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FINAL REPORT OF THE SENATE STUDY COMMITTEE ON ACCESS TO AFFORDABLE CHILD CARE (SR 471)

Committee Members

Senator Brian Strickland, Chairman

District 17

Senator Matt Brass

District 28

Senator Clint Dixon

District 45

Senator Bo Hatchett

District 50

Senator Derek Mallow

District 2

Senator Elena Parent

District 42

Senator Michael 'Doc' Rhett

District 33

TABLE OF CONTENTS

STUDY COMMITTEE CREATION, FOCUS, AND DUTIES.....	3
BACKGROUND	4
SUMMARY OF TESTIMONY AND DISCUSSION	5
MEETING ONE.....	5
MEETING TWO.....	7
MEETING THREE.....	11
MEETING FOUR.....	14
FINDINGS AND RECOMMENDATIONS	15

DRAFT

STUDY COMMITTEE CREATION, FOCUS, AND DUTIES

The Senate Study Committee on Access to Affordable Child Care was created by Senate Resolution 471 during the 2024 Legislative Session of the Georgia General Assembly.¹ The Study Committee was tasked with undertaking a study to determine what measures may be necessary and appropriate to increase access to affordable child care in Georgia.

Senator Brian Strickland of the 17th served as Chair of the Study Committee. The other Senate members were Senator Matt Brass of the 28th, Senator Clint Dixon of the 45th, Senator Bo Hatchett of the 50th, Senator Derek Mallow of the 2nd, Senator Elena Parent of the 42nd, and Senator Michael ‘Doc’ Rhett of the 33rd.

The following legislative staff members were assigned to the Study Committee: Hannah Holcomb, Office of Senator Brian Strickland; Lindsay McVicar, Senate Budget and Evaluation Office; Emily Leonard, Senate Press Office; Bailey Sailors, Senate Office of Policy and Legislative Analysis; and Sarah Crittenden, Office of Legislative Counsel.

The Study Committee held 4 meetings in total: the first at the State Capitol on August 28, 2024; the second at the Shaquille O’Neal Boys & Girls Club of Henry County on October 30, 2024; third at the State Capitol in Atlanta on December 2, 2024; and the final meeting at the State Capitol in Atlanta on December 12, 2024.

¹ S.R. 471, <https://www.legis.ga.gov/legislation/66253>.

BACKGROUND

In recent years, the Georgia State Senate has prioritized matters impacting children and families in Georgia. This commitment was reinforced by the creation of the Senate Committee on Children and Families. Several issues facing Georgia's children and families have been uncovered through the work of this committee. One of these areas of concern is access to affordable childcare. Many Georgians struggle to find affordable child care options, both for preschool and school-aged children. The COVID-19 pandemic exacerbated this problem, forcing many childcare centers in this state to close, leaving many child care workers to seek alternative employment.

Despite the availability of various forms of state and federal assistance, many child care centers have either failed to reopen or have opened with limited staff. The recent expiration of allocated funds from the American Rescue Plan Act of 2021 puts additional child care centers, children, parents, and caregivers at risk, with at least one report suggesting that Georgia may lose 10,575 child care jobs and experience 944 child care program closures, resulting in the loss of care for more than 80,000 children in this state.

In addition to the effects of inflation on the broader economy, the rising cost of child care as a large share of family income makes it a supportive service that is largely unattainable for many Georgians, and estimates suggest that parents without affordable child care options could annually face \$218 million in lost wages due to drastically cut work hours or being forced to leave the workforce entirely. In particular, limited access to affordable child care serves as a significant barrier for mothers of young children to enter and remain in the workforce full-time.²

The Senate Study Committee on Access to Affordable Childcare was established to examine current child care costs, accessibility barriers, and potential policy solutions. Through testimony provided by experts, stakeholders, and community members, the Committee discovered three critical areas for improvement in Georgia's childcare system: (1) workforce recruitment and retention; (2) expanding access to more families; and (3) increasing funding opportunities for childcare providers. Based on the testimony provided over the course of three meetings, the Committee has developed strategies to improve child care affordability and find solutions that improve state's economic health and the future of Georgia's children.

² S.R. 471, <https://www.legis.ga.gov/legislation/66253>.

