

Comments for HHS Administration for Children & Families
Request for Information on Improving Access to Affordable, High Quality Child Care
[Docket No. HHS-ACF-2019-0005]

These comments are respectfully submitted on behalf of the Schuyler Center for Analysis and Advocacy in response to the HHS Administration for Children and Families' Request for Information on Improving Access to Affordable, High Quality Child Care (the "RFI").

Since 1872, Schuyler Center for Analysis and Advocacy has advanced policies that strengthen New York families and improve child well-being so all New York children have a fair opportunity to thrive. We champion policies that strengthen families before they experience crises or trauma and prevent families from enduring hardships like ill-health, economic insecurity, child welfare involvement, or encounters with juvenile justice. Another overarching priority: ensuring comprehensive and strategic investment in our youngest New Yorkers, ages 0 to 3, when their brains and bodies are most rapidly developing, with impacts that can last a lifetime.

Schuyler Center is a founding member of the Empire State Campaign for Child Care, *Winning Beginning New York*, and Ready for Kindergarten, Ready for College, which together represent more than 70 organizations – advocates for children and families, child care providers, parents, faith and union leaders – from across the state, and are committed to achieving equitable access to quality child care for all New York children and working families that need it. We also participate on the NYS Governor's Child Care Availability Task Force.

Our primary message – which we believe relates to every question presented in the RFI – is the need for more funding. While there are regulatory and programmatic items that can be improved, no amount of tinkering with regulations will change the fact that (1) millions of children currently eligible for a child care subsidy are unable to access one due to lack of funding and (2) millions more families who exceed eligibility levels are unable to afford regulated child care.

Access to high quality, affordable child care is critical to supporting working families, promoting the healthy development and well-being of children, and to New York State's economic development.

For many New York families with young children, child care is their largest monthly bill. New York State ranks among the most expensive states for child care in the nation.¹ The average cost for full-time center-based care is \$15,000 a year for an infant. The shortage of child care subsidies and other supports to help families cover these costs causes significant economic hardship to working New York families. Studies show that lack of access to child care causes many parents – overwhelmingly women – to drop out of the workforce for longer periods of time, sharply reducing family income for the period the caregiver is out of the workforce, and lowering future earnings and retirement savings.²

Child care expenses are also a leading contributor to family poverty.³ Yet, due to chronic underfunding, it is estimated that fewer than 20% of New York families earning less than 200% of poverty receive child care subsidies.⁴ The number of children left out in NY is estimated to be 536,000 children (eligible but not covered, in families likely to take a child care subsidy if available based on a 50% take-up rate). And, because children of color in New York are much more likely to be low-income than white children, they are disproportionately impacted by the shortage of subsidies. 52% of Hispanic and 57% of Black children in New York live below 200% of the poverty threshold, as compared to 28% of white children.

Even for middle-income families who can cover child care costs, many cannot find quality care in their communities. More than 64% of New Yorkers live in child care deserts, meaning that they live in a community with no child care, or so few providers that there are more than three children for every licensed child care slot.⁵ The shortage is particularly severe for infants and toddlers. It is estimated that there is one licensed spot for every seven infants or toddlers who may need care.⁶

The shortage of quality, affordable child care not only causes New York families and children to suffer economic hardships, it also hurts New York's businesses and its economy. Indeed, the U.S. Chamber of Commerce Foundation last year issued a compelling report making the business case for expanding access to quality child care, and calling upon business leaders to champion investment.⁷ The lack of access to affordable, quality child care causes businesses to suffer decreased productivity as a result of employee absenteeism and higher rates of turnover.⁸ Companies in the United States lose over \$3 billion annually as a consequence of child care related issues, predominately absences due to a lack of accessible child care.⁹

Child care as an industry can be an economic driver. In New York, industry revenue combined with spillover effects (additional spending in the community) has a \$6.8 billion impact on the economy.¹⁰ And, the industry is mostly composed of small, often women-owned, businesses. The economic impact of the industry would be even greater if more of the child care workforce was paid a living wage. Child care educators caring for New York's youngest are paid wages that leave them living at or near poverty without benefits, and can undermine quality due to high turnover and the stress of economic insecurity.¹¹

We appreciate the federal increase to CCDBG funding in 2017, but this did not suffice to even cover the high costs of implementing the new health and safety regulations passed in 2014 with CCDBG reauthorization, let alone extend access to the thousands of families currently unable to access child care assistance.

The federal government should establish a goal of universal access to affordable, high quality child care, and then begin making investments that achieve that goal. Public investment is needed to fill the gap between what families can afford to pay and what workers need to make to support themselves and provide high quality care to young children. These investments should focus on equity, ensuring that underserved areas receive the most support and financial resources are targeted to low-and moderate-income families.

