing on infant-toddler care,
- 30 hours of free coaching, and
- Peer networking opportunities.

In order to be eligible, child care programs must be participating in the Oklahoma Quality Rating and Improvement System, and at least 10 percent of licensed capacity must be filled with children receiving state-funded subsidy assistance. The Oklahoma State CCR&R Network, Oklahoma Child Care Resource and Referral Association, Inc., is responsible for leadership and infrastructure support in the project, including training, technical assistance, data collection, and resources, to the local CCR&Rs that deliver direct services for providers in their communities.

- **+ Washington DC**: PRE-SCHOOL FOR ALL RESULTS (Multnomah County's Future?)
 - Some of this study's key findings include the following:
- In the years since Washington, D.C., began offering two years of universal preschool, the city's maternal labor force participation rate has increased by about 12 percentage points, with 10 percentage points attributable to preschool expansion.
- District of Columbia mothers with young children now participate in the labor force at about the same rate as District of Columbia mothers whose children are in elementary school.
- Maternal labor force participation increased among both low-income and high-income families. Maternal labor force participation was unchanged for middle-income families during the study period and is examined below.
- Women with young children also saw large increases in employment, with boosts to full-time work for married women and part-time work for unmarried women.⁸
- + These results suggest that two years of universal, full-day preschool is associated with a large positive effect on maternal labor supply—comparable in magnitude to the impact found in studies of universal preschool programs in other countries. On a national scale, policies that support maternal labor force attachment could contribute to faster growth in gross domestic product (GDP); stronger financial security for young families; and fewer career sacrifices by women, who assume a disproportionate share of their families' care responsibilities.

Birmingham Alabama: Public Private Partnerships

Strengthening Quality Child Care through Business Partnerships in Birmingham, Alabama

Resources, the local CCR&R in Birmingham, believes high-quality child care is the cornerstone of a thriving economy. Unfortunately, it found many communities in its service area have only a limited supply of qualified and well-trained child care professionals. For this reason, Childcare Resources partnered with several businesses and its philanthropic community to create model child care classrooms where aspiring child care professionals have access to hands-on learning experiences through a series of six 3-hour trainings. The goal of these model classrooms is to create a pipeline of quality child care professionals to provide service that helps Birmingham's children get the best possible start in life. Childcare Resources worked with funders in the community to build these classrooms, including PNC Bank, Borgosz Enterprises, The Daniel Foundation of Alabama, The Mike and Gillian Goodrich State Farm, and The Thompson Foundation.

The Impact: The Institute for Women's Policy Research

Roughly 17 percent of child care workers have lost their job since the start of the pandemic, according to data from the Bureau of Labor Statistics, and this burden falls to a huge extent on women. According to a report by the National Women's Law Center, women comprise 95 percent of the child care workforce in the U.S. Roughly four in 10 of those are either Latina or Black; 17 percent are immigrants.

Special issues Women/POC/Millennials:

The annual cost of center-based infant care costs millennials more than half of their median salary. In 48 states plus the District of Columbia, center-based child care for two children costs millennial parents at least 50% of their income.

"Without a public investment to create fairness, the economic landscape of early childhood programs will only continue to exacerbate inequality."

CHILD CARE AWARE OF AMERICA: CCAoA:

To better meet the needs of working families, CCAoA recommends that Congress:

- Authorize and appropriate higher levels of funding for the Child Care and Development Block Grant (CCDBG).
- Support legislation that invests in the child care workforce.
- Support family-friendly policies that allow parents to work and their children to thrive. CCAoA also recommends that state and local governments:
- Fully fund State CCR&R Networks to increase quality, consistency, and accountability.
- Ensure CCR&Rs are funded for targeted recruitment, retention, and community engagement activities, as well as data collection, analysis, and reporting.
- Expand state and local investment in high-quality child care by establishing tiered Child Care and Development Fund (CCDF) reimbursement rates based on quality rating.
- Collaborate with state and city planners to re-imagine land use and zoning laws.
- Improve compensation for the child care workforce.

Thus, **states should include all families in child care reform proposals,** while allocating the most assistance to those who need it most. A proposal advanced in Washington, D.C. has come the closest to articulating this vision: if funded, it would create a sliding scale that delivers financial assistance in accordance with each family's needs.

No matter their design, child care policies should provide financial assistance that limits the amount a household pays in child care expenses to no more than 7 percent of household income, regardless of the number of children in the family who need child care. This figure reflects the U.S. Department of Health and Human Services' definition for affordable child care. If a sliding scale model is used, it should differentiate the proportion of income a family pays, with low-income families receiving free child care and higher income families contributing up to 7 percent.