



Bipartisan Policy Center

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**Child Care and the American Workforce: Removing Barriers to Economic Growth
Subcommittee on Early Childhood, Elementary and Secondary Education**

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Chair Kiley, Ranking Member Bonamici, and Members of the Committee:

Thank you for the opportunity to testify today. My name is Caitlin Codella Low, and I serve as the Managing Director of the Human Capital Program at the Bipartisan Policy Center (BPC)—a nonprofit think tank committed to advancing bipartisan solutions to some of the nation’s most pressing challenges, particularly those affecting working families.

My professional journey has consistently focused on the intersection of public policy and real-world impact. At the U.S. Chamber of Commerce Foundation, I led the child care and education portfolio, where we explored the critical connections between child care, business productivity, and economic competitiveness. Prior to that, I served as a Capitol Hill staffer and worked as a social work case manager in Erie, Pennsylvania—experiences that continue to inform my belief in practical, bipartisan solutions.

At BPC, I also support the *Commission on the American Workforce*, a bipartisan initiative focused on ensuring our workforce is strong, stable, and prepared for the future. The Commission convenes leaders from across sectors and ideologies to develop actionable solutions that meet the needs of both workers and employers.

Unsurprisingly, child care has emerged as one of the most consistent barriers to workforce participation and economic mobility. Simply put: Americans can’t work, train, or contribute fully to the economy if they don’t have access to affordable, reliable, and high-quality child care.

That’s why today’s hearing is not only timely—it’s essential. Strengthening the child care system isn’t just about meeting family needs. It’s a foundational investment in a more resilient, productive, and competitive American economy.

We often describe child care as a broken market. Providers are struggling with thin margins, rising costs, and ongoing staffing shortages. They lack the capital to expand supply or improve quality without raising tuition—yet two-thirds of families, according to BPC polling, already report they’re paying the maximum they can afford for formal care. These dynamics strain both sides of the system and undermines our broader economic potential.

Today, I want to focus on three central themes:

1. Child care must Reflect Parental Choice
2. Child care is an Economic Imperative and Workforce Essential
3. How Federal Policies and Programs can better support families and their child care needs

1. Child Care Must Reflect Parental Choice

American families are not one-size-fits-all. They differ in geography, schedules, culture, values, and income—and every day, parents navigate complex decisions to do what’s best for their children. As a working mom of two small children, I know firsthand that there is no more personal or critical choice than deciding how—and with whom—your child will be cared for.

At BPC, our national surveys consistently show that parents prioritize trust and flexibility when choosing child care. For some, that means center-based care. For others, it's a neighbor, a relative, or a home-based provider. And for some families, staying home with their child is the right decision for them. Whatever the situation, one thing is clear, parents want and need choices.

Parental choice should not be a secondary consideration—it is the foundation of a system that works for parents and kids. Federal child care policy should support, not limit, the choices parents must make. Prioritizing choice means ensuring the laws and policies support the need for more high-quality options while addressing the high cost of care.

2. Child Care is an Economic Imperative and Workforce Essential

Child care is not just a family issue. Child care is a workforce issue and a critical component to our economic infrastructure.

Consider this:

- Our economy loses more than **\$120 billion every year** due to breakdowns in the child care system—from lost earnings, missed work, and reduced productivity.
- In my time at the U.S. Chamber, we produced economic impact reports in over a dozen states. These showed that those states lose on average **\$1 billion annually** due to child care-related workforce disruptions.
- Approximately **71%** of all children under age 5 in the US live in a household where all parents work
- **58% of parents** report leaving work because they couldn't find affordable, reliable child care.
- For women—**32% cite caregiving responsibilities** as their primary barrier to returning to work.
- Today, the **average cost of child care exceeds \$10,000–\$15,000 per child per year**—more than public college tuition in most states, more than the cost of rent in all 50 states. In Washington, D.C., that number rises above **\$25,000**.



Employers are also paying the price. In BPC's outreach to business leaders, we routinely hear that child care challenges lead to higher absenteeism, lower retention, and difficulty recruiting talent. Stable child care, therefore, ensures businesses can open their doors and keep them open. For small businesses and frontline industries in particular, child care is no longer a "nice-to-have"—it's a competitive necessity.

High-quality early care is also a long-term economic investment. Studies show that for every **\$1 invested in early childhood programs, the return is up to \$17** in reduced need for public assistance, increased earnings, and better educational outcomes.

If we want to grow our labor force, close talent gaps, and build a more competitive economy, then child care is not optional—it's essential.

3. How Federal Policies and Programs can better support families and their child care needs

The federal government provides support for families through the Child Care and Community Development Block Grant (CCDBG) and that funding is the cornerstone of the federal support for the nation's child care system. This program helps ensure parents are able to make ends meet **and** access child care that meets their needs. CCDBG, however, was last updated more than a decade ago; and the system must modernize to meet the needs of today's families.

BPC has long advocated for smart policy updates that can make the system stronger and drive innovation. We believe targeted reforms like—stabilizing the childcare workforce, reducing administrative burdens, improving data collection, promoting public-private partnership, and supporting providers—can expand access to child care, improve affordability, and preserve family choice—while strengthening the workforce and economy.

Modernization should focus on enabling more parents to work, support multiple care options, and recognize child care as essential economic infrastructure that underpins both today's labor force and the development of tomorrow's workforce.

It is through this lens that BPC has launched The Commission on the American Workforce to create a bipartisan strategy to strengthen the workforce, expand economic opportunity, and ensure the United States remains an economic leader. The Commission will produce a final report in 2026 that will include input from 80 policy experts around the country and across industries, including from my fellow panelist, Celia Sims. Child care is (not surprisingly) a critical component of the Commission's work because, as previously stated, without stable child care for families, our workforce and thus our economy breaks.

Conclusion

Child care is not just a personal decision—it is a national priority. It touches every part of our economy: workforce participation, business productivity, and long-term economic mobility.



Yet for too many families, our current system makes it feel like we're being asked to solve an impossible equation.

I often describe the child care system as a three-legged stool—**access, quality, and affordability**. Each leg is essential, yet achieving all three at once remains elusive for most parents and equally challenging for policymakers. When one leg is missing, the whole system becomes unstable—and families, employers, and the broader economy pays the price.

We have a chance—and a responsibility—to steady that stool. Through smarter policy, targeted reforms, and bipartisan cooperation, we can build a child care system that supports working parents, strengthens businesses, and prepares the next generation for success.

And the good news is this: there is bipartisan momentum. Members on both sides of the aisle have shown a commitment to making child care work better for American families and businesses. I want to thank you for your leadership.

At the Bipartisan Policy Center, we stand ready to support this Committee in advancing practical, durable reforms that reflect the needs of families, the realities of our workforce, and the demands of our economy.

We look forward to working with the members of the Committee.

Thank you. I look forward to your questions.