In conclusion, the major barriers to access to affordable, quality child care are primarily related to the inadequate funding of the system. There are opportunities to make changes in the margins that could increase the efficiency of the system, but these will not address the underlying lack of funding. We urge the federal government to provide our current child care system with the public investments needed to make it work for all families with young children.

December 2, 2019

¹ *Child Care Aware of America*. (2018). The US and the High Cost of Child Care.

[https://cdn2.hubspot.net/hubfs/3957809/costofcare2018.pdf?_hstc=&_hssc=&hsCtaTracking=b4367fa6-f3b9-4e6c-acf4-b5d01d0dc570%7C94d3f065-e4fc-4250-a163-bafc3defaf20%20p.%2038 pp.29-33](https://cdn2.hubspot.net/hubfs/3957809/costofcare2018.pdf?_hstc=&_hssc=&hsCtaTracking=b4367fa6-f3b9-4e6c-acf4-b5d01d0dc570%7C94d3f065-e4fc-4250-a163-bafc3defaf20%20p.%2038%20pp.29-33).

² Doerer, K. (2016, June 21) "How much does it cost to leave the workforce to care for a child? A lot more than you think." *PBS News Hour*. <http://www.pbs.org/newshour/making-sense/how-much-does-it-cost-to-leave-the-workforce-to-care-for-a-child-a-lot-more-than-you-think/>

³ Mattingly, M. J. and C. T. Wimer. (Spring 2017). Child Care Expenses Push Many Families Into Poverty. Carsey Research, National Fact Sheet #36. *University of New Hampshire, Carsey School of Public Policy*. <http://scholars.unh.edu/cgi/viewcontent.cgi?article=1303&context=carsey>

⁴ See Schmit, Stephanie and Walker, Christina. (2016, Feb.) Disparate Access: Head Start and CCDBG Data by Race and Ethnicity; Appendix IV. Low-Income Children Ages 0-13 Served by CCDBG by Race and Ethnicity. CLASP. <https://www.clasp.org/sites/default/files/public/resources-and-publications/publication-1/Disparate-Access.pdf> (reporting that 122,233 children were served, or about 80% of those eligible); New York State's Office of Children and Family Services estimated that 126,000 children received subsidies each month during 2015-16 (power point presentation, ("Child Care Subsidy Program Overview," presented at Child Care Roundtable, August 17, 2017).

⁵ *Center for American Progress*. Child Care Access in New York. (2018)

<https://childcaredeserts.org/index.html?state=NY>

⁶ This ratio was computed by the Early Care and Learning Council using census data; data from the Office of Children and Family Services related to licensed child care slots and common assumptions related to child care take up rates. (On file with Schuyler Center.)

⁷ Stevens, K.B. (2017, Jun.). Workforce of Today, Workforce of Tomorrow: The Business Case for High-Quality Childcare. *U.S. Chamber of Commerce Foundation Center for Education and Workforce*.

https://www.uschamberfoundation.org/sites/default/files/Workforce%20of%20Today%20Workforce%20of%20Tomorrow%20Report_0.pdf

⁸ Elswick, J. (2003, Jun. 15). More Employers Offer Back-Up Care. *Employee Benefit News*.

http://www.accessmylibrary.com/coms2/summary_0286-23549740_ITM

⁹ Elswick, J. (2003, Jun. 15). More Employers Offer Back-Up Care. *Employee Benefit News*.

http://www.accessmylibrary.com/coms2/summary_0286-23549740_ITM

¹⁰ Committee for Economic Development, Child Care in State Economies. (2015)

¹¹ *Center for the Study of Child Care Employment Institute for Research on Labor and Employment University of California, Berkeley*. (2018). Early Childhood Workforce Index 2018. p. 161. <http://cscce.berkeley.edu/files/2018/06/Early-Childhood-Workforce-Index-2018.pdf>. Maria Korjenevitch and Rachel Dunifon. *Child Care Center Quality and Child Development*. Cornell University, College of Human Ecology. 2010.

https://www.human.cornell.edu/sites/default/files/PAM/Parenting/Child-20Care-20Center-20Quality-20-20Development-20Brief_FINAL.pdf See also *New York Times Magazine*, "Why Are Our Most Important Teachers Paid the Least? Would improving their training – and their pay – improve outcomes for their students?" (January 9, 2018). <https://www.nytimes.com/2018/01/09/magazine/why-are-our-most-important-teachers-paid-the-least.html>