SUMMARY OF TESTIMONY AND DISCUSSION

MEETING ONE

Date: August 28, 2024

Location: Georgia State Capitol – Atlanta, GA

Topic: Introducing the Problem

Committee Members Present

Chair: B. Strickland

Senators: M. Brass, E. Parent

Others: N/A

Speakers & Presentations

Name/Agency	Topic(s)	Visual?
Mindy Binderman, GEEARS	Challenges and Opportunities in Early Care & Education in Georgia	Y – PPT
Hannah Goldberg, GEEARS	How Child Care Challenges Affect Georgia’s Workforce and Economy	Y – PPT
Tim Cairl, Metro Atlanta Chamber	How Child Care Challenges Affect Georgia’s Workforce and Economy	Y – PPT
Ilka McConnell, Athens-Clarke County Government	Child Care Challenges and Solutions in Athens-Clarke County	N
Ellyn Cochran, Quality Care for Children	How QCC Works to Improve Child Care Quality, Access and Sustainability for Georgia Families	Y – PPT

Summary of Testimony

1. Georgia Early Education Alliance for Ready Students (Mindy Binderman, Executive Director)

Ms. Binderman explained the purpose of GEEARS, which is to inspire and provide leadership for a statewide movement on quality early learning and healthy development for all children ages birth through five. Ms. Binderman shared that Georgia has consistently been a leader in early learning through our lottery funded pre-K program. However, there are still gaps in the early learning system, and without access to high quality childcare: parents are often unable to work or gain an education; children are often cared for in unhealthy, unregulated environments; and employee absences and turnover affects employers’ bottom lines.

Ms. Binderman explained the benefits of investing in early education. She also explained some parental concerns gathered through GEEARS surveys. These concerns are exacerbated by the fact that childcare costs represent more than one third of the earnings of a family with low income, and the average yearly infant tuition exceeds in-state tuition at a four- year public college in Georgia.

Ms. Binderman explained the types of early learning systems in use in the state and provided some background on Georgia’s existing pre-K and Childcare and Parent Services (CAPS) Program. She shared that only an estimated 14.8% income-eligible children in Georgia receive a CAPS scholarship.

2. Georgia Early Education Alliance for Ready Students (Hannah Goldberg, Director of Research and Policy) and Metro Atlanta Chamber of Commerce (Tim Cairl)

Dr. Goldberg and Mr. Cairl spoke about how child care challenges affect Georgia’s workforce and economy. They explained that parents experience both short term and long-term disruptions to employment as a result of child care challenges. Short term disruptions include arriving or departing from work late or early or missing days of work or school. Long term disruptions include quitting school or

work, turning down advancement opportunities, moving from full time to part time, or being fired. They shared that child care challenges lead to at least \$1.75 billion in losses in economic activity annually and an additional \$105 million in lost tax revenue. Dr. Goldberg shared data from a GEEARS survey showing that the percentage of families with young children who had to quit a job, not take a job, or greatly change because of problems with child care has increased since 2018. Dr. Goldberg provided additional data showing that 65% of parents indicated that they or their partner had to miss a shift or reduce hours at work because of problems with child care.

Mr. Cairl shared the overall Georgia census numbers for 2019-2022. He explained the challenges employers are facing when it comes to returning to work in the office full time post-pandemic. Mr. Cairl shared data from a MAC survey of 17 Atlanta-based companies and explained how average days in the office, flexibility, and benefits packages are widely varied within companies and across industries. He said that trends indicate that structured hybrid working is the future and spoke about how these return to work policies are impacting access to child care.

3. Athens-Clarke County Unified Government (Ilka McDonald, Economic Development Director)

Dr. McDonald shared data from Athens showing that child care on average costs between \$900 and \$1,300. She further explained the different types and number of child care providers in Athens and shared that these providers only have capacity for about half of the children under five in Athens-Clarke County. She also shared the challenges the community faces with providing child care not only for metro-Athens children but with also providing care for children of commuters coming in from rural and suburban areas. She also shared that data shows that Athens industries and businesses are trying to increase benefits and working on more flexibility, but child care accessibility is not really being addressed. ARPA funds have been focused on social support issues and local government leaders are considering measures that would provide grants and support to the child care industry.

