

An investment of \$480 million into child care in Wisconsin's 2025-27 state budget. This will have proven short- and long-term returns for the early childhood workforce, working families, economic productivity, and community health and reflect child care's status as a vital public good. It is long past time for Wisconsin to support children, families and the child care sector through a significant investment of state revenue. The returns are wide-ranging and vital for a thriving Wisconsin economy. Not investing is a loss we cannot afford.



“This is a non-negotiable investment in our children, our families, and our economic future.”

-CEO of Wisconsin-based manufacturer

“I am exhausted and cannot continue on this treadmill of indifference to children and their families.”

-Early educator, Wisconsin



“How as a state can we fail working families so much? And this is not just a family issue. If you rely on working parents in any way - whether they are working with you, for you, providing goods and services to you - you WILL be impacted.”

-Parent, La Crosse



INVESTMENT IS ESSENTIAL BECAUSE...

Pandemic Funding Did Its Job, But Now It's Expiring: More than 4,877 Wisconsin providers were supported to remain open and provide care for 312,630 children. Because of the investment, Wisconsin saw more programs opening than closing during this time and wages for the workforce went up.

Early Childhood is as Important as K-12 Education: The state's annual funding for child care (per-child age 5 and under) amounts to a small fraction of what is spent per child in K-12 education. This lack of investment results in poverty-level wages for early educators (\$12.99/hour) and a significant economic loss of between \$4.2 and \$6.4 billion a year for the state.

Care is Getting Harder to Find: Wisconsin is facing a severe child care shortage, especially in rural areas, where 70% of providers have wait lists totaling more than 25,500 spots. Families with infants and toddlers are disproportionately in need of access to care with more than 34,000 lacking access to regulated care options.

Parents Can't Bear the Financial Burden Alone: To make up the difference in lost pandemic funding, child care providers have had to increase tuition rates, leading to a 14% increase in costs between 2022 and 2023 alone — well above the state's 4.9% inflation rate. Even with employer assistance to help with the cost, access continues to be the barrier and without an investment, rates will increase again, especially when pandemic-area funding expires in June 2025.

It Provides Good Returns Long into Adulthood: Children with access to high-quality child care tend to perform better academically, have better career opportunities, higher earnings, and improved health outcomes. Communities that provide affordable, quality child care also see reduced spending on special education, criminal justice, and social welfare programs, which benefits society as a whole.

Sustainable Funding Will Benefit All Wisconsin Communities: Nationwide, the support from American Rescue Plan Act funding for child care has contributed to women's prime-age labor force participation reaching its highest level on record. Stable and affordable child care allows parents and grandparents to enter and remain in the workforce, and it leads to more new businesses. Collectively, investments in child care strengthen the state's economy and support growing employment levels.

Sources: Department of Children and Families; First Five Years Fund; Center for the Study of Child Care Employment; Bipartisan Policy Center; Shager, H., Hostetter, L., & Bauer, Z.; Davis Schoch, A., Simons Gerson, C., Halle, T., Bredeson, M; Joint Economic Committee.