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Idaho Child Care Workforce Calls on Idaho Legislature to Prioritize the Future of Child Care

Child care businesses across Idaho took time on Wednesday to demand action from the Idaho Legislature to reinstate funding and develop a plan for the future of child care.

BOISE, Idaho — Child care business owners, employees, parents, and concerned community members gathered on Wednesday in Boise, Coeur d’Alene, Idaho Falls, Pocatello, and Twin Falls to demand immediate legislative action to continue Child Care Business Grant funding. The groups detailed the impact of cutting the grants early and unexpectedly on the child care industry and outlined the need for the state to develop a plan to address the industry’s pressing needs.

Child Care Advocates Demand Urgent Action to Remedy Unexpected Crisis

Child care business owners, employees, and the parents who depend on child care services are hoping to find a solution to the unexpected and sudden crisis they are now facing. They are demanding urgent action from the Idaho Legislature to remedy the situation in two steps. First, the Idaho Legislature must approve the Child Care Business Grant funding through September 2023. Second, a plan must be created to address the child care industry’s pressing needs with input from child care business owners and employees.

“Today, I encourage the legislature to take the immediate step of restoring access to Child Care Business Grants in order to support Idaho families, caregivers, and businesses,” states Alison Kelsey, parent of two young children and one in child care. “Tomorrow, we need to get to work on a long-term investment plan to build childcare and educational infrastructure to support our future.”

It is time that the State of Idaho treated child care as the critical infrastructure for working families it is. If working families do not have access to affordable, high-quality child care, parents cannot go to work and earn a living to provide for their families. For years, major decisions regarding Idaho’s child care industry have been made by a handful of leaders, but no actionable plan has been developed to move beyond the fragmented system currently in place. Child care providers and parents want a seat at the table to make a plan that moves the industry forward – beyond the Child Care Business Grants.

Background on the Child Care Business Grants

The onset of the COVID-19 pandemic provided an insight into how economically catastrophic it is for child care services to be disrupted. Out of abundant necessity, child care businesses were one of the first to reopen and provide care for essential workers on the front line of the public health crisis. Child care businesses helped parents get back to work across industries.

Child care is the backbone of the economy. Recognizing this, leaders in Washington D.C. passed three relief acts that included dedicated federal relief funding for the child care industry beginning in March 2020. Over the last three years, child care businesses across the country have depended on the funding to stabilize the indispensable child care industry. In Idaho, the funding has been distributed through **Child Care Business Grants**, which consist of operational support and wage enhancements for child care workers.

While Child Care Business Grants utilize federal relief funds, the Idaho Legislature must provide spending approval in order for the funds to be accessed. The grants have been received by child care businesses in almost every zip code to retain an experienced, qualified child care workforce. Child care workers report some of the lowest earnings of any profession and Idaho comes in particularly low.

Idaho Child Care Wages Are Not Keeping Pace with Neighboring States

Regional Average Salary Comparison for 2019

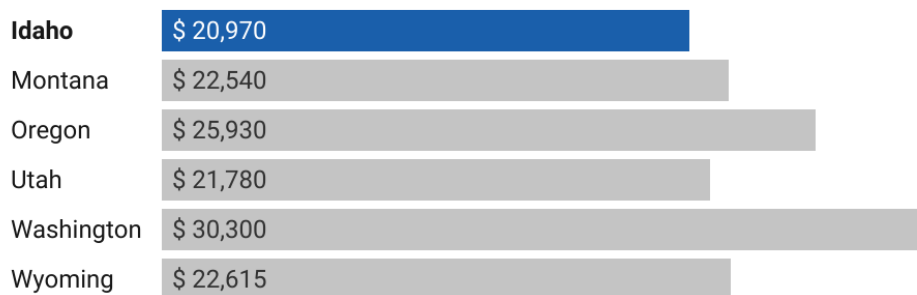


Chart: Idaho First Steps Alliance • Source: Center for the Study of Child Care Employment • Created with Datawrapper

Current Child Care Business Grant Funding

This year, Governor Brad Little’s original budget requests for the Legislative Session included approval to continue the monthly Child Care Business Grants through September 2023 (the federal deadline for funds to be spent). But last week, the Joint Finance and Appropriation Committee (JFAC) removed \$36,000,000 in requested Child Care Business Grant funding from Fiscal Year 2024, effectively eliminating the grants July through September 2023. Making matters worse, Idaho legislators are threatening to end the Child Care Business Grants immediately by holding off on a vote to approve Child Care Business Grant funding now through June 2023.

As a result of the JFAC budget actions last week, the Idaho Department of Health & Welfare issued a notice informing child care businesses that their grant funding will end immediately, cutting off support months earlier than expected and leaving the industry in an unexpected financial bind.

“Child care business owners and their employees are tired of being ignored by Idaho leaders,” says Emily Allen, coordinator of Idaho First Steps Alliance. “The rug has been pulled out from underneath them. Child care businesses were planning on these grants continuing through at least June 2023. Slashing funding early will force businesses to increase prices or lay off staff. Many child care businesses will not

survive this disruption without a plan in place to move them beyond the crisis and into a sustainable child care infrastructure.”

Ending the Grants Early Puts the Industry in an Unexpected Financial Bind

Ending the Child Care Business Grants abruptly is unnecessary. The grants are funded by federal relief that has already been earmarked for Idaho and is available to businesses until September 2023. But to access the funds, the Idaho Legislature must first provide spending authority approval. The sudden loss of the grants will place businesses in a bind and harm an already strained child care workforce.

“The wage enhancement grants the last couple years have helped me, for the first time in my 27 years in the child care field, to earn a livable wage (honestly still only slightly above minimum wage) but the help was so appreciated and took a load of stress off my plate,” Glenda Kestle of Glenda’s Daycare in Jerome.

Child care businesses have been anticipating the end of the grants, but they were not expecting it to be so soon. Business owners are worried about having to increase tuition rates on parents immediately to make up for the unexpected loss. Households that are categorized as “asset limited, income constrained, employed” (ALICE households) spend nearly one-third of their household income on child care for two young children in Idaho. Increases in tuition will be keenly felt by many working families.

"Our parents who are working can't stay home with their kids. They are working to contribute to [Idaho's] economy," Deb Danforth of Little Folks in Coeur d’Alene.

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