



July 22, 2021

The Honorable Charles Schumer
United States Senate
Senate Majority Leader
Washington, D.C. 20510

The Honorable Mitch McConnell
Senate Minority Leader
United States Senate
Washington, D.C. 20510

The Honorable Nancy Pelosi
Speaker of the House
U.S. House of Representatives
H-232 U.S. Capitol
Washington, D.C. 20515

The Honorable Kevin McCarthy
House Minority Leader
U.S. House of Representatives
H-204 U.S. Capitol
Washington, D.C. 20515

Re: Urging Transformational Investments in Child Care as Essential Infrastructure in the Next Federal Funding Package

Dear Majority Leader Schumer, Speaker Pelosi, Minority Leader McConnell, and Minority Leader McCarthy:

Thank you for your continued leadership and commitment to investing in child care in the midst of our nation's post-pandemic recovery. We write to urge you to include a substantial investment in child care in the upcoming infrastructure funding package that better reflects the scale and scope of the needed support. The undersigned groups represent a broad coalition of philanthropic, non-profit advocacy, and public sector groups working in all corners of the San Francisco Bay Area to advance strategies to ensure that women, children, and families are not left behind in our regional recovery.

Amidst countless devastation and immeasurable suffering, the COVID-19 pandemic laid bare the vast structural inequalities faced in our Bay Area community. Existing inequities have made the current crisis more painful for many of our residents, including those experiencing poverty, our disabled neighbors, as well as our Black, Latinx, Indigenous, Asian Pacific Islander, and

residents of color. We must face the reality that these inequities do not stop at the county line. Recent uprisings throughout our region have highlighted the need for transformative, structural change, and the need to center racial equity at the heart of these conversations throughout our region. As such, cities and counties across the region convened local economic recovery task forces early in the pandemic, identifying local priorities and actions to provide immediate relief and to advance local recovery strategies.

As the pandemic made clear, investing in child care as essential infrastructure makes all other work in our region possible. Even pre-pandemic the child care infrastructure was sorely lacking and did not meet the demand - nearly 60% of ECE providers relied on public assistance to make ends meet, child care subsidies for infants and toddlers served only 14% of eligible families and current capacity of Head Start and Early Head Start only reaches 30% of eligible three- to five-year-olds and a mere 8% of eligible birth- to three-year-olds in California. An estimated 8,500 licensed child care sites shut down during pandemic and without major investments many may not re-open and workers are reporting difficulty in finding child care as a major decision making factor in returning to work. High- quality child care has long-lasting benefits for our region's children's development and as such, the next federal funding package must include at least \$700 billion over 10 years in direct spending for long-term, structural investments in child care.

We believe that this is a generational opportunity to invest in affordable, quality care for all children who need it, and we urge you not to let it go to waste. We encourage the Congress to center child care as basic infrastructure, and encourage all leaders to do more to address the needs of our nation's child care workers, children, and families. Policies that center equity and the needs of the most vulnerable are most likely to simultaneously advance an equitable recovery throughout our nation.

With seven in ten mothers in the workforce today, high-quality child care is essential to accelerating an equitable recovery in the Bay Area and across the country. Working families need affordable, high-quality child care and early learning so parents can keep working and children can get a strong start. According to an analysis of 25 states by the Bipartisan Policy Center, 2.7 million children under age 6 were in need of child care but lacked a spot prior to the pandemic. This need has likely grown as child care businesses throughout the region have downsized or closed as a result of the pandemic. Affordable, high-quality child care is a public good that is critical to the success of our children, families, and the economy. It will help our families go to work, attend school, or take care of vital household responsibilities. And it supports their children's growth and development, and will fuel our economic recovery.

Child care workers have also long been underpaid and undervalued. Despite their work being crucial to our regional economy and recovery, child care workers, many of which are women of

color, rank among the bottom two percent of positions by salary. Most child care providers operate on razor thin margins, and the pandemic caused thousands of child care providers to close their programs, some permanently. It is crucial that Congress provides a significant, long-term investment to transform this broken system into one that is sustainable for families and providers, creates and supports vital jobs, and invests in the next generation.

We support robust investments in existing child care subsidy programs such as the Child Care and Development Block Grant program, which are consistently under-funded. We applaud the Congress for passing the 2021 Consolidated Appropriations Act and the American Rescue Plan Act (ARPA), which together included more than \$50 billion for child care programs and fulfilled our nation's dire call for much-needed emergency relief funding. While we recognize that this support is crucial for keeping our region's child care providers afloat as they recover from the devastating effects of the COVID-19 pandemic, we must acknowledge that it is far from a long-term solution to the pervasive lack of affordable, high-quality child care for working families in our region.

We are in strong support of including guaranteed child care for every family who needs it, capping out-of-pocket costs at no more than 7% of income, raising payment rates for providers to ensure that they are paid a living wage with benefits, equivalent to other educators with similar credentials, and addressing administrative burdens that act as barriers to accessing this critical benefit for low-income communities and communities of color.

Furthermore, we are fully supportive of an expansion of Early Head Start and growing the supply of child care providers nationwide. Notably, it is important to mention that the federal infrastructure package currently being debated in Congress represents a once in a generation opportunity to build back better as President Joe Biden has called us to do, and to build a transformative 21st century caregiving economy for women and families across the San Francisco Bay Area and around the country. Never has this been more critical; as we emerge from the pandemic and embark on our recovery, we must ensure that every family has access to affordable, quality care. We urge your support and immediate adoption of these critical investments in our collective futures. We look forward to working with you, our Congressional delegation and other members of the United States House of Representatives and United States Senate to implement these principles and to ensure that equity is at the forefront of America's recovery investments. If you would like to get in touch with us about these issues, please contact Judith Bell at the San Francisco Foundation (jbelle@sff.org), or Melissa Jones at BARHII (mjones@barhii.org).

Thank you for your support for children and families and your consideration of this critical matter.

Sincerely,

City of San Francisco

City of Oakland

Bay Area Council

Bay Area Regional Health Inequities Initiative (BARHII)

Children's Defense Fund-California

Children Now

Community Action Marin

East Bay Leadership Council

Eat. Learn. Play. Foundation

Insight Center for Community Economic Development

Jewish Vocational & Career Counseling Service (JVS)

La Cocina

Low Income Investment Fund

San Francisco Foundation

Silicon Valley Community Foundation

SPUR

The Unity Council

United Way Bay Area

UpTogether