Transition Letter: Child Care and Early Learning Priorities for the Incoming Trump Administration

December 2, 2024

Dear President-Elect Trump:

As members of the Federal Child CARE Coalition, along with state and local partners, we appreciate your work, both past and present, highlighting the critical role affordable, quality child care plays in supporting the well-being of working families and strengthening our national economy. We urge your Administration to continue to support the fundamental needs of America's children, families, employers, and child care providers by prioritizing child care and early learning.

Parents should be able to make care choices that best support their family's individual needs and their child's development. This is especially true for the two-thirds of children ages five and under who require care because all available adults in their household are working. Yet today, too many parents are left with very few options and struggle to afford the care they do find. At the same time, early childhood educators are among the lowest-paid professionals in the nation, which continues to drive many away from the sector, exacerbating supply challenges and impacting the quality of care available to families. This puts hard-working families under great financial strain, leaving many in debt, cutting their work hours, or dropping out of the workforce entirely. This is an urgent and immediate challenge for millions of working families across the nation.

It is important to note that child care challenges do not only affect families — they have become a leading concern among employers, particularly small businesses who are increasingly eager to be part of the solution. Many employers report that inadequate child care options directly impact their ability to recruit and retain employees. This has serious repercussions on daily productivity and ultimately affects their bottom lines and costs our national economy billions of dollars annually.

As partners of the Coalition, we support an "all of the above" strategy that gives families a wider range of options to meet their child care needs. This includes strengthening and prioritizing investments in trusted federal programs; enhancing tax provisions that help working families with child care expenses while encouraging employers who want to help provide access to care; bolstering efforts to expand the supply of child care while attracting a well-qualified child care workforce; and ensuring more children have access to the quality care and early learning opportunities that will help them succeed.

In 2019, your Administration released its <u>White House Principles for Child Care Reform</u>. These Principles articulated a strategy for improving access to affordable, high-quality care which remain increasingly relevant today, including:

- Increasing Choices for Families
- Building the Supply of Child Care Providers
- Exploring new incentives for businesses looking to offer child care benefits to their employees
- Increasing the Availability of High Quality Child Care Across Settings
- And more

We hope to work with your Administration on carrying these shared priorities forward and addressing the challenges of today. There are multiple opportunities to make meaningful headway. These could include:

Strengthening Trusted Federal Programs: Existing federal programs provide the foundation for child care in this nation and should be strengthened to better meet the needs of families today. These proven programs support hard-working families, businesses, and local economies in all 50 states and help target investments to meet the unique needs of states and local communities. Although these programs benefit millions of children each year, they reach only a fraction of those who are eligible to receive them. Improving and investing in these programs would make a meaningful difference for families, children, and communities.

These include:

- Child Care and Development Block Grant (CCDBG, a block grant to states to support access for low-income working families to affordable child care and early learning programs, ensuring that parents can choose the type of care that best meets their needs including center-based, faith-based, or home-based child care);
- Head Start/Early Head Start (often located in child care deserts, and serving some of the highest need children and families, Head Start / Early Head Start delivers comprehensive early learning, health, nutrition, and family support services for young children, their families, and pregnant women)
- Preschool Development Grant Birth through Five (PDG B-5, helps states build a child care and early learning infrastructure that ensures quality, safety, efficiency, and parental choice);
- Individuals with Disabilities Education Act (IDEA) Part B, Section 619 and Part C (provide supports and services for young children with disabilities to assist them in achieving positive outcomes).

Modernizing Tax Incentives for Parents and Employers: Child care-related provisions in the federal tax code promote parental choice, ensuring parents are able to claim a credit for the type of care that best fits their family's individual needs, whether it be center-based, faith-based, or home-based child care. These credits also provide incentives to employers who are looking to be responsive to the needs of their own workforce by helping to offset child care costs and grow supply in communities. However, these provisions have not been updated in decades and therefore, are out of step with both the cost of child care and growing demand for care across the country today.

