



# Early Care and Education Consortium

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December 9, 2008

The Honorable Nancy Pelosi  
United States House of Representatives  
Washington, D.C. 20515

Dear Madam Speaker:

The Early Care and Education Consortium (ECEC) represents the nation's leading providers of child care and early learning programs. ECEC members' 7,600 child care centers serve nearly 800,000 young children from all income levels and employ tens of thousands of early educators across the country. ECEC members know the needs of the communities they serve, and the policies that work, especially now in this time of economic crisis.

We applaud your efforts to work with President-elect Obama in developing an economic recovery measure. **We urge you to include \$3 billion for child care through the Child Care and Development Block Grant (CCDBG).** Doing so will create jobs in the child care sector and help working parents find and keep jobs.

**Creating 2.5 million new jobs and putting people back to work can not be done without child care.** An economic recovery package focused on job creation must recognize that parents of young children can not go to work without child care. The young children of these workers will need a safe place to be; families eligible to receive child care assistance will need access to that assistance right away so they can go to work. Investing \$3 billion in CCDBG will serve an additional 482,684 children so their parents can work.

**Child care is an important sector of the economy in its own right.** The licensed child care sector allows parents to earn more than \$100 billion annually and these additional wages, in turn, generate nearly \$580 billion in direct and indirect labor income, approximately \$69 billion in tax revenues, and more than 15 million jobs. An additional \$3 billion investment would help create paid work for 189,600 caregivers.

**Child care pays immediate rewards and creates longer term benefits.** There are nearly 12 million children under age 5 in some form of child care every week in this country, and approximately 1.7 million are served by CCDBG child care assistance, subsidies for working families to help pay for the high cost of child care. Decades of research have shown that high-quality child care and early learning programs improve a child's readiness for school. Reliable, high-quality early childhood programs not only gives working families the support and peace of mind they need to be productive at work, but these programs are critical to children's future success and to our national economic success.

**Child care assistance offers immediate relief to struggling families.** Cuts to assistance, and the ever-increasing cost of child care, mean more families can not pay for child care. Parents of all income levels are forced to look for alternatives or risk losing their jobs. The challenges brought by national economic decline include families' struggles to afford the basics of housing, rising food costs, and high quality, affordable early childhood care and education programs. As unemployment increases and salaries, hours and wages go down at all kinds of jobs, child care choices are directly impacted. Parents are stringing together caregivers and hoping for the best as they work, look for work, or seek job training.

**We urge you to use the opportunities present in the economic stimulus and recovery package to include \$3 billion for the Child Care and Development Block Grant (CCDBG).** These funds could be put to use right away to support parents going to work: state agencies are ready to distribute these funds and the child care provider community has capacity and is ready to serve families. The bulk of child care funding goes to pay for staff, and therefore, additional child care funding will very quickly result in increased child care provider employment.

Investing in high quality, affordable child care helps America's children, families, workers, and communities prosper. Thank you for your consideration of this critical component of economic recovery. Please contact me at (202) 408-9624 if we can be of assistance.

Sincerely,

Eric J. Karolak, PhD  
Executive Director

Attachment:

*The Economic Downturn: The View from America's Child Care Centers*