

Kim Reynolds, Governor
Chris Cournoyer, Lieutenant Governor

Kraig Paulsen, Director

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Chairman Kevin Kiley
c/o Charlie Hatcher
Charlie.hatcher@mail.house.gov
Committee on Education and Workforce
U.S. House of Representatives
Subcommittee on Early Childhood, Elementary, and Secondary Education

Dear Chairman Kiley, Ranking Member Bonamici, and Members of the Subcommittee:

Thank you for the opportunity to testify about Iowa at the subcommittee hearing on “Supporting Working Families: State-Led Child Care Solutions”. My name is Ryan Page and I am the Child Care Director at the Iowa Department of Health and Human Services. I have been in the child care policy field since 2014 and have worked for the State of Iowa for almost 20 years. At the core of our mission is Iowa’s children and families.

Iowa HHS provides high quality programs and services that protect and improve the health and resiliency of individuals, families, and communities. We are the **Lead Agency overseeing the Child Care and Development Fund (CCDF)** and we are responsible for all regulatory oversight under the Child Care and Development Block Grant. Last fiscal year, Iowa received approximately \$110,000,000 under the CCDF Appropriation. Iowa is home to 3.2 million people with almost 200,000 children under the age of 10.

Child care is essential to Iowa’s economic strength by supporting parent employment and a reliable workforce. With 75% of young children having all available parents working, CCDF funding expands access to child care for eligible families.

Under **Governor Reynold’s** leadership and using data, Iowa has taken a pragmatic and deliberate approach to expanding child care access, stabilizing child care businesses, and strengthening the workforce that makes these services possible.

Iowa’s strategy is grounded in the recognition that child care availability is inseparable from the stability of the child care workforce and the financial sustainability of providers. To reduce the child care supply gap strategically and sustainably, interventions must reduce operating expenses or increase revenue for child care businesses. Because communities across Iowa vary in size, demographics, and economic conditions, the needs of each locality differ. For this reason, solutions are most effective when targeted to local conditions and developed with the support of regional partners, employers, and community leaders. Iowa has prioritized public–private collaboration to ensure that communities can tailor solutions while maintaining statewide consistency in quality and support.

Through careful investment and a focus on maintaining existing capacity, Iowa has increased slot availability by approximately 20,000 spaces statewide, over the past 5 years. Importantly, these slots have been sustained over time despite the workforce pressures that many states

continue to face. Our efforts have focused on expanding supply without increasing costs for parents, relying on coordinated strategies and leveraging partnerships to strengthen local infrastructure.

Iowa's Child Care Resource and Referral (CCR&R) system serves as our foundational partner in this work. Supported by an allocation of \$12.6 million in State Fiscal Year (SFY) 2026, CCR&R provides technical assistance, coaching, regulatory support, professional development, behavioral health resources, disaster assistance, and parent referral services. Five regional contracts and four statewide contracts work together through a coordinated network that includes teams dedicated to data, training, community development, provider assistance, behavioral health, and quality initiatives. In addition, the Growing Iowa Fund supports regulatory and quality needs at child care programs across the state.

This year, Iowa expanded CCR&R's role through the addition of **Community Development Specialists (CDS)**. These specialists engage directly with employers, economic development organizations, and local governments, to ensure communities understand their child care landscape and the supports available to them. They provide data and consumer education and can collaborate with regional councils of government to strengthen local planning and coordination. The **Iowa Child Care Roadmap** is a tool developed in partnership with CCR&R and the Iowa Women's Foundation and is used to provide community members, business leaders, and advocates one single location to access available resources to build state and local child care solutions.

Between 2022 and 2024, to support communities in addressing local needs, Iowa HHS implemented several targeted initiatives. The **Business Incentive Grant** program, operated in partnership with **Iowa Workforce Development**, helped employers secure child care slots for their workforce by investing \$1.3 million. This program strengthened employer engagement and encouraged local investment without increasing costs to families. Additional Business Incentive Grants were offered for businesses that had interest in creating or expanding their own child care facilities.

In late 2023, Iowa launched the **Child Care Solutions Fund**, a nine-month, community-driven pilot involving nine communities and a \$3 million state investment. These communities raised private contributions from businesses, residents, and nonprofit organizations, which the state matched at a \$2.00 to \$1.00 ratio. The pilot focused on employee retention and compensation within child care programs. Over 100 providers participated, impacting more than 1,200 child care workers and generating additional child care capacity. Most participating communities have continued these initiatives independently, demonstrating that short-term state investment can catalyze sustained local solutions.

