



ARIZONA CHILD CARE ASSOCIATION

The following is a copy of a letter was that sent to all members of the House and Senate

September 23, 2009

Senators and Representatives
1700 W. Washington
Phoenix, AZ 85007

Dear Senator or Representative,

The Arizona Child Care Association (ACCA) members include small businesses, faith based organizations, non-profit community based agencies, and large employers. The cuts to DES have resulted in: the denial of child care for eligible low income families who want to work, significant layoffs in our industry, and a sudden and serious drop in revenue that combined with the impacts of the overall economy, threatens the very existence of private sector child care providers throughout Arizona.

As families struggle in the current economy to provide for and protect their children, the State has stopped helping new low income parents who want to work and cannot afford child care. Families only seek State assistance with child care when they have no other good options. Without state assistance parents have no choice but to leave their children home alone or with siblings, or boyfriends, quit or reduce work hours, use caregivers who do not meet minimum qualifications, or seek other more costly State aid to support their family.

The decision to turn away families goes beyond the immediate impact of parents being unable to financially support their family and ensure their children's safety. The cuts to child care funding are having a profound economic impact; reducing employment, damaging small businesses, and further draining the State's resources. We believe that work supports for parents with young children should be maintained, if not expanded; particularly given the Federal funds the State received.

Since February, the State has been denying any child care assistance to new eligible low income working families. These families are being turned away at the very time they need help to accept a job or keep working. Employers do not hold low wage jobs and certainly not for indeterminate periods.

The term "waiting" list is a poor description of what is happening since essentially the low income working program is closed, parents have no hope of getting off the turn away list, and apparently, there are no plans to stop turning away other parents. The State continues to provide child care for families with ties to welfare and CPS as it should, but has cut support for new parents wanting to work to avoid welfare and ensure their children are safe.

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The “turn away” list had 7,887 children on September 18th and grows daily. If the State continues to turn away families, at the current rate, we estimate that 11,700 eligible children

will have been denied by December and 18,500 by June. Year to year comparisons only begin to show these trends. In July 2008, 45,500 children were served; in July 2009 almost 8,600 fewer children were served.

In addition to denying eligible families, the subsidy program has been decimated. Payment rates were pushed back to the year 2000 cost of care and parents’ required share of costs were significantly increased. Individual providers already report reductions of 40-50% and more in children and payments compared to last year.

The cuts to child care will ultimately cost the State more. The cuts have resulted in increased unemployment through lost jobs for those denied a subsidy and job losses in the child care workforce. Small business and non-profits throughout the state are laying off staff. Every 10 fewer children results in one less teacher. We estimate that since November the reduction of 12,250 DES supported children served has resulted in over 1,200 job losses.

The loss of State support will result in centers closing, particularly in low income neighborhoods. The dramatic decline of State funding for child care jeopardizes the very infrastructure that all working parents and employers who need a stable workforce rely upon.

Small businesses and non-profits that provide child care do not understand how the State received \$50 million in Federal stimulus (ARRA) funds and yet the net effect is far less overall spending. This appears to violate the spirit and intent of the stimulus funds. We understood, and supported the \$50 million to backfill State reductions and avoid removing current funded children from care. It is our understanding that current plans will reduce at least \$30 million from child care this year. Given the lost federal funds, cuts of this magnitude are devastating.

The State is facing incredible challenges and uncertainty. We appreciate the difficult choices you must consider as an elected official. Yet, as businesses we support protecting essential safety net services and work supports such as child care and continuing funding for programs that contribute to the State’s economy.

We respectfully request that you provide sufficient funding to eliminate the DES child care turn away (aka “waiting”) list at your earliest opportunity. Please let me know if I can provide any further information. Your consideration is greatly appreciated.

Sincerely,

Bruce Liggett
Executive Director

cc The Honorable Janice K. Brewer, Governor of Arizona

Kevin B. DeMenna, DeMenna & Associates.

[The Arizona Child Care Association \(ACCA\)](#) is a professional non-profit organization of private non-profit and proprietary child care centers. The ACCA mission is to promote accessible, affordable and quality early care and education that meets the needs of families and children statewide.

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