5. Quality Care for Children (Ellyn Cochran, President and CEO)

Ms. Cochran shared the mission of QCC and why its work is critical. She explained that QCC is the child care resource and referral system for three regions in the northern half of the state which help child care providers work toward their quality star rating. Ms. Cochran shared that QCC runs the parent referral call center where trained parent specialists offer free referrals for parents seeking child care. She also shared QCC's efforts to boost scholarships which are paid directly to child care providers for eligible families. She further explained that these scholarships are both short-term for families in crisis and other long-term scholarships. Ms. Cochran explained that QCC also focuses on sustainability of the child care workforce and child care providers. These efforts include business support services to help child care business owners grow enrollment and maximize revenue.

Ms. Cochran shared data from a 2023 Child Care Aware of America report showing that the average annual price of center-based costs for infants is \$11,066 and family care costs for infants is \$8,407. Both of these values increased from 2022. Ms. Cochran explained why teacher/caregiver rates are so low while tuition is so high; because providers have so many fixed costs, one of the only places they can save costs is through lowering teacher/caregiver pay. Ms. Cochran also shared data from a 2024 survey of Georgia child care providers. Some examples of this data include:

- 47% of programs raised tuition and fees in the last year;
- 42% of decreases in enrollment were attributed to families experiencing financial challenges;
- 68% of center providers said they could care for more children if there was not a staffing shortage;
- 50% of providers with a waitlist have 20 or more children on the waitlist;
- 65% of programs anticipate having to increase tuition rates after June 2024 when federal relief funds run out; and
- 26% report that the end of federal relief funding will impact teachers' wages.

MEETING TWO

Date: October 30, 2024

Location: The Shaquille O'Neal Boys & Girls Club of Henry County – McDonough, GA

Topic: Afterschool and Summer Childcare Programs

Committee Members Present

Chair:

Senators: D. Mallow, E. Parent, B. Hatchett, M. Rhett

Others: N/A

Speakers & Presentations

Name/Agency	Topic(s)	Visual?
Polly McKinney and Katie Landes	The Power of Afterschool & Youth Development in Georgia	Y – PPT
Erik Peterson	Trends in State Funding for Afterschool and Summer Programs	Y – PPT
Kristine Steinman	Mission and Impact of the Boys & Girls Clubs	Y – PPT
Allison Toller and Kim Nelson	YMCAs of Georgia	Y – PPT
Tina Pinkston	Mission and Impact of LIFT Youth Center	Y – PPT
Shannon Ferguson	Impact of Childcare Costs on Georgia Families	N
JT Wu	The Importance of Combatting Child Illiteracy through Quality Early Childcare	Video Testimony

Summary of Testimony

1. The Voices for Georgia's Children (Polly McKinney, Advocacy Director) and Georgia Statewide Afterschool Network (Katie Landes, Director)

Ms. McKinney explained the mission and goals of Voices and that Ms. Landes is the Director of Georgia Statewide Afterschool which is a division of Voices. Ms. Landes shared that resourced afterschool programs often improve academic performance and outcomes, improve behavioral health, support working parents, and build critical workforce skills. She shared data showing that children who regularly participate in quality afterschool programs make academic gains in reading and math, have higher graduation rates, and improve school attendance. She also shared that 18% of Georgia's school-aged children participated in afterschool programs in 2020, but 42% more children would enroll if a program were offered in their community. Ms. Landes continued by explaining some funding sources for afterschool funding sources which are: 21st Century Community Learning Centers (CCLC); CAPS; BOOST (expired); Out of School Services; Learning Loss Grants; and 4H.

21st CCLC is a federally funded program administered by the Georgia Department of Education. Current annual funding is approximately \$39 million which supports over 200 sites. CAPS provides scholarships for children up to the age of 13 to attend licensed afterschool programs and summer camps. The Out of School Services program is administered by DFCS and provides \$15.5 million annually, via TANF, of competitive grants to 57 community-based afterschool and youth development programs operating over 200 sites and serving over 23,000 youth. BOOST supported access to afterschool and summer learning programs via \$85 million in federal Covid relief funds. Learning Loss Grants are administered by DFCS in partnership with the United Way of Greater Atlanta and have provided \$2 million in competitive grants to combat youth learning loss across the state. 4H provides in-school, afterschool, and summer learning programs for youth development across the state.

