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FOR ADDITIONAL INFORMATION

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Report shows 275 new childcare slots created in 7 communities participating in state pilot program

DES MOINES — A state pilot program successfully increased the number of children who could enroll in childcare services in communities participating in the program, which improved wages and benefits for local childcare workers, according to a report released today by the Iowa Women's Foundation and the Common Sense Institute.

The report, "Iowa Childcare Solutions Fund: A Model for Closing the Childcare Gap," analyzed the effects of the state's Childcare Solutions Funds pilot programs. Iowa Women's Foundation believes that data reported by seven pilot program communities are indicators of its success:

- **Businesses are motivated to donate to the Childcare Solutions Funds.** The pilot program incentivized 373 local businesses in reporting pilot program communities and raised \$5.3 million in combined public-private funding for local childcare solutions. They were incentivized by a 2-to-1 state funding match and continued raising private donations even after the match was reached.
- **Working parents benefited from increased access to affordable childcare.** An additional 275 childcare slots were added in the seven reporting pilot program communities. Local childcare providers used the Childcare Solutions Funds, a mix of public and private investment, to attract and retain childcare workers by increasing wages and improving benefits.
- **Childcare centers increased staff and childcare capacity.** Communities added or retained 223 childcare workers from 105 childcare providers in reporting pilot programs analyzed.

Childcare Solutions Funds merge public and private funding to create a sustainable funding source for community childcare providers, allowing them to make investments that might not otherwise be supported by the market, such as increasing wages or improving benefits to attract childcare workers.

"IWF is proud to play a key role in facilitating childcare solutions at the county level," **said Deann Cook, president and CEO of IWF.** "These public-private partnerships are proving to be the crucial collaboration that stabilizes childcare for communities, childcare providers, employers and, most of all, Iowa's women and families."



The report indicates that Childcare Solutions Funds accomplish four important goals:

- **Increase the number of children** who can enroll in local, affordable and quality childcare, which allows more parents to return to the workforce
- **Attract childcare workers** by increasing the wages and benefits of these positions
- **Incentivize local businesses** to fund local childcare solutions through a state match
- **Empower local communities** to solve local childcare challenges through local business investments and local decision-making

“The data shows us that our efforts are making a positive impact, helping more women access the childcare they need to stay in the workforce and improve their lives economically,” **said Sheri Penny, employment engagement director at IWF.** “This research reinforces the importance of expanding these solutions statewide to drive real change for women and families across Iowa.”

“This program allowed us to incentivize the workers to stay with childcare providers and also keep costs low for our families, which then allows them to work for our companies,” **said Jason Passmore, director of Howard County Business and Tourism.** “It allowed participating communities to open more quality affordable childcare slots, allowing more parents to enter the workforce.”

An analysis by CSI found that if the pilot program continued and expanded statewide, it would:

- Create 8,000 new jobs
- Enable 5,000 more parents and guardians to join the workforce
- Add 11,000 new childcare slots
- Increase Iowa’s GDP by \$13 billion

“Common Sense Institute’s analysis found the CSF pilot program had its intended effect,” **said Ben Murrey, director of policy and research at CSI Iowa.** “The program allowed participating communities to open more quality affordable childcare slots, allowing more parents to enter the workforce. This translates to higher incomes for families and growth to Iowa’s economy — a win for Iowa families, businesses, and economy.”

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The Iowa Women’s Foundation (IWF) is a 501(C)3 nonprofit committed to improving the lives of Iowa’s women and girls through research, grant-making, advocacy, education and collaboration. To make a significant impact, IWF brings together and invests in organizations across Iowa that make women and girls more successful. IWF is the only statewide organization working to enhance and improve women’s economic self-sufficiency. Learn more at iawf.org.

Common Sense Institute (CSI) is a nonpartisan research organization dedicated to the protection and promotion of our economy. As a leading voice for free enterprise, CSI’s mission is to examine the fiscal impacts of policies and educate voters on issues that affect their lives. Learn more at commonsenseinstituteus.org.