



## *Child Care is Important to Pennsylvania Families*

Pennsylvania has almost 900,000 children ages five and younger. These children are our most precious resource, and represent the Commonwealth's future. How we nurture, education and stimulate their interests and imaginations will determine the kind of Pennsylvania we will have tomorrow.

More than 60% of Pennsylvania children under the age of five have a single or both parents in the workforce and 64% of all children under six years old spend some time each week in non-parental care. Pennsylvania's working parents, especially those of the lowest incomes, have difficulty paying for high quality, reliable child care. Funds from the Federal Child Care and Development Block Grant support child care assistance for 100,000 children, but that represents only one-fourth of eligible children.

Quality child care helps prepare children for school and for life. Studies have found that \$1 invested in early education results in \$2-\$7 in savings in remedial education and social service costs.

House and Senate bills reauthorizing TANF and the Child Care Block Grant programs include only \$1 billion in new funding over five years. This is simply not enough to meet the increasing demands of welfare reform, or to provide affordable, high quality care for Pennsylvania families. Maine Senator Olympia Snowe is proposing an amendment to increase mandatory child care funding by \$6 billion for a total of \$7 billion over five years, which will bring \$272 million in new funds to Pennsylvania. This increase is vital to Pennsylvania's ability to meet the child care needs of working families.

- ❖ **Federal child care funding is the primary source of support for families who can't afford quality care.** 75% of Pennsylvania's child care funding comes from federal sources, the bulk of which is our Child Care Development Block Grant (CCDBG) allocation. CCDBG is used to provide child care subsidy to 100,000 families and to improve the quality of care for all children.
- ❖ **Pennsylvania is struggling to meet the child care needs of working families.** Although the Rendell administration is working hard to eliminate the waiting list by shifting resources, thousands of Pennsylvania's working families continue to wait for child care subsidy. The need for child care subsidy in Pennsylvania is growing.
- ❖ **Pennsylvania needs additional funds to serve all low-income families.** Child care is the single most costly item for most families with young children. Without child care assistance, low to moderate income families cannot afford the high cost of quality care which can be anywhere from \$4,000-10,000 a year. Current funding provides assistance to only 1 out of 4 eligible children in Pennsylvania.
- ❖ **Pennsylvania lacks the resources to assure that child care programs consistently meet the standards** necessary for children to reach school fully prepared. High turnover rates and declines in teacher preparation threaten the quality of child care programs. CCDBG funds allow Pennsylvania to support programs such as TEACH early childhood scholarship programs, Keystone Stars, and the Pennsylvania Pathways system.
- ❖ **Loss of child care assistance would cause severe hardships to Pennsylvania's working families and hurt our local economy.** Inability to secure child care subsidy will challenge a parent's ability to maintain employment and self-sufficiency. Family issues including lack of child care make up 21% of employee sick time and cost employers an average of \$800 a year, per employee, in expenses (2001 CCH Unscheduled Absence Survey).
- ❖ **The Senate Finance bill will not provide enough to sustain assistance at current levels.** Under the Senate Finance Bill, an estimated 430,000 children would lose their assistance by fiscal year 2008 (Center for Law and Social Policy, September 2003).
- ❖ **A \$7 billion increase in mandatory child care assistance is needed to ensure that current recipients do not lose assistance.** The Snowe amendment will increase child care spending by a total of \$7 billion over five years and would result in \$272,200,000 in new child care funding to Pennsylvania.

*We urge Senators Specter and Santorum to support the Snowe amendment for additional child care funding for Pennsylvania families.*