Ms. Landes explained that investments in funding for afterschool and youth development have remained fairly stagnant over the last decade, but with an addition of GEER funds from Governor Kemp and BOOST

funds, more programs were able to open and serve more children. However, these funding sources have ended. For example, BOOST funds were awarded to over 100 grantees across the state that were able to serve 87,000 youth last year. BOOST specifically worked to serve high priority counties that did not previously have 21st CCLC funds or an Out of School Services program which gave over 20 counties access to afterschool and youth development programs. Senator Hatchett asked what it means to be a high priority county. She answered by saying that a high priority county did not receive money from either of the two largest funding streams, 21st CCLC or the Out of School Services program. She continued by explaining that the 21st CCLC often receives more than double the applications than the program is able to fund, so these high priority counties may have applied for other funding before they received BOOST funds.

2. Afterschool Alliance (Erik Peterson, Senior Vice President of Policy)

Mr. Peterson spoke about national trends in the need for afterschool and summer programs and in funding afterschool programs. He explained that unmet demand for afterschool programs has grown 60% since 2004, and as of 2020, nearly 25 million students would enroll in an afterschool program if one were available. He also shared that studies have found that parents with high levels of parental afterschool stress miss 8 unscheduled days of work per year compared to 3 days for those with lower levels. Mr. Peterson said that states are now playing a larger role in funding afterschool programs and said that state funding is nearly 20 times greater today than it was in 2000. He shared that of the states that fund afterschool and summer programs, 11 of them have built off of their pandemic related funding and are now using state funds to sustain and grow their programs.

Mr. Peterson explained how other states are funding afterschool and summer programs (budget line items, sales tax and excise tax revenue, proceeds from the lottery or unclaimed lottery prizes) and shared examples of programs from other states. He stated that dedicated state funding for afterschool and summer programs is key to sustaining federal investments that are sunseting and to ensure adequate supply of programs. He explained that Georgia's BOOST program has been a model for other programs across the nation and that the existing infrastructure from this program should be utilized in Georgia. He concluded by sharing that professional development for program staff, capacity building for providers, shared data systems, and other key infrastructure needs must be built into funding to ensure quality programs, and there should be minimal barriers to accessing grant funding to ensure that funding is available in all geographic areas of the state.

3. Georgia Alliance of Boys & Girls Clubs (Kristine Steinman, Executive Director)

Ms. Steinman explained the mission and goals of Boys & Girls Clubs. She shared that Boys & Girls Clubs provide safe and inclusive spaces, caring adult mentors, and skill-building programs for children afterschool and during the summer and allow children to develop positive coping skills by providing mental and emotional support systems. Ms. Steinman continued by explaining that Boys & Girls Clubs serve a total of 62,510 youth in 144 clubs and 62 counties across the state. She shared some examples of mental health/trauma issues being faced by youth today and explained how Boys & Girls Clubs work to ease some of these issues.

She further explained how the Clubs work to improve outcomes in English Language Arts and Math and shared examples of improved math and ELA diagnostics for children at Club summer camps. Ms. Steinman detailed how BOOST funds were utilized by the Clubs: increased school-aged youth attendance; increased professional development; increased transportation routes; and hired licensed and accredited professional staff. She concluded by sharing Georgia's return on investment. For every dollar invested in Clubs, there is a return of \$5.20 in economic benefits to Club members, their families, and society. Senator Parent asked if the BOOST program existed before the pandemic. Ms. Steinman answered by saying that it did not exist before the pandemic, and the program was created as a pass through for federal relief dollars.

4. YMCA of Metro Atlanta (Allison Toler, Chief Social Impact Officer, and Kim Nelson, Senior Vice President of Youth Program Development)

Ms. Toller shared that 283, 976 children and teens were served across the 75 YMCAs in Georgia and 1.8 million meals were provided to families and children in 2024. She continued by sharing that the Y operates 200 child care sites which cover early care and learning, afterschool, summer programs, and youth and teen development. She gave examples of some of the programs available at the Y for children from birth to young adulthood.

Ms. Nelson explained how Georgia's YMCAs were able to utilize BOOST funding to focus on workforce recruitment and retention by increasing hourly pay based on experience and education, creating professional development plans for new staff to advance up a career ladder, partnering with mental health experts to train staff on how to best care for themselves and the children, and creating new measures to promote math and literacy skills. BOOST funds also allowed the Y to open five new in school locations for afterschool care in metro Atlanta as well as expand eligibility for financial aid beyond CAPS to offer financial assistance to families through a sliding fee scale. She concluded by emphasizing the importance of renewing BOOST program funding which would allow families to have greater access to affordable, high quality afterschool programs. Senator Parent asked for clarification about the differences between CAPS and BOOST funding. Ms. Landes answered by saying that CAPS funds come directly from families to a licensed childcare provider and are only accessible by children under the age of 12. BOOST was able to be utilized directly by providers and was flexible enough to allow each provider to address specific community needs.

