

Testimony in Support of *H 7124*  
Rhode Island Childcare Essential Act  
House Committee on Finance  
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**The Economic Progress Institute supports Representative Diaz's H 7124**, which would expand the income eligibility for the Childcare Assistance Program (CCAP), increase the tiered reimbursement rates for providers, and remove the child support mandate for CCAP access.

All working families, regardless of socioeconomic status, deserve to have high-quality childcare for their children. Rhode Island families need affordable and accessible childcare to fully participate in the workforce, pursue career opportunities, and contribute to the economy.

CCAP is a critical program that supports low- and moderate-income families in returning to work, attending vocational training or college degree programs, and promotes healthy development in children. The Rhode Island Child Care Survey found that almost half of families who struggled to find accessible quality childcare reported a corollary negative impact on their ability to work or attend school.<sup>1</sup> The current family income eligibility limit for a family of three is \$51,650; Rhode Island has the lowest family income cut off for childcare assistance in the Northeast. EPI's 2022 Rhode Island Standard of Need report found that 70% of single-parent households with two children were struggling to meet their basic needs.<sup>2</sup> Since 2022, Rhode Islanders have faced a workforce crisis in early care and education, making it more difficult to find affordable and accessible childcare. H 7124 increases the CCAP income eligibility to 85% of the state median family income (\$89,482 for a family of three) and will ensure that more struggling parents are able to benefit from the program and reduce their child care expenses, allowing families to better meet their basic needs.<sup>3</sup>

H 7124 also increases reimbursement rates for childcare providers to meet the current federal equal access standard. It provides a 50% rate increase for caregivers of infants under the age of 18 months. The current reimbursement rate for infants in CCAP is not even sufficient to cover the minimum wage salaries for the number of childcare providers required by the state staffing ratios (one adult per four infants) to provide safe care. Accordingly, child care providers who accept infants with CCAP are forced to operate at a financial loss; this resulted in fewer infant care options for all Rhode Islanders. In 2022, the median wage for a childcare educator was \$13.97/hour, just slightly over the minimum wage at that time. Increased reimbursement rates

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<sup>1</sup> [Rhode Island Family Survey on Child Care Experiences, 2022](#)

<sup>2</sup> [The 2022 Rhode Island Standard of Need, Economic Progress Institute](#)

<sup>3</sup> [The 2022 Rhode Island Standard of Need, Economic Progress Institute](#)

for providers would increase equity in the workforce by raising wages for early educators, a workforce disproportionately comprised of women of color and immigrants, who earn less on average than their white counterparts. Additionally, increased reimbursement rates would reopen closed infant classrooms and shorten waiting lists for childcare. The increased reimbursement rates will ensure that the over 6,000 children who currently utilize CCAP will have increased access to high quality programs, and it will also allow for these programs to invest in quality improvements.<sup>4</sup>

Regarding the child support mandate, Rhode Island is one of only 9 states that require establishing a child support order as a condition of receiving CCAP. No other education programs – pre-K, K-12 education – have this requirement, nor do other work supports like SNAP. This requirement is antiquated, it often foments unnecessary and lasting hostility between co-parents and their children, and it is time to eliminate it. Our economy needs families to get back to work – we should make sure that accessing childcare is as easy as possible so that families can do just that.

A thriving economy needs reliable workers, and working parents need childcare. CCAP allows working parents to have accessible, quality childcare and peace of mind. The Childcare is Essential Act is an investment in Rhode Island families and children, our economy, and the critical care infrastructure. We strongly urge passage.

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<sup>4</sup> [Early Childhood Care and Education FY23 Budget Initiatives](#)