



Child Care - Arizona's Foundation for a Strong Workforce

Arizona's workforce is booming. From semiconductors, to cyber security, construction, and healthcare, there is a significant need to strengthen our workforce. In order to make it possible for more Arizonans to be able to work, they need reliable, quality child care. However, Arizona families are struggling with access to and the affordability of child care.

Governor Hobbs' proposal to invest \$100 million in child care in the FY25 budget will:

- Ensure more than 5,000 qualifying families retain access to child care assistance without being placed on an indefinite waitlist
- Expand access to high-quality settings by continuing to offer special incentives to child care providers
- Lower barriers to enrollment for families by continuing to waive costly or prohibitive registration fees

By the Numbers:

- **\$100 million** one-time increase from the General Fund and **\$91 million** increase in appropriation from the Federal Child Care Development Fund (Child Care and Development Block Grant) to support the Department of Economic Security's Child Care Assistance program

What's at stake:

- The economic impact of disruptions in child care can affect Arizona businesses, their employees, and the economy
- Without reliable access to child care, caregivers may miss work, skip opportunities for promotion, or leave the workforce altogether. It leads to [annual losses](#) that include:
 - \$3B lost by Arizona families in forgone earnings
 - \$958M lost by employers due to child care challenges
 - \$725M lost in lower federal and state tax revenue