5. LIFT Youth Center (Tina Pinkston, Executive Director)

Ms. Pinkston explained that LIFT was created to offer free afterschool programs for middle and high school students in Catoosa County. She shared that from 2021 to 2024, LIFT has served 910 students afterschool, conducted 2,005 afterschool workshops, and had a total of 22,392 students visit afterschool. She explained that in addition to these workshops LIFT has free tutoring, mentors, peer support groups, parent nights, and weekly group therapy. She also shared that LIFT students have reported having improved mental, social, and physical health as well as feeling happier.

She continued by explaining that BOOST funds made up about 19% of their funding for three years. She shared how important this was to LIFT since the organization is a small, start-up nonprofit. Ms. Pinkston said best utilizing funding sources is critical because the LIFT program must be free to students. Without BOOST funds, she said there is a gap in the budget that she has to address without creating costs for students and families using the program.

6. Georgia First (Shannon Ferguson, Senior Policy Analyst)

Ms. Ferguson explained the impact of childcare on Georgia's economy. She shared that, on average, families are spending 24% of their income on childcare which not only decreases family income, but decreases family income while not allowing families to build up savings. She shared stories from Georgia families. She also shared that keeping children out of childcare not only impacts the opportunities of the adults in the family but also impacts the child's educational and future economic outcomes because of lack of access to early education. She continued by explaining that while more affordable childcare options exist, these options may not have access to more robust care and educational programs that other childcare centers may have. She concluded by stating that not addressing Georgia's childcare crisis will negatively impact the economy and business outcomes in this state.

7. Preface (JT Wu, Founder and Executive Director)

Mr. Wu explained the mission of Preface and how the philanthropy works to promote early literacy in Georgia. He continued by explaining that Preface utilizes a peer-to-peer mentoring model where high school students read to younger students during the school day. He shared how important it is for children to

acquire literacy skills at an early age. Mr. Wu also shared how difficult it can be for parents to access early childcare and said the average cost for full-time infant care in Georgia is over \$8,500 per year. He explained that by not accessing early childcare, children have lower school preparedness, parents have more stress, and the state has lower economic productivity and competitiveness. Mr. Wu said that investing in the next generation of Georgians is an economic necessity because current childcare challenges cost the state's economy about \$2 billion per year due to lost earnings for families, reduced tax revenues for the state, and foregone productivity for our businesses.

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MEETING THREE

Date: December 2, 2024

Location: Georgia State Capitol – Atlanta, GA

Topic: Childcare Funding Mechanisms

Committee Members Present

Chair: B. Strickland

Senators: E. Parent, D. Mallow (via zoom)

Others: N/A

Speakers & Presentations

Name/Agency	Topic(s)	Visual?
Gretchen Corbin	Georgia Lottery	Y – PPT
Ife Finch Floyd	Funding Georgia’s Child Care System	Y – PPT
Buzz Brockway	Georgia CAPS Problems and Solutions	Y – PPT
Ideisha Bellamy, Michelle Smith-Lank, Jana Fox	Breaking Barriers: Expanding Access to Affordable Child Care in Georgia	Y – PPT
Amanda Farahany	The Rights of Working Parents	N
Ellen Reynolds	Childcare Tax Incentives in Other States	N
Ogechi Oparah	Issues and Solutions for Child Care Funding	N

