



Allocate Child Care Funding in the New Hampshire Spirit

March 17, 2011

New Hampshire has a tradition of finding pragmatic, common sense solutions. Our state leaders have clearly stated how important workforce development is to our current and future prosperity. Early Learning NH believes that investing today in working parents and in the next generation who will live, work and lead in our state is a common sense solution in the New Hampshire Spirit.

5.168M in cuts proposed by House Finance Div III (**\$8.2 Million in total cuts**) to the DHHS child care assistance program will hinder job growth and economic development by guaranteeing a long waiting list for eligible, low-income working families (see table and chart, below). Sufficient funding for employment-related child care spurs workforce development in multiple ways:

Today, state child care assistance is in place in New Hampshire to ensure working parents have the safe and reliable child care they need to be productive on the job and move permanently off of assistance. For many, this small bit of assistance is what helps them stay ahead and off of higher levels of state assistance.

In the short term, avoiding a long waiting list for this critical employment support can work to attract new business and keep our young workforce here in New Hampshire by signaling our commitment to jobs.

In the long term, when we invest wisely in our youngest children, ensuring they have access to quality child care, the next generation will pay that back through a lifetime of contributions as productive workers and responsible citizens. starting children early on the path to successful adulthood helps achieve economic growth and fiscal sustainability. Gains essential to growing a skilled workforce include increases in graduation rates, college attendance, job readiness and earnings. Child development is a critical foundation for community and economic development as capable children are the bedrock of a prosperous and sustainable Granite State.

INVESTING IN THE EARLY YEARS IS THE BEST BANG FOR YOUR BUCK.

Senator Warren Rudman
USA Child Care Conference in Nashua, NH

From the 2009 Final Report of the Governor's Task Force for the Recruitment and Retention of a Young Workforce for the State of New Hampshire

THE TASK FORCE RECOGNIZES THE STATE CURRENTLY FACES SEVERE FISCAL CONSTRAINTS. HOWEVER, NOTWITHSTANDING THE PRESENT SITUATION, THE TASK FORCE BELIEVES IT MUST RECOMMEND ADDITIONAL INVESTMENT IN EARLY CHILDHOOD EDUCATION PROGRAMS IF IT IS TO HONESTLY RESPOND TO THE CHARGE GIVEN IT BY THE GOVERNOR.

Restore child care funding in the next biennium to support jobs and avoid a waiting list

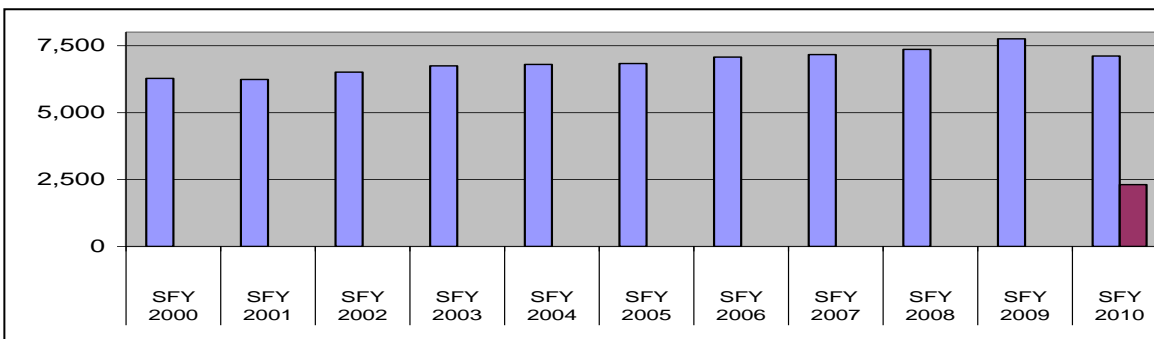
Employment-Related, Protective & Preventive Child Care

