

May 31, 2018

Commissioner Amy Jacobs  
Georgia Department of Early Care and Learning  
2 Martin Luther King Jr. Drive SE, 754 East Tower  
Atlanta, Georgia 30334

**Re: Child Care and Development Fund Plan for Georgia FFY 2019-2021**

Dear Commissioner Jacobs,

The Georgia Budget and Policy Institute (GBPI) thanks you for the opportunity to submit comments in response to the Child Care and Development Fund Plan for Georgia FFY 2019-2021. GBPI is an independent nonprofit, nonpartisan organization that seeks to build a more prosperous Georgia. GBPI rigorously analyzes budget and tax policies and provides education to inspire informed debate and responsible decision-making, advancing our vision of a state in which economic opportunity and well-being are widely shared among all.

GBPI applauds the measures in Georgia's Child Care and Development Fund Plan that provide for a graduated phase-out of assistance to help curb the benefit cliff, the inclusion of an associate's degree as a qualified education activity, including a sliding fee scale for family co-payments, and continuing to waive family fees for certain priority groups, including TANF recipients. These actions can expand access to high quality child care and help more Georgia parents be better workers and higher earners.

We are concerned, however, with the lack of budgetary allocations to support these positive efforts. No additional state money is included in the recently signed budget for Fiscal Year 2019 to support Georgia's subsidized childcare program. Thus, the department's budget for the program will have to be stretched to accommodate increased income eligibility limits for those who increase their incomes while receiving assistance and a new category of student parents. This could potentially result in fewer families served.

The need for child care assistance in Georgia is profound. Today, the state's subsidized child care program helps an average of 54,000 children per week while 623,000 children under the age of 13 in families earning low incomes likely need quality child care but cannot afford it. Earlier this year, child care advocates proposed an additional \$9.7 million in Georgia's 2019 budget to serve at least an additional 2,500 Georgia children. This is not reflected in the final FY 2019 budget, but there is an opportunity for this money to still be added in the amended budget during next year's legislative session. We also anticipate additional funds coming to Georgia to support expansion of the subsidy program since Congress reauthorized the Child Care and Development Block Grant (CCDBG). The Center for Law and Social Policy estimates that with the increase in federal funding, Georgia could serve an additional 6,300 children. Coupling additional state funds with the increased federal funds will significantly increase the number of slots available to low income families.

We are also concerned the income eligibility threshold is set too low. Georgia's CCDF plan only maintains the threshold at 50 percent of state median income, which continues to limit the state's ability to help more families access quality child care and meet their basic needs. The state's current income eligibility limits are already more restrictive than those in 39 other states according to a 2017 report by the National Women's Law Center. A Georgia family of three must earn less than \$29,677 per year for entry into the child care assistance program under the

state's proposed policies (Sec. 3.1.3). CCDF allows states to raise income thresholds to a maximum 85 percent of state median income, which would be about \$50,000 for a family of three in Georgia.

As a part of GBPI's People-Powered Prosperity campaign, we are traveling Georgia to listen to communities share why pocketbook issues including quality child care are crucial to parents and their children. The restrictive income eligibility limit is often mentioned as a persistent barrier. Families of three with two children must earn at least \$50,000 per year to meet their basic needs including child care in many Georgia cities like Albany, Augusta, Gainesville, and Rome. Increasing Georgia's income eligibility limits can help more families who earn above the current eligibility limits but below what it takes to meet their basic needs access quality child care.

We are excited that the CCDF plan includes an associate's degree as a qualified education activity for the CAPS subsidy program (Sec. 3.1.2). Single parents represent about one in 12 students enrolled in the Technical College of System of Georgia. This is a positive step to make sure that student parents increase their likelihood of becoming more economically mobile by completing a degree. However, the plan would only apply to student parents who fall within the agency's eleven priority groups. Student parents are not a priority group on their own, but the need for child care among this group is great. Parents are one of the fastest growing student sub groups in colleges today. Specifically, colleges are experiencing growth in the enrollment of single mothers. The number of single mother college students more than doubled from the 1999-2000 school year and 2011-2012 term. Nationally, nearly 2.1 million students, or 11 percent of all undergraduates, were single mothers in 2012, the latest year data are available. Thousands of Georgia student parents would gain from being included as a priority group and broadening the education criteria to include bachelor's degrees.

GBPI believes that Georgia's plan to extend eligibility to college students and continuing to minimize the cliff effect by gradually phasing out assistance as incomes grow can help more families receive and maintain quality child care assistance. This will help more parents access quality job opportunities, become higher earners, and provide early learning opportunities that are essential to the well-being of their children.

Fewer Georgia families are likely to realize all of these positive outcomes, however, if more money is not added to the budget to support the implementation of the Child Care Development Fund Plan. We strongly urge Georgia's policymakers to make these allocations so that the state can serve more of the 623,000 children who likely need assistance. We also urge your department to raise the income eligibility threshold from 50 percent, as well as designate student parents (those seeking certificates, associate and bachelor degrees) as a standalone priority group. We stand ready and willing to support your efforts to make quality child care more affordable and accessible for Georgia families.

Sincerely,

Alex Camardelle  
Senior Policy Analyst, Economic Mobility