Financial stability is central to child care supply. To address this, HHS supports **Financial Management Coaches** at the **Child Care Collaborative of Iowa** who work with child care programs to strengthen fiscal practices and adopt **Child Care Management System (CCMS) technology**. Through this partnership, providers receive guidance on budgeting, enrollment

management, payment systems, communication tools, and reporting. These efforts reduce administrative burdens and support long-term business sustainability.

Iowa has also invested in tools that support families directly. With a \$5 million investment, **Iowa Child Care Connect** was released in 2024 and is the nation's first near-real-time child care availability platform. This platform allows families to view current openings by age, geography, or along a commuting route and gives communities valuable insight into demand and supply conditions. This tool improves transparency, supports workforce participation, and informs future policy decisions.

In keeping with Governor Reynolds' **Executive Order 10**, HHS undertook a comprehensive review of administrative rules to reduce regulatory burdens without compromising health and safety standards or federal CCDBG requirements. This review produced practical adjustments such as simplifying participation requirements for relatives providing subsidized care and streamlining rules for child care facilities located within school buildings.

Iowa's **Child Care Assistance for the Workforce** program, which began as a pilot, was codified this year through HF 2514. This law allows individuals who work directly in child care to qualify for child care assistance regardless of income. Since the program's launch in 2023, almost 2,400 families have benefited. The program has demonstrated measurable workforce impacts, including the hiring of new staff; at least 10 percent of participating families are newly employed child care workers.

The program has also shown strong multi-year retention outcomes. Of the families who completed their first certification year, 37 percent and among those who completed their second certification year, 70 percent renewed for a third year. Taken together, over half of all participating families are renewals, demonstrating sustained workforce engagement and long-term benefit to child care programs.

In SFY 2025, the fiscal impact of the program totaled \$9.7 million, supported through \$5.8 million in state funds and \$3.9 million in federal funds. The average participating family has two children, two working parents, and is typically over the income threshold for the basic Child Care Assistance program; 48 percent have household incomes above 85 percent of the State Median Income.

To address continuity of care for young children, HHS, in collaboration with the Iowa Department of Education, released two rounds of a competitive grant, called the **Child Care Continuum of Care** grants. Thirty-eight contracts, totaling \$10 million over four years and currently serving more than 300 children, strengthen partnerships between Statewide Voluntary Preschool Programs and licensed child care centers to ensure seamless, full-day care for four-year-olds. This initiative supports both child development and parents' ability to participate fully in the workforce.

Finally, Iowa continues to make sustained investments in the professional development and retention of early childhood educators through programs such as **CDA Navigators, T.E.A.C.H., and Child Care WAGES®**. These initiatives collectively strengthen the early childhood

education pipeline, improve compensation, and stabilize the workforce across the state. In SFY25, through the CDA Navigator program, 315 candidates have received individualized guidance and support, resulting in 54 educators earning their Child Development Associate credentials, a milestone that elevates qualifications and improves quality in early learning environments. Iowa's T.E.A.C.H. Early Childhood program continues to advance higher education and workforce retention and supported 527 participants across 307 employers, achieving an impressive 94 percent retention rate and contributing to a 14 percent average annual wage increase for its participants in SFY 2025. Complementing these efforts, Child Care WAGE\$, Iowa provided \$5.5 million in stipends to 1,746 early childhood professionals across 643 employers, resulting in an 86 percent retention rate and ensuring that more educators remain in the field. Together, these data points demonstrate the strength and momentum of Iowa's workforce initiatives and highlight the significant impact of investing in professional growth, compensation, and long-term career pathways in early childhood education.

Iowa is also unique because we have **Healthy Child Care Iowa**. While some states have a child care health consultant model, Iowa has a statewide coordinated network exclusively of Registered Nurse-level child care nurse consultants. Last year, almost 60% of regulated child care programs received CCNC support. Last year, CCNC's conducted almost 3,500 voluntary visits working with child care program staff to develop individualized care plans for 1,900 children with special health needs to ensure they were safe and supported while in child care settings. This is in addition to annual regulatory inspections from the CCDF lead agency and technical assistance support offered by CCR&R.

In conclusion, Iowa's experience and year over year intentional investments demonstrates the effectiveness of strategies that are practical, community-informed, and rooted in strong partnerships. By focusing on sustainability, workforce stability, and targeted investments, Iowa has expanded child care access while supporting working families and strengthening local economies.

Sincerely,

Ryan Page

Ryan Page
Director of Child Care
Iowa Department of Health and Human Services
ryan.page@hhs.iowa.gov