PAU 05-95-40-403510-6148

Governor's Budget Pg 965 / March 9, 2011 doc (lines 14 & 32) Pgs 12 & 30

	TOTAL rounded to \$000	Difference & % Change from SFY11	Projected # children wait list will grow to during SFY	Wait list SFY start to end date
SFY11 Adjusted Authorized	\$36,563		By Sep 2010, wait list was 2,666 children – today, 0 children are on wait list due to SFY11 Adj. Auth.	Oct 2009 to Feb 2011
SFY12 Governor's Budget	\$33,487	(\$3.1 M) -8%	1,000+ children of NON-TANF working families	Feb 2012 to ongoing
March 13 Vote on Budget Reductions: House Div III	\$28,319	(\$8.2 M) -22%	2,000+ children of NON-TANF working families	Jul 2011 to ongoing

Last Completed State Fiscal Years Comparison of State Child Care Assistance



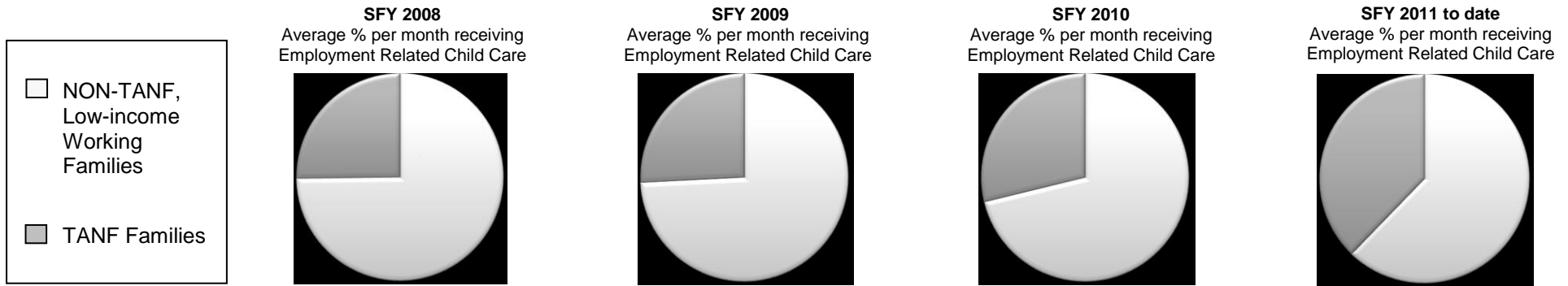
■ average # children receiving child care assistance per month
■ maximum # of children on child care wait list during reporting period



Cutting TANF funding for child care squeezes out New Hampshire's low-income working families

March 17, 2011

Historically, about 75% of NON-TANF, low-income working families that have chosen not to go onto other kinds of public assistance or are transitioning off permanently. These families have traditionally used this critical employment support to keep working and to keep ahead. During the economic downturn, the number of TANF clients has continued to increase with the start of the first-ever waiting list for state child care assistance during SFY2010. (see Charts below) III) for a s out even more low-income families who are working hard just to get ahead.



100% of the **2000+** children on the **waiting list** for state child care assistance in SFY12 and 13 will be NON-TANF, low-income working families.

Ironically, cutting TANF \$ in the next biennium will likely result in **DOUBLING** the percentage of TANF versus NON-TANF clients served (25% to 50%).

Div	Gov Bud Page	Org	CHILD CARE ASSISTANCE	SFY11 Adj. Authorized	Governor's Recommended	Difference from SFY11 Adj. Auth.	House Div III Vote on March 13	Difference from Gov Budget	Difference from SFY11
DCYF	965	6148	Total	36,562,541	33,486,736	(3,075,805)	28,318,736	(5,168,000)	(8,243,805)

Funding Sources

Federal (combined)	21,913,462								
General Funds	14,649,079	10,057,488	(4,591,591)	10,057,488	0				
Federal CCDF*		15,461,088		15,461,088	0				
Federal TANF		7,968,160		2,800,160	(5,168,000)				
TOTAL	36,562,541	33,486,736		28,318,736	(8,243,805)				

* The primary source of funding for employment-related child care (PAU 05-95-40-403510-6148 / federal Child Care and Development Fund (CCDF). The CCDF is authorized by the Child Care and Development Block Grant Act (CCDBG) and Section 418 of the Social Security Act to assist low-income families, families receiving temporary public assistance, and those transitioning from public assistance in obtaining child care so they can work or attend training/education. The CCDF allows States to transfer a portion of TANF dollars to CCDF, or spend TANF directly for child care.