



Delaware Association for the Education of Young Children

My name is Jamie Schneider, President of the Delaware Association for the Education of Young Children and owner of a small business in North Wilmington, a childcare center, the Educational Enrichment Center.

The Purchase of Care program is historically underfunded. The childcare industry has been in crisis for more than a decade, and the pandemic only highlighted that crisis. Through one-time federal funding of more than \$200 million over the last 18 months, childcare was saved, but it is this amount of funding that will impact these small businesses that are truly the workforce behind the workforce. This funding has been depleted, and children and families are unable to find affordable care.

- 50% of providers are turning away families and are unable to open classrooms
- 39% of providers have longer wait lists than ever before—some hundreds of families long
- 30% of families utilizing childcare subsidy are no longer benefitting from the program

Funding to the POC program must be increased to the federal recommendation. The current market rate only covers a fraction of the actual cost of care and does not consider the 30-40% increase in provider costs throughout the COVID-19 pandemic, nor does it consider the impact of the much-needed minimum wage increase. Those factors, paired with an already broken system of determining the reimbursement rate, make this the critical time to prioritize equity, opportunity, and access for children and families. The cost to cover these deficits will only continue to grow and the disparity in the access to high quality developmentally appropriate childcare will continue to increase if we don't make it a priority to fund our Purchase of Care system to begin to close the gap between the cost of the reimbursement and the actual cost of care it takes to make sure our youngest learners are well taken care of, in developmentally appropriate and safe settings.

The early care and education workforce in Delaware is made up of mostly women, who are predominately black, indigenous women of color, many single mothers who rely on government subsidy programs to fill the gap between their low childcare wages and their cost of living. As a state we must decide if we will continue to devalue this workforce. Due to the current reimbursement system, these small businesses do not have the ability to increase wages without the state investing in early care and education.

Providers mind the gap between what reimbursement rates are and what the community needs. These small business owners and early care and education teachers are willing to work for wages that significantly undervalues the work they do and the value to our economic infrastructure that childcare provides. The childcare industry is not sustainable in a market economy and therefore we must decide to either invest in our children or increase the gap between those children whose families can afford care and those who do not

Providers in the state, based on the current reimbursement rates, cannot afford to pay their bills, and pay their staff. Delaware families who are in the most need, who face job loss, housing loss,



Delaware Association for the Education of Young Children

and food insecurities are now also faced with lack of access to childcare. Providers are faced with making impossible decisions to make ends meet, and without this significant increase to the Purchase of Care program, we will continue to see lack of childcare available locally to our families who cannot afford childcare without this support and cannot afford to lose a paycheck due to lack of childcare.

On behalf of providers across the state, I am asking you to make the necessary and bold investments in childcare that are necessary to ensure ALL children in Delaware have access to high quality, developmentally appropriate early care and education.