

## Why Quality Affordable Child Care is Important:

- Research documents that children who attend high quality child care programs perform better on measures of cognitive skills and social skills. Quality child care reduces rates of drug use, criminal activity, and teen pregnancy.
- Access to child care subsidies increases rates of workforce participation. In 2002, child care allowed more than 32,000 Rhode Island parents to go to work and generate earnings of \$627 million to support their families.
- The average cost of care for a pre-school age child at a child care center or family child care provider is \$8,190/year, exceeding the average cost of public college tuition of \$5,387/year. For a family of three earning \$25,000 a year, child care costs of \$682 per month would consume one-third of the family's gross income. With the child care subsidy, the family pays \$292/month or 14% of gross income.
- The 2006 RI Standard of Need demonstrates that when families lose eligibility for child care assistance, they fall into a deep financial hole of \$600/month.
- A 2004 report by the Economic Policy Institute found that investments in high-quality early childhood education programs consistently generate benefit-cost ratios exceeding 3-to-1. A 2002 Bryant University Study finds that every dollar invested in child care assistance generates \$1.75 in economic activity and referred to the program as "an economic development incentive that pays for itself".
- The child care industry employs thousands of Rhode Islanders. From 1997-2005, the number of child care centers grew by more than 60% and the number of family home providers doubled. The child care industry employed close to 8,000 people, 97% of whom are women, in 2002.

## One RI Proposals:

**Fulfill the promise of Starting Right and increase eligibility for child care assistance from 225% to 250% of the Federal Poverty Level.** When Starting Right was enacted, the plan included a gradual increase in eligibility to 250% FPL. Due to budget constraints, eligibility was capped at 225% FPL, leaving hundreds of children without access to affordable, quality child care.

**Provide child care assistance for time spent in education or training for parents working at least 25 hours per week.** To increase its economic competitiveness, RI needs more workers with higher skills. Allowing parents who work a minimum of 25 hours/week to access subsidized child care while they go to college, obtain a GED or improve literacy or English language ability opens the door for low income parents to move up the job ladder.