

CORE MESSAGE

The earliest experiences that our children have set the stage for their entire lives. We build a stronger workforce full of talented innovators and inspiring leaders when we prioritize young children and families. When working parents can access and afford child care, they can get to work and support our state's small businesses. We'll lay the groundwork for a stronger state and economy when every child in Montana can reach their full potential.

TALKING POINTS

- Quality early learning programs can enhance school readiness and future educational achievement, lead to greater employment and earnings as an adult, and improve health throughout life.
- Yet, early learning programs are expensive. To send an infant to a child care center, parents spend about <u>\$11,700 a year in Montana</u>. Some families pay over \$18,000 a year on child care. In 2023, child care expenses accounted for an average of 28 percent of a family's household income.
- The high cost of child care is why access to the Best Beginnings Child Care Scholarship Program is so important. The Best Beginnings Child Care Scholarship Program helps Montana families access and pay for child care.
- Per federal guidelines, eligibility for the Best Beginnings Child Care Scholarship Program can go up to 85% of the state median income (SMI). This translates to about 270% of the federal poverty level (FPL) depending on the household size. For example, a single parent with one infant making \$37,812 a year (185% FPG) qualifies for the program.
- Yet many families who struggle to afford child care are just out of reach for being eligible for the program.
 - For example, a single parent with one infant making \$38,832 a year (190 percent of the FPG) is not eligible for the scholarship program.
 - This means that instead of spending 7.5% of their income on child care (the cap if you qualify for Best Beginnings), this parent must spend more than 28% of their income on child care, leaving little left to spend on housing, utilities, food, and other essentials.
- In order to ensure all families and children thrive in our state, Montana should raise the Best Beginnings Child Care Scholarship eligibility level.
- Neighboring states such as North Dakota recognize the critical need for affordable child care. They
 expanded their child care subsidy program to 286% of the FPL. This means that a single parent making
 \$58,392 a year qualifies for the program. A family in North Dakota can earn almost \$20,000 more than a
 family in Montana and still qualify for child care assistance.
- Montana should follow North Dakota's example and raise the Best Beginnings Child Care Scholarship so that Montana becomes the best place to raise a child.

References:

Health and Human Services North Dakota. (n.d.). Child Care Assistance Program. https://www.hhs.nd.gov/applyforhelp/ccap.

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