

February 10, 2017

Greetings,

Thank you for the opportunity to comment on the FY18 state budget. Windham Child Care Association is the Community Child Care Support Agency for the Brattleboro AHS Region. Our mandate is to support the 66 for and non-profit business entities that provide the early care and education and afterschool care in our region as part of the regulated system. We are in favor of Governor Scott's proposal to add significant additional funding for the Child Care Financial Assistance Program (CCFAP). This is an important step toward implementing some of the short-term recommendations from the Blue Ribbon Commission on Financing High Quality Affordable Child Care.

In our region, 74% of early education providers are enrolled in the quality rating system STARS and 65% are rated at 3-5 STARS. Even though they provide a high quality service to families, most providers net income is below \$25,000/year. It is very difficult to attract and retain skilled early educators at this pay scale. This is one major reason the Blue Ribbon Commission recommended additional investment in the early education system.

WCCA is the agency that determines family eligibility for the CCFAP. During FY16 we found 355 families caring for 528 children eligible for some assistance.

Access to high-quality child care is not only a basic need for working families but is vital to the economic health of our community.

- According to the US census Bureau, 72.2% of Windham County parents with children under age six are in the labor force.
- 16.7 % of children in Windham County live in poverty which is equal to \$20,090 family of 3 and \$15, 930 for one parent and one child. Many of these families have parents who are employed.

Almost all families struggle to pay for child care – which can cost more than tuition at a state college.

- Full time care for a single child can cost between 12-14% of a married couple's income, or up to 42% of single mother's income.
- The average cost of full time child care in for a four-year old in a licensed center in Windham County \$8,758.

Any business that has employees with children depends on their workers having access to safe, reliable, affordable care for their children.

- Nationally business experience \$3 billion year in losses due to child care break down.
- Locally, 29 % of families experience a loss of wages or employment due to a child care breakdown.

The child care subsidy has an even wider impact on our local economy than many people realize. A study from Cornell University in 2011 showed that every \$1 is state subsidy funds paid to child care providers in Vermont generated an average of \$1.90 in local economic activity. In FY 2016, approximately \$2.9 million were paid to local early care and education providers through CCFAP. Those funds were used to pay wages to early educators



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and to purchase needed food, fuel, supplies and equipment, generating \$5.5 million dollars in economic activity in the region.

In addition to the short term economic impact of investment in early care and learning the idea that there is a positive return on investment in early childhood programs is supported by many sources. A recent report from the Vermont Business Roundtable concludes that "Society would receive \$3.08 for every additional dollar invested by Vermont's government in the expansion of early care and learning programs. After deducting costs, each child would produce more than \$52,000 in lifetime benefits to society."

(<http://www.vermontbiz.com/news/february/new-report-makes-economic-case-spending-more-and-earlier-learning>).

The Blue Ribbon Commission's advice to the State is to continue to make prudent investments in children and families for the benefit of all of Vermont's social and economic health. We heartily agree hope that additional funds for CCFAP are include in the FY18 state budget.

Kind regards,

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Windham Child Care Association