

## **Joint Early Childhood Education Coalition Response to the Proposed 2017-18 Budget**

The organizations listed want to be on record as supporting the Legislative Women's Caucus's continued commitment to renew their support for funding for child care programs in this year's budget and holding the Administration to their promise of continued funding.

Last year after months of bargaining, an agreement was made for multiyear budget investments through 2018-19 that envisioned greater access to child care for working families, modest increases in reimbursement for child care providers and centers, and funding to strengthen our workforce.

We understand the need to proceed with caution and be fiscally prudent. However, the budget proposal put forward goes beyond that; it is harmful. As proposed, this budget limits access to care for parents and makes it financially impossible for many family child care providers and centers to stay in business. Furthermore, some of the proposals put forward such as moving towards a change in state preschool ratios of one adult for eight children to one adult up to 20 children, make this budget simply unsafe for our children.

Other areas of great concern:

- As of January 1, 2017, via the increase in the minimum wage with no change in policy proposed, parents and providers will be harmed:
  - A two parent household with both parents earning minimum wage will no longer be eligible for a subsidy.
  - Family child care providers on average make \$3.70 per hour. They are now further disconnected from the minimum wage.
  - Title 5 high quality care centers that were to see a 10 percent rate increase will now only realize a five percent increase; thus a cut in their reimbursement rate. This equates to a reduced reimbursement rate of \$40.10 per day for full day care. This can be further be broken down to a per hour rate of \$5.01 per hour.
- New provider rates enacted on January 1, 2017 included an 18-month hold harmless provision for providers whose rates did not go up. When the 18-month hold harmless provision goes away, in all counties some provider rates will freefall to below 2005 rates.

Child care keeps families working. We support the Legislative Women's Caucus and ask that the promise made last year be honored.