

# PRESERVE HIGH-QUALITY CHILD CARE FOR WORKING FAMILIES

## Invest in Working Connections Child Care

Low Working Connections Child Care (WCCC) reimbursement rates undermine high-quality early learning. WCCC reimbursement rates have declined so much (as low as 30% of private rates) that child care businesses struggle to provide high-quality care for our most vulnerable children. If rates do not increase many programs will be forced to stop serving low-income families or even shut down.

We call on the legislature to fund the cost of quality child care by investing \$85.5 million into WCCC child care center reimbursement rates. This investment is necessary for:

### Children:

Children who benefit from high-quality early learning:

- Will earn on average 33% more than children who do not<sup>1</sup>
- Are 30% more likely to graduate from high school<sup>2</sup>
- Are less likely to be teen parents

#### Families:

- WA is the 6th most expensive state in the U.S. for care of an infant in a child care center.<sup>3</sup>
- The yearly cost for an infant in a center is more than 50% of the state median income for single mothers.<sup>3</sup>
- Child care is often a family's 2nd biggest expense after housing.
   Young families spend more annually on child care than the average annual cost of state college tuition.

## **Providers:**

- Last year the median wage for child care workers in WA was below the new minimum wage, resulting in high turnover and undermining quality improvement.
- 39% of WA's child care workforce is on public assistance, costing the state over \$34 million. Caregiver well-being is a critical component of high-quality early learning.<sup>4</sup>
- Since 2011, the number of licensed child care programs in WA has declined by 22%,<sup>5</sup> reducing parent choice. If rates do not increase this year, many more will close.

#### **Economy:**

- Access to high-quality child care allows families to stay in the workforce, reducing reliance on public assistance.
- A strong, high-quality child care and early learning system preserves and builds thousands of child care small businesses.



Supporting high-quality child care and early learning yields a 13% return on investment and produces the greatest returns in human capital<sup>6</sup>



A 5% increase in male high school graduation rates in WA would save an estimated \$50 million in incarceration and crimerelated costs<sup>6</sup>



"We are a low-income center...and serve 97% state paid (DSHS) children, leaving only 3% cash pay to fluctuate pricing in order to make up for pay lost through the state. It is not fair to our cash-pay families to pay more money to make up for DSHS not increasing the wages paid for the clients they provide services to."

~ Whitney Sykes, supervisor, Planet Kids, Spokane

 $<sup>^1</sup> National \ Institutes \ of \ Health \ "The \ Study \ of \ Early \ Child \ Care \ and \ Youth \ Development," \ https://www.nichd.nih.gov/research/supported/seccyd$ 

researcn/supportea/sectya
First Five Years Fund Invest in Us Report 1. National Institutes of Health "The Study of Early Child Care and Youth
Development," https://www.nichd.nih.gov/research/supported/seccyd

<sup>&</sup>lt;sup>3</sup> Child Care Aware of America Parents and the High Cost of Child Care 2016 Report

<sup>&</sup>lt;sup>4</sup> Center for the Study of Child Care Employment Early Childhood Workforce Index, University of California, Berkeley

<sup>&</sup>lt;sup>5</sup> Child Care Aware of Washington 2016 Data Report

<sup>&</sup>lt;sup>6</sup> Professor James Heckman, The Heckman Equation, http://heckmanequation.org/