

Issued April 2009

As a nation, as a state, and as taxpayers, we must choose wisely when looking at investment options. We should seek and focus on those opportunities that will be successful—those in which the profits attained greatly outweigh the costs contributed. That same rationale should be applied as our state government decides where to direct funding and additional resources among various programs and initiatives.

The Childcare and Parent Services (CAPS) program, administered by the Division of Family and Children Services, affords many of Georgia's low-income working families access to reliable child and after school care for children birth to 13, by defraying a portion of the cost. CAPS enables parents to remain in the workforce and ensure their children are safe and supervised. Georgia should expand its ability to keep children safe and their parents working by leveraging more federal funds and eliminating waiting lists so every child in need of care can be served in quality learning environments.

Why are child care subsidies necessary?

FACT: There is a substantial need for child care subsidies in Georgia.

- Nearly 60% (522,063) of all children in Georgia under age 6 require child care while their parents work; nearly half of these children (224,330) live in single parent families.
- 4,000 to 7,300 children are on waiting lists for child care assistance. In early 2007, 34 states did not have waiting lists, and **only 2 states had waiting lists longer than Georgia's.**

"In this declining economy, our afterschool program fills a growing need for working parents, who use subsidies to afford high quality care for their children who are also enrolled in Georgia PreK and Kindergarten."

*Mary Miller, Director of
Children & Youth Services,
City of Decatur*

FACT: Child care subsidies strengthen the workforce and economy.

Research supports what employers know through experience: Parents perform better in the workforce when they have consistent access to child care.

- Through child care subsidy payments, the state of Georgia is the single largest purchaser of child care services and as a result, dramatically shapes the diversity and quality of the system.
- Mothers whose children are in child care experience more stable employment and higher earnings than those without access to child care.
- Georgia businesses lose approximately \$87 million annually due to child care problems for employees.

FACT: Child care subsidies keep kids safe and accelerate learning.

- Unsupervised children are at increased risk of harm or death due to household accidents, fire, poisoning, firearms and unmonitored internet access.
- Being supervised after school reduces the risk that middle school students will smoke, drink, or abuse drugs by 50%.
- High quality child care has been demonstrated to enhance children's developing language and cognitive abilities.

When parents can't afford child care, their options are severely limited and often mean children are not provided safe and supervised care throughout the working day. Child care subsidies offer families options which enable them to perform effectively on the job, and ensure that their children are safe and learning throughout the day and in after school care.

FACT: Child care subsidies are critical supports for working families.

- The amount a Georgia family spends for one year of child care for an infant and a four-year-old is about the **cost of tuition for three college students** at a public university in Georgia.
- The US Department of Health and Human Services recommends that families spend no more than 10% of their gross income on child care. To meet this goal, Georgia families needing infant care would **have to earn at least \$69,000 annually** – far more than even the \$51,000 median income of families with children in our state.

“Child care is one of the most significant barriers that prevents adults from fully participating in the workforce.”

*Georgia's State Workforce
Investment Board*

Congress has acknowledged the need for child care services through the American Recovery and Reinvestment Act, which includes significant new funds for child care assistance. Georgia is expected to receive more than \$72 million to support these vital services for children birth through 12 years old. These services are critical to getting parents into education and training programs and back to work.

To assure that child care subsidies yield the greatest benefit possible for children and families, the Georgia Birth to Five Coalition endorses:

1. **Expanding child care subsidy slots to meet demand for services and making grants directly to early care and learning providers.** Annual child care subsidy allocations are failing to keep pace with Georgia's growing population of families with young children. Georgia should eliminate its waiting list and serve all eligible families. Direct grants to providers would substantially increase stability for child care programs.
2. **Raising income eligibility requirements over time.** Georgia should increase eligibility—now only 50% of state median income—to 85% (the amount allowed by federal regulation) so more children can participate.
3. **Relocating the Childcare and Parent Services program (CAPS).** Bright from the Start, the Georgia Department of Early Care & Learning, is best positioned to assure quality improvements in Georgia's child care system and should administer this vital child care program.
4. **Producing an annual report on child care subsidies.** Too little regular information is available to measure the scope and impact of child care subsidy services for young children and their families in Georgia. The state should generate a robust annual report that provides the public with qualitative and quantitative data to assess this vital program.

Lend your voice to state efforts to ensure that children have quality care when they need it!

To join the Georgia Birth to Five Coalition, or for more information, please visit www.georgiavoices.org.

For a complete list of references, please visit www.georgiavoices.org.



Improving Child Care Subsidies

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