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NEW REPORT HIGHLIGHTS HOME-BASED CHILD CARE AS A KEY TO WORKFORCE STRENGTH AND ECONOMIC RECOVERY

Allegheny County virtual panel discusses current child care crisis and policy solutions aimed at stabilizing and strengthening the sector – including home-based child care

PITTSBURGH, PA – Allegheny County child care providers, business leaders, and advocates joined representatives of state legislative offices and members of the community to release a new report from the nonprofit ReadyNation on the importance of protecting and strengthening home-based child care – calling such actions essential to supporting our state's working parents and to bolstering our economic recovery in the wake of COVID-19.

The report, "Home-Based Child Care: A Key to Keeping the Pennsylvania Workforce and Economy Strong," documents that the number of family child care homes has dropped 32 percent across Pennsylvania in recent years. In fact, almost half of the 1,000+ child care providers that have closed permanently since the onset of the pandemic have been home-based providers. The report cautions that given the current overall shortage of child care, particularly for infants, this decrease in home-based child care availability is especially problematic.

Sheryl Eichenlaub, a family child care provider from Bethel Park, participated in the panel discussion and reinforced the unique challenges that home-based providers face on a daily basis. "Home-based child care is a 'jack of all trades' profession," said Eichenlaub. "Your primary job is caring for children. You are also required to manage the business and accounts as well as deal with state regulations which can be quite confusing for a one-person operation."

Tamia Davis, another provider from Pittsburgh, reinforced that home-based child care is tough work. "Our day doesn't end when the children go home," said Davis. "Evenings are when we do the back office work, cleaning, laundry, stocking, and maintenance. Long hours, low pay, and really no benefits are why the numbers of home-based providers are waning."

"The decline in the number of home-based providers is troubling," said Jayme Jordan, a home-based child care coach for the nonprofit Trying Together. "Many parents are looking for a small, home-like family child care setting with more one-on-one attention. Family child care provides working parents with increased flexibility for non-traditional work hours, especially for parents needing infant-toddler care." The panel discussion focused on the need to include home-based child care as part of state and federal efforts to stabilize and strengthen the overall child care system. Noting that home-based child care is

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frequently overlooked when discussing solutions to the present child care crisis, the report identifies reforms focused on quality caregiving and sustainability. Specifically, the report recommends:

- 1) Enhanced mentorship opportunities for home-based providers;
- Revising the Keystone STARS Program to recognize key differences among home-based providers and ensure that high-quality home-based providers can more readily become rated as high-quality;
- 3) Increasing compensation to cover the actual cost of high-quality care through subsidy rates and reform the reimbursement rates for home-based high-quality care;
- 4) Stabilizing the budgets of home-based child care providers through participation in programs like Infant Toddler Contracted Slots; and,
- 5) Engaging in public education and promotion efforts statewide on the importance of high-quality child care across all settings.

Lindsey Ramsey, Assistant Director of Policy and Practice for Trying Together, underscored the urgency of efforts to stabilize and strengthen the Commonwealth's child care system overall. "Almost all [92 percent] of Pennsylvania child care programs are facing staffing shortages," said Ramsey. "As a result, more than half of child care programs have closed one or more classrooms. This is causing a statewide child care waitlist of about 26,000 kids."

The economic impact of so many families waiting for child care was reinforced by Jake Witherell, COO of Schell Games and a member of the PA Early Learning Investment Commission. Witherell referenced recent studies from the US Chamber Foundation and the PA Chamber indicating that prior to the pandemic, gaps in Pennsylvania's child care system cost taxpayers and businesses \$3.47 billion per year due to employee absences and turnover. Witherell also referenced a PA Chamber survey of 300 employers indicating that of those employers reporting losing employees during the pandemic, more than half (54 percent) said the loss was due to child care issues.

Bill Isler, former President & CEO of the Fred Rogers Company and also a member of the PA Early Learning Investment Commission, cited a recent survey from the United Way of Pennsylvania indicating nearly half (45 percent) of all families with children had to adjust their work lives to accommodate child care needs. "Child care closures are being felt particularly by the female workforce," said Isler. "Some economists are predicting that the lack of child care is a principal reason why the female workforce is not expected to fully rebound to pre-pandemic levels until late 2024."

"We are committed to bringing more visibility to home-based child care and ensuring that our advocacy and policy goals incorporate their needs and address their challenges," said Emily Neff, Director of Public Policy at Trying Together. "Home based providers are directly benefiting the social and economic needs of our local families and the educational and developmental needs of our children. As we leverage substantial new federal investments in our child care system, we must address the needs of home-based providers."

ReadyNation is a national business leader network focused on promoting effective investments in children as key to workforce development and the economy. For more information, visit <u>www.strongnation.org/readynation</u>.