



## **APHSA Calls on Congress to Provide Immediate, Guaranteed Long-Term Investments in our Nation's Child Care System**

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Our nation's child care system is the cornerstone that supports not only the early development of our children and economic opportunity for families, it is also a critical part of the economic infrastructure of communities. Yet, as a country we continue to underinvest in child care, resulting in barriers to access, quality, and affordability for families and hampering the ability of the child care market to support the economic growth of communities. The bold and decisive actions by Congress to bolster the child care market in the wake of the COVID-19 pandemic provided a lifeline to this system, helping states make long-needed investments to support child care providers and the children that rely on them. As state child care agencies plan for the wind down of these temporary investments, our ability to catalyze these down payments into transformative change rests upon Congress' willingness in the coming months to enact long-term reforms to the child care system that enables all states to develop sustainable solutions for the children, families, providers, and communities they serve.

As the bipartisan membership association representing public human services agencies that administer both child care assistance and the broader array of services that support family and economic well-being, we have outlined a set of guiding principles that should underpin urgent action needed by Congress to pass legislation that strengthens our child care system.

### **Provide Guaranteed and Immediate Increased Investment in Child Care that Supports Long-Term Planning**

- ✓ Additional federal funding is critically needed for states to expand access, improve quality, and increase affordability in child care and stabilize the entirety of the child care market
- ✓ To institutionalize structural improvements to child care policies and programs, states must have assurance of sustained, guaranteed multi-year enhanced funding that enables long-term planning
- ✓ For states to leverage short-term COVID-relief investments to implement and sustain long-term child care program improvements, assurances of additional funding must come quickly, before temporary relief expires

### **Offer Flexibility and Leverage the Existing Block Grant Structure to Scale Child Care Improvements**

- ✓ The Child Care and Development Block Grant (CCDBG) provides an existing, flexible structure for states to scale up and deploy increased investments in child care in ways that best meet the needs of their families and communities
- ✓ States should also have flexibility to test innovative approaches to expand access to child care beyond the current limits of CCDBG via demonstration projects

## **Develop Comprehensive Strategies for States and the Private Market to Ensure Affordability**

- ✓ For individuals, states need to be resourced to ensure affordability through a sliding fee scale for co-pays without having to sacrifice on their ability to ensure access for all eligible households
- ✓ For child care providers, states need the resources to provide reimbursement rates that reflect the true cost of delivering high quality care via a cost estimation model
- ✓ The child care subsidy system must have a significant share of the overall child care market in order for affordability investments to positively improve affordability within private child care
- ✓ Efforts to improve affordability through child care subsidies must be paired with strategies that address costs in the private market via tax credits, employer-supported care options, and other strategies that mitigate child care costs for employers and employees

## **Preserve a Mixed Delivery System of Child Care Able to Meet the Diverse Needs of Children and Families**

- ✓ Child care resources, technical assistance, and quality improvement investments should be adaptable to support a mixed delivery system of center- and home-based care, including informal family, friends, and neighbor care
- ✓ Explicit focus is needed to promote availability of inclusive care and non-traditional hours of care

## **Address the Need to Build Supply and Support Guaranteed Investments in Child Care Infrastructure**

- ✓ Dedicated resources are needed to address gaps in availability of child care, including funding for capital investments in child care infrastructure
- ✓ To promote child well-being and healthy development, existing providers need business sustainability supports that enable them to invest in quality improvements, employee compensation, and professional development for the child care workforce

## **Align Investments in Child Care with the Broader Continuum of Early Childhood Supports**

- ✓ Investments in child care should be considered alongside integrated solutions to preschool and Head Start, fostering alignment in quality standards and addressing potential shifts in the cost of care that may result from changes across the continuum of early childhood services
- ✓ Workforce strategies should prioritize building career pathways that foster equity and alignment in professional development across child care and the broader early childhood system
- ✓ Long-term planning should focus on comprehensively blending early childhood funding streams to create full day, full year, high quality programs that meet the needs of all families