

Child Care Counts: Stabilizing and sustaining the early care and education industry

Making foundational investments in Wisconsin's early care and education system to support families, child care providers, communities, and the economy.

For years, the child care sector has been operating on razor-thin margins. Families cannot afford the true cost of delivering high-quality child care, and child care providers do not have the revenue to cover their expenses and retain their workforce. Simply put, the child care market has long been broken. The COVID-19 pandemic exacerbated this crisis and underscored how essential child care providers are in offering stability for kids and making it possible for parents of young children to remain in the workforce.

The Child Care Counts program was created to stabilize and sustain the early care and education industry, ensuring that providers could remain in operation so that all Wisconsinites could continue working and moving our economy forward. Child Care Counts provides funding to regulated child care providers that are open and caring for children. It includes monthly payments under the following programs:

- Payment Program A Increasing Access to High-Quality Care
- Payment Program B Funding Workforce Recruitment and Retention

The current *Child Care Counts* program will continue through January 2024, when its funding will run out. With over 60% of providers¹ indicating they will need to raise tuition if the stabilization program ends and 32% considering leaving their jobs or closing their programs in the future, a foundation investment of \$340 million investment is critical to retaining the child care workforce and continuing to stabilize the sector, so that Wisconsin's families, communities, and economy can thrive.

"[CCC] has allowed me and continues to allow me to keepmy doors open. Without it, we would have to close, and more than likely permanently."

Impact

As of February 2023, \$308,614,765 has been paid out through the *Child Care Counts Stabilization Payment Program*. Through this program, 4,248 child care providers have received support, over 22,000 child care professionals remained employed or were hired, and over 113,000 children were able to continue child care. For detailed data on Child Care Counts payments by child care program and by county, visit <u>DCF's website</u>.

In a recent survey conducted by UW-Madison's Institute for Research on Poverty, results highlighted key uses of Child Care Counts funding.

Payment Program A - Increase Access to High-Quality Care

- 83% of providers used these funds for operating expenses (e.g., rent, utilities).
- A majority used funds to purchase materials and supplies, cover payroll, and address building repairs or maintenance.
- Nearly half of providers used funds to offer financial assistance to families enrolled in their programs.

Payment Program B - Workforce Recruitment and Retention

- Over 80% of providers used these funds for staff bonuses or stipends
- 60% were able to increase wages
- More than a third of providers used funds to recruit new staff

To learn more about Governor Evers' budget for DCF visit our **Budget Website**.

"I was finally able to provide a living wage to my teachers! I am now able to compete with the big chain stores such as Target in providing my teachers with benefits, increase hourly wage, paid training, and an environment that now can reward the education required of them."

¹ NAEYC Survey (December 2022) - https://www.naeyc.org/sites/default/files/globally-shared/downloads/PDFs/our-work/public-policy-advocacy/wisconsin_naeyc_2022_fall_survey_0.pdf

