

The Child Care Stabilization Act

Senator Patty Murray (D-WA) and Senator Bernie Sanders (I-VT)

Representatives Clark (MA-05), DeLauro (CT-03), Bobby Scott (VA-03), Bonamici (OR-01), Bowman (NY-16), Gomez (CA-34), Jacobs (CA-51), and Sherrill (NJ-11)

Our nation is facing a child care crisis. Child care has long been unaffordable and hard to find for working families. Many child care programs struggle to stay in business and can only afford to pay their early childhood educators poverty-level wages. The COVID-19 pandemic pushed the already fragile child care sector to the brink of collapse.

Congress responded by providing historic and needed investments for child care, including \$24 billion in the American Rescue Plan for a new Child Care Stabilization Grant Program. These grants have kept 220,000 child care providers afloat over the last few years, saving child care for as many as 10 million children nationwide and helping to ensure that working families can continue to access the child care they rely on.

But this vital funding runs out on September 30, 2023, and will bring our nation's broken child care sector back to the brink of collapse. Child care programs continue to need funding to help pay their staff and cover operating expenses and have nowhere to turn for more revenue since parents are already stretched thin.

When funding expires, programs say they may need to reduce already-low staff wages, increase tuition for families, serve fewer children, or shut down all together. An <u>analysis</u> from the Century Foundation finds that if Congress does not provide additional funding for the nation's child care sector:

- More than **70,000 child care programs**—one-third of those supported by stabilization funding—could close, causing approximately **3.2 million children** to lose their child care spots and jeopardizing jobs for **232,000 child care workers**.
- The loss in tax and business revenue could cost states **\$10.6 billion in economic activity** per year. Additionally, millions of parents will likely either leave the workforce or reduce their hours, which could cost families an estimated **\$9 billion each year in lost earnings**.

The Child Care Stabilization Act would prevent this crisis by providing \$16 billion in mandatory funding each year for the next five years to continue the successful Child Care Stabilization Grant Program. This investment would ensure child care providers continue to receive a stable and reliable source of funding to help them deliver high-quality child care for working families.

The Child Care Stabilization Act is cosponsored in the Senate by: Senators Murray, Sanders, Schumer, Baldwin, Blumenthal, Booker, Brown, Cardin, Casey, Cortez Masto, Duckworth, Durbin, Fetterman, Gillibrand, Heinrich, Hirono, Kaine, King, Klobuchar, Luján, Markey, Menendez, Merkley, Murphy, Padilla, Reed, Shaheen, Smith, Stabenow, Van Hollen, Warnock, Warren, Welch, Whitehouse, and Wyden.

The legislation is cosponsored in the House by: Representatives Katherine Clark, Rosa DeLauro, Bobby Scott, Suzanne Bonamici, Jamaal Bowman, Jimmy Gomez, Sara Jacobs, Mikie Sherrill, Alma Adams, Becca Balint, Nanette Diaz Barragán, Shontel Brown, Julia Brownley, Nikki Budzinski, Cori Bush, Yadira Caraveo, Salud Carbajal, Troy Carter, Sheila Cherfilus-McCormick, Yvette Clarke, Gerald Connolly, Angie Craig, Jasmine Crockett, Henry Cuellar, Danny Davis, Donald Davis, Veronica Escobar, Lois Frankel, Josh Gottheimer, Raúl Grijalva, Jahana Hayes, Eleanor Holmes Norton, Sheila Jackson Lee, Pramila Jayapal, Andy Kim, Annie Kuster, Greg Landsman, Barbara Lee, Zoe Lofgren, Stephen Lynch, Seth Magaziner, Kathy Manning, Lucy McBath, Jennifer McClellan, Betty McCollum, Morgan McGarvey, Rob Menendez, Gwen Moore, Jared Moskowitz, Kevin Mullin, Jerrold Nadler, Richard Neal, Donald Norcross, Scott Peters, Brittany Pettersen, Chellie Pingree, Mark Pocan, Katie Porter, Ayanna Pressley, Jamie Raskin, Deborah Ross, Gregorio Kilili Camacho Sablan, Andrea Salinas, John Sarbanes, Mary Gay Scanlon, Jan Schakowsky, Adam Schiff, Terri Sewell, Mark Takano, Rashida Tlaib, Jill Tokuda, Paul Tonko, Lori Trahan, David Trone, Bonnie Watson Coleman, Jennifer Wexton, Susan Wild, and Nikema Williams.

The Child Care Stabilization Act is endorsed by: National Women's Law Center (NWLC), Center for Law and Social Policy (CLASP), ZERO TO THREE, National Association for the Education of Young Children (NAEYC), Children's Defense Fund, Save the Children, Service Employees International Union (SEIU), American Federation of Teachers (AFT), National Association for Family Child Care, Child Care for Every Family Network, Family Values at Work, Campaign for a Family Friendly Economy, MomsRising/MamasConPoder, Oxfam America, All Our Kin, Community Change Action, Prevent Child Abuse America, American Federation of State, County, and Municipal Employees (AFSCME), AFL-CIO, Small Business Majority, First Focus Campaign for Children, Parents Together Action, Prevent Child Abuse America, United Parent Leaders Action Network (UPLAN), YWCA-USA.

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