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Following enactment of the Child Care and Development Block Grant Act of 2014 ([CCDBG](#)), states have an opportunity to strengthen the quality of child care – important for families and for employers.

Quality Child Care Matters!

- Quality child care is essential to the safety and healthy development of children, particularly in the school readiness of low-income children. In Iowa, 19.1% of children under age 5 (about 40,000) live in poverty.
- Child care is not just a key work support for parents, but it is also critical for the healthy development of children to ensure they start school ready to learn.
- Child care as an industry can be an economic driver – for example, in Iowa, industry revenue combined with spillover effects (additional spending) have a nearly \$730 million impact on the economy.

Child Care Affordability Affects Families and Employers

- In Iowa, with the average annual cost of center-based infant care at \$9,185, low-income families can be priced out of the licensed market and middle class families struggle with the cost – particularly for families with more than one young child.
- The ability to attract and retain a qualified workforce, who reliably comes to work and shows up focused on the job, is critical. However, the workforce reliability of parents with young children is affected by the child care setting they are able to arrange.
- The cost of care is often related to the quality of care and the quality of care is related to a child's healthy development. Investing in quality child care today so that children start school ready to learn pre-empts a lifetime of remediation at a far higher cost.

The Child Care Industry Affects the State Economy

- Throughout Iowa, there are 13,260 child care programs with revenue of \$447.6 million.
- The child care industry employs 22,716 individuals supporting an additional 5,100 jobs in other industry sectors across Iowa.

A Well-Educated Workforce is Required to Support a Strong Economy

- Investing in early learning and development is the best foundation for human capital. These investments have both immediate and long-term benefits to the individual child and society at large.
- For example, low-income children who have access to high quality child care are less likely to be retained in grade, less likely to be referred to special education, less likely to go to jail, more likely to graduate high school, and more likely to attend college – all leading to higher earnings.
- Research shows that a child's earliest experiences affect brain development, that brain development is cumulative, and that the architecture of the brain can impede later language, cognitive, social, and emotional capacity.
- Business leaders know that it is more cost-effective to get products or services right at the beginning than to fix problems later.

CCDBG Implementation as a Springboard for Support

- The child care industry has a distinct impact on our state's economy.
- Access to high quality child care leads to a more skilled workforce.
- Families and employers depend on quality child care: for more stability for today's employees and to lay the foundation for tomorrow's workforce.