Prioritizing updates to the following tax provisions would further help families and businesses address child care needs, including:

- Child and Dependent Care Tax Credit (CDCTC, the only tax credit that directly helps working parents offset the cost of child care);
- Dependent Care Assistance Plans (DCAP, flexible spending accounts that allows working parents to set aside pre-tax dollars to offset eligible child care expenses);
- Employer-Provided Child Care Credit (45F, supports businesses who provide financial assistance to help locate or provide child care for their workforce)

Building on Current Momentum: Significant momentum exists towards tackling specific child care challenges, including expanding after-hours care, addressing the needs of rural communities, investing in training and early education apprenticeship programs, and improving the condition, quality and availability of facilities. Addressing these unique challenges would help working families find and afford quality child care so they can work and go to school, build the supply of child care providers, and increase the availability of quality child care across settings. Notably, many of these proposals were introduced by Republicans or with bipartisan support in the 118th Congress.

We look forward to working with you and Congress to prioritize these meaningful policy solutions which would benefit our children, our families, and our country. Members of the Federal Child CARE Coalition, welcome the opportunity to connect with your transition team in the coming weeks to answer any questions and begin a dialogue on these important shared priorities.

Sincerely,

National Organizations

America Forward

<u>Avela.org</u>

Care.com

Child Care Aware of America
Council for Professional Recognition
Division for Early Childhood of the Council for Exceptional Children (DEC)
Early Care and Education Consortium
Educare Learning Network
Executives Partnering to Invest in Children (EPIC)
First Children's Finance
First Five Years Fund
Home Grown
IDEA Infant and Toddler Coordinators Association (ITCA)
Independent Restaurant Coalition
KinderCare Learning Companies
Local Initiatives Support Corporation (LISC)
Low Income Investment Fund (LIIF)
MAPP Impact
Moms First
National Association for the Education of Young Children
National Child Care Association
National Children's Facilities Network (NCFN)
National Early Childhood Program Accreditation
National Head Start Association
National Wildlife Federation, Early Childhood Health Outdoors
New America's Early & Elementary Education Policy program
Parents as Teachers National Center
ReadyNation
Save the Children

Southern Education Foundation Start Early The National Child Care Association TOOTRIS Trust for Learning YMCA of the USA

State and Local Organizations

Angel House Child Development Center Boston Children's Museum Child care advocates of Kentucky Child Care Back Office Michigan Child Care Council of Ky. Children at Risk Children's Institute Children's Investment Fund ChildTrust Foundation Clayton Early Learning Clayton Early Learning Center Community Coordinated Child Care (4-C) Connecticut Early Childhood Alliance Develop losco, Inc. East Boston Social Centers Hawai'i Children's Action Network Speaks! Healthy Child Care Colorado Horizons For Homeless Children Idaho Voices for Children Illinois Action for Children Invest Early NC John Rex Endowment Kids Win Missouri Learning Grove Linda Schumacher, Early Chilhood Consultant Louisiana Policy Institute for Children

State Kentucky Massachusetts Kentucky Michigan Kentucky Texas Oregon Massachusetts North Carolina Colorado Colorado Kentucky Connecticut Michigan Massachusetts Hawai'i Colorado Massachusetts Idaho Illinois North Carolina North Carolina Missouri Ohio Massachusetts Louisiana

Maryland Family Network
Massachusetts Association for the Education of Young Children
Massachusetts Child Care Resource & Referral Network
Metro United Way
Minnesota Prenatal to Three Coalition
Mississippi Early Learning Alliance
MnAEYC
NC Child
NC Institute for Child Development Professionals
Oklahoma Partnership for School Readiness
Paladin
Prevent Child Abuse Illinois
Pulse
ResourceFull Consulting
Rhode Island KIDS COUNT
RIght from the Start Campaign
Seven Hills Child Care Resources
South Carolina Program for Infant/Toddler Care
Strategies for Children
Team for West Virginia Children
The Boston Opportunity Agenda
The Prichard Committee
United Way of Central Indiana
VOICES for Alabama's Children
Wisconsin Early Childhood Association
Wyoming Community Foundation
Zero to Five Montana

Maryland Massachusetts Massachusetts Kentucky Minnesota Mississippi Minnesota North Carolina North Carolina Oklahoma Massachusetts Illinois Michigan Louisiana Rhode Island Rhode Island Massachusetts South Carolina Massachusetts West Virginia Massachusetts Kentucky Indiana Alabama Wisconsin Wyoming Montana