

# UNITED IN CARE



Good Morning, my name is Amanda Krause DiScala and I am the Early Childhood Education Specialist at United Way of Northern New Jersey. I am pleased to have the opportunity to speak to you today. We recognize the efforts and added funding that has gone into the child care system in New Jersey over the past few years. Most notably, the increases in subsidy payments, grants made available to both center and home-based providers, and numerous other opportunities to address the needs of child care providers, workers, and families across the state have been helpful. DHS's commitment to children and families is appreciated.

United Way of Northern New Jersey is a strong advocate for ALICE families and ALICE workers. ALICE stands for Asset Limited, Income Constrained, Employed. ALICE families live above the federal poverty level but struggle to meet basic household needs.

It's no secret that the cost of living has gone up over the past few years. We trust that aggressive efforts will continue to make sure that the child care subsidy rates not only keep up with inflation... but that we can make greater strides to close the gap between subsidy and the true cost of care.

Data gathered from our ***United In Care*** pilot program illuminate challenges facing the industry. In addition to the many families with young children who qualify as ALICE, many child care providers themselves are ALICE. With tight budgets and typically low wages, it's hard to attract and maintain a solid workforce. Additional support and funding are needed to ensure stability.

We see firsthand the financial strain in the childcare industry across the state. Center based programs struggle to recruit and retain qualified staff. Family care providers struggle to purchase basic materials and engage in efforts to improve quality. All providers struggle to charge rates that represent the true cost of care, knowing their families can't afford it. We ask that you continue to work with community stakeholders to seek concrete solutions to address these critical issues and consider the following recommendations:

1. Increasing the number of new family child care providers across the state is crucial to ensuring access to quality care for all children. Start-up resources like laptops, internet, and business software help increase rates of success and would be a benefit to newly engaged family care providers and we ask that funding be considered for this purpose.

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2. The cost of care and the cost of living continue to increase. With that, a continued focus on increasing and expanding childcare subsidy reimbursement rates must remain a key piece of our budget. It is imperative to continue to work to close the gap between subsidy and the true cost of care.
3. Finally, development of creative solutions to address the workforce issues that are prevalent in the childcare industry is necessary for long term solutions. To ensure sustainability and access to quality child care programs, we must acknowledge child care workers as trained and educated professionals and compensate them as such. Livable wages and access to benefits must be a priority to create lasting solutions and build a stable workforce.

Thank you again for the opportunity to speak here today. Together, we are focused on ensuring that New Jersey provides quality care to children, families, and programs across the state.

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