Summary of Testimony

1. Georgia Lottery (Gretchen Corbin, President & CEO)

Ms. Corbin shared that the Georgia Lottery has given \$28.7 billion for education since its inception. She also shared that 2.2 million Pre-K students received lottery funds and 2.1 million college students received HOPE scholarships and grants. She explained the different types of products offered by the Georgia Lottery and reviewed the last ten years of returns on these products. Ms. Corbin concluded by explaining how education funding through the Lottery works: The Georgia Lottery Corporation sells its products and makes a quarterly transfer to the Lottery for Education Account in the Office of the State Treasurer. The Governor and OPB then make a budget recommendation for Pre-K and HOPE funding. The General Assembly then appropriates lottery funds through the state budget process. Finally, the funds are placed in the budgets of the Georgia Student Finance Commission (HOPE) and the Department of Early Care and Learning (Pre-K). Senator Parent asked how much the Lottery gives to HOPE funding versus Pre-K funding. Ms. Corbin answered by saying that, historically, the Lottery has given \$9 billion to Pre-K and \$15 billion to HOPE scholarship and grants. Senator Strickland asked who makes the determination about the amounts allocated to HOPE versus Pre-K. Ms. Corbin said that OPB looks at several factors and makes the calculation. She also shared that the Lottery gave \$541 million to Pre-K in FY2025 which was the largest amount given in 30 years.

2. Georgia Budget and Policy Institute (Ife Finch Floyd, Director of Economic Justice)

Ms. Floyd explained current funding mechanisms for childcare in Georgia. She stated that there has been a nineteen percent increase in funding for the CAPS program since 2005 and emphasized the importance of FY 2025’s additional \$9.2 million investment in achieving this increase. She shared information about New Mexico’s Early Childhood Trust Fund and explained that the Fund has contributed to increased resources for childcare in New Mexico. Ms. Floyd proposed that Georgia establish its own similar Trust Fund which would create a dedicated source of revenue to finance a permanent, recurring investment in child care. She recommended a one-time allocation of funds from the undesignated reserve and explained simulated payouts from the Fund based on different initial investment amounts. Senator Strickland asked

where money from the Fund would be disbursed. Ms. Floyd answered by saying that the funds should be disbursed throughout the childcare system.

3. For Opportunity (Buzz Brockway, VP of Policy)

Mr. Brockway shared some demographic information on families who receive CAPS funding. He also shared that safety net programs, like CAPS, can have the unintended consequence of disincentivizing work by discouraging people who receive these benefits from seeking higher-paying employment because the recipients fear losing their benefits if they obtain higher-paying employment. Mr. Brockway also explained that families receiving CAPS often receive other benefit packages and shared how these benefit packages interact with each other. He emphasized the importance of keeping other federal safety net programs in mind when seeking solutions for the CAPS program. He stated that day care inflation has outpaced general inflation over the last 30 years which has significantly contributed to the unaffordability of childcare across the board. Mr. Brockway explained that many safety net programs also disincentivize marriage by decreasing benefit amounts for married couples compared to a couple simply cohabitating. Mr. Brockway concluded by sharing several recommendations for solving some of the issues he addressed. Senator Parent expressed that she would like to learn more about Informal care options and if these programs would be enough to help children be prepared for school. Senator Parent explained that there is a pilot program in Michigan that is an equal one-third share with the employee, employer, and the State.

4. Georgia Child Care Association (Ideisha Bellamy, CEO, GCCA, Michelle Smith-Lank, Owner/Director, Kids World Learning Center, and Jana Fox, Owner/Director, The Learning Treehouse)

Ms. Bellamy shared the purpose and background of GCCA. She shared some recommendations: restore flexible funding (e.g., former Stable Grants) to address workforce shortages and cover rising costs of facilities and insurance; expand CAPS slots to ensure more families receive assistance; and eliminate zone differentials to create equity for rural and non-metro providers. Ms. Smith-Lank owns a three-star quality rated program, among other designations, that serves children six weeks to twelve years old. She shared that the weekly rate for infant care, pre-pandemic, was \$185 compared to \$298 per week today and her center is still losing money. She continued by explaining that the removal of access money, which helped parents with CAPS copays, has significantly impacted parents who were depending on CAPS. Ms. Smith-Lank shared three ideas for improvement: prioritizing early educators for the CAPS scholarship; increasing the number of CAPS slots for families statewide; and eliminating regional differences in CAPS reimbursement rate. Ms. Fox owns the Learning Treehouse. She provided an owners' perspective on issues in the childcare industry. She explained that it is difficult to retain staff because they are often leaving for better paying jobs, and it is difficult to hire new teachers because of the pay level. She explained the importance of providing quality care and its impact on Georgia's future.

5. Barrett and Farahany (Amanda Farahany, Managing Partner)

Ms. Farahany (via Zoom) spoke about the needs and rights of Georgia's working parents. She explained that Georgia has no state level protections for parents, and that parents are not adequately protected by federal law either. She continued by explaining that many women have been discriminated against in the workplace after becoming pregnant and deciding to start a family. Ms. Farahany shared several testimonials from women who had to quit their jobs upon becoming pregnant. She also shared examples of the federal court's hostility to these types of employment claims. She explained the Pregnancy Protection Act, what it would require of employers, and how it would positively impact the state's economy.

