Testimony of Congresswoman Katherine Clark Assistant Speaker of the House Democratic Caucus

Worker and Family Support Subcommittee Committee on Ways and Means

Hearing on "Universal Paid Leave and Guaranteed Access to Child Care" May 27, 2021

Thank you, Chairs Neal and Davis, and to all the Members of the Subcommittee for having me here today.

Chairmen Neal and Davis have long advocated for the issues we are here to discuss — but specifically, the topic of child care. I've been grateful to partner with both of you to ensure that every child and every family in America has a fair shot at success.

I'd also like to thank the hardworking Subcommittee staff, Morna and Kimberly, for their partnership with my staff, and all your work on behalf of the American people.

The pandemic has brought devastation to our country and world. It has also uncovered disparities that have long persisted in America.

Today, I'm here to talk about the state of women and families, and how we can build a more just and robust economy for all of us.

Fourteen months into the pandemic, where are we?

Women have hit a 33-year low in workforce participation. Over 2 million women, including 1 million moms, have been pushed out of employment.

While we are making gains against COVID-19, the recent April Jobs Report showed that women are struggling to return to the workforce

Throughout the pandemic, women have been more likely than men to lose their jobs. In December alone, every single job lost belonged to a woman.

The devastation to women's workforce participation and economic power can be traced back to the fragility of our care system.

We know that for too long we have failed to invest in the infrastructure needed to allow women to participate, and thrive, in the economy.

Without affordable and accessible child care, national paid family leave, and pay equity, families have long struggled to get by and get ahead. And the impacts of this situation reverberate across our economy.

Impact on Families:

Right now, millions of Americans can't find and afford quality care. In many states, the cost of child care is equivalent to a month's rent or mortgage, senior care often eats up a family's entire savings, and many families live in what's designated as a child care desert.

All of this adds up to working parents, and especially moms, being forced to leave their jobs to take on responsibilities at home.

Meanwhile, we know that 91% of the income gains experienced by middle-class families over the last 40 years were driven by women's earnings. But even with targeted support, women's employment may not recover to pre-pandemic levels until 2024, a full 18 months after overall jobs recover. The loss for families is enormous.

Impact on Communities of Color:

But like so many challenges we face, it is communities of color who are being hit the hardest. The inaccessibility of child care is furthering racial inequity in America.

According to a <u>study by the Center for American Progress</u>, Black parents who have problems finding child care quit their jobs, do not take employment, or change their work at a rate double that of white parents.

Meanwhile, women of color make up the majority of our paid care workforce, from early educators to home care aides. These women, who are the backbone of our families and economy, make minimum wage with few benefits, often preventing them from providing for their own families.

Throughout the pandemic, care workers have been forced to choose between going to work and risking their own safety, or leaving their families without food. It's unacceptable.

Impact of Children:

But investing in child care isn't just about today's bottom line, but rather, our future success. Quality child care can help close the achievement gap between children of different economic backgrounds, promoting equity for generations.

Impact on the Economy:

The fact is, failure to invest in affordable child care handicaps all of us. Studies show that American businesses lose at least \$12.7 billion annually due to their employees' challenges finding affordable, quality care.

It's simple math – for every dollar invested in high-quality early childhood education, we gain 7.30 in economic returns over the long term.

We simply can't afford *not* to invest in affordable, quality child care.

Legislative Solutions:

Thankfully, we're at a turning point. Just last month, President Biden introduced the American Jobs and Families Plan. This makes landmark investments in the care economy, working families, and the care workforce.

The legislation that I'm here to talk about today lays down the tracks to make President Biden's care infrastructure blueprint a reality.

My legislation, called the Child Care is Infrastructure Act, is included in the Building an Economy for Families Act.

It would establish a grant program at the Department of Health and Human Services for states and territories to invest in the physical infrastructure of child care facilities. It also includes my proposal allowing the Secretary of HHS to award competitive grants that would develop or finance child care facilities. Furthermore, it would direct states to conduct an analysis of their child care infrastructure needs to better understand the impact of the pandemic and the ongoing requirements these centers have to promote safe, effective learning.

But the Building an Economy for Families Act doesn't stop there. This bill will transform the lives of working families through guaranteed access to child care, a permanent extension of the worker and family-related refundable tax credits from the American Rescue Plan, and universal paid family and medical leave.

We've built a society without the infrastructure to truly support working families, limiting our economy's potential, and stretching families to their financial and emotional limits.

The impact of this "bottom line first, families last economy" came to roost during the pandemic.

Now, as we begin to come back from this crisis, we have an opportunity to not just recover, but build back better... to rebuild an America that values every child's future, every parent's opportunity, and every family's quality of life.

We know what it will take, and with the legislation before us, we have the foundation to create a more prosperous and fair America.