6. Ellen Reynolds (Childcare Provider Representative)

Ms. Reynolds provided more detail on some recommendations shared by the previous speakers. She explained the costs associated with some of these measures and shared that some of these costs could be covered by the state surplus. She shared examples of property tax exemptions for certain child care providers that have passed in Texas and Florida. She also shared how another Florida tax credit could be used to help incentivize small businesses to get involved with providing childcare solutions. She concluded

by sharing that insurance rates for childcare are significantly increasing and explaining the negative impacts this has on providers.

7. Ogiche Oparah (9to5 Georgia)

Ms. Oparah shared testimony from some 9to5 members. She explained how, due to a lack of funding, maximum income limits are used as a lever to limit the number of children who are eligible for CAPS, and with the end of ARPA funding, DECAL can serve even fewer children. She shared data from a survey conducted by 9to5 that illustrated how important CAPS funding is to childcare providers. She also shared the challenging cycle that arises based on low teacher pay; teachers are leaving because teacher pay is low, but teachers are difficult to recruit and replace because the pay is low. Ms. Oparah concluded by sharing the following recommendations: significant long-term state funding for a mixed delivery system (public, private, and license-exempt programs); adequately fund CAPS with a combination of state and federal dollars to serve the needs of families with low incomes; explore and advocate for compensation strategies and support systems to help recruit and retain infant and toddler teachers.

MEETING FOUR

Date: December 12, 2024

Location: Georgia State Capitol – Atlanta, GA

Topic: Adopting the Final Report and Recommendations

Committee Members Present

Chair: B. Strickland

Senators:

Others: N/A

The committee discussed and voted upon this Report and Recommendations.

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FINDINGS AND RECOMMENDATIONS

Based on the testimony and research presented, the Study Committee on Access to Affordable Childcare recommendations address three areas of concern: improving workforce recruitment, development, and retention; expanding access for more families; and increasing funding opportunities for existing childcare providers.

(1) Improve Workforce Recruitment, Development, and Retention:

- Provide additional options for childcare workers to receive access to funding for childcare services.
- Implement a refundable tax credit for early childhood educators.
- Evaluate goals and state funding guidelines regarding pay for infant and toddler classroom teachers in reference to current Pre-K and K-12 teacher pay.
- Consider enacting state laws concerning discrimination against and accommodations for new and expectant parents in the work-place.

(2) Expand Access to Serve More Families:

- Increase the tax credit for child and dependent care expenses.
- Prioritize the creation of a Georgia Child Tax Credit helping families with the youngest children offset the expenses they incur as their children reach school age.
- Increase state funding for Child and Parent Services (CAPS) to provide access for more Georgia families.
- Consider access to Pre-K for families with 3-year-olds in the existing program funded by the Georgia Lottery.
- Consider grants to USG and TCSG schools to cover childcare for student-parents who are enrolled in programs that align with the state's new High Demand Career List.
- Encourage businesses to support their employees in accessing child care through cost sharing and other innovative initiatives.
- Provide extensive evaluation of the current CAPS program and consider new funding models and policies to ensure that the program is serving all Georgia families and communities in the most efficient and equitable manner.
- Study the concept of instituting a Georgia Child Care Trust Fund similar to that of other states.
- Study whether a tri-share program similar to that of North Carolina or Michigan would be feasible, along with increased employer incentives for childcare access for their employees.

(3) Increase Funding Opportunities for Childcare Providers:

- Expand eligibility for Georgia's tax credit for employer sponsored childcare and making the amount of that credit more generous.
- Create and fund a Building Opportunities in Out-of-School Time (BOOST) 2.0 grant program and evaluate other new funding sources to account for programs with proven success and return on investment for families and communities in need of after-school programs.
- Evaluate regional differences in CAPS reimbursement rates and other current reimbursement rates being provided under the existing program.

Respectfully Submitted,

**FINAL REPORT OF THE SENATE STUDY COMMITTEE ON
ACCESS TO AFFORDABLE CHILD CARE (SR 471)**

**Senator Brian Strickland – Committee Chairman
District 17**

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