

GI Bill for Child Care

The Concept: Upstream Solution, Long-Term Impact

Military spouse unemployment remains 3-4 times the national unemployment rate and hasn't significantly changed in nearly a decade. The financial insecurity it creates poses a threat to military readiness. Current national initiatives aren't working because they fail to address root causes.

Background

Research shows a **tight link between spouse unemployment and financial insecurity**, but child care costs often make it too difficult to return to the workforce.

Unemployed military spouses do not qualify for current military programs, but footing the bill for child care is a barrier for spouses to even begin their job search, especially following a Permanent Change of Station (PCS) move when military families are hit with \$8K in unreimbursed costs from moving.¹

The longer military spouses are out of the labor force, the harder it is to work, and the greater the impact on lifetime earnings.

Solution (Pilot)

This proposed grant, based on the GI Bill for education, would **make it possible for spouses to reenter the workforce as soon as they are ready to look for work**, with fully paid child care beginning on day one of their job search and continuing for a predetermined time frame after spouses are expected to find employment, creating a financial buffer before needing to take over

their own child care. In theory, it will allow military families to create financial independence.

The **GI Bill for Child Care** pilot program would **fill the existing program gap by providing a \$10,000 "scholarship" or grant for each child**, empowering military spouses to **return to the workforce**, creating **financial stability** for military families. Modeled on the education GI Bill, the funds are directly paid to the child care center, not the family, just like the GI Bill funds go directly to colleges and not to Veterans or dependents.

This update of the "GI Bill of Rights," as it was originally called post-WWII, reflects the 21st century reality of families being a component of the Total Force.

Theory of the Pilot

Blue Star Families theorizes that **providing 6-9 months of free child care** will provide the financial freedom for military spouses to **reenter the workforce**, become **financially self-sufficient**, transition into **existing child care fee assistance programs**, and have **long-term financial benefits** for military families.

To maximize the program's impact, Blue Star Families will oversee a **rigorous program evaluation** and will partner with organizations who can easily enable the transition of participants into existing military child care programs and infrastructure upon program completion. Under the pilot we propose, we will gather the data showing that **child care grants create long-term financial well-being**, with reduced need for subsequent grants.

This is a preventative, upstream solution to hunger, housing insecurity, and possibly even retention.

Questions?

Please contact policy@bluestarfam.org.

¹Blue Star Families. (2022). Pulse Check: Relocation and Housing. https://bluestarfam.org/wp-content/uploads/2022/10/BSF_PulseCheck_Report_Sep2022.pdf

The Numbers

21%

The military spouse unemployment rate has not significantly changed since 2015.²

“Cost and availability of child care”

is a top barrier to spouse employment in all aMFLS survey fieldings.

4 in 7

active-duty spouse respondents report “Child care is too expensive” as the top reason they are not working.

Among active-duty spouses,

20% use CDC, 5% use FCC, and 11% receive fee assistance.

The Partners

Congressional Partners

Representative Chrissy Houlahan (D-PA) and Representative Zach Nunn (R-IA) have committed to co-sponsor this bipartisan effort.

Program Sponsor

Several Department of Defense offices have expressed interest in supporting this program, including the Department of the Army.

Program Oversight

Blue Star Families would provide program oversight and outcome evaluation.

Frequently Asked Questions

Will this take slots away from other children?

No. Blue Star Families will partner with a federally credentialed provider who has the capacity to accommodate the pilot program participants.

Can more than one child receive a scholarship?

Yes. The intent of the program is to fully alleviate the financial burden of child care for military spouses reentering the workforce, especially after a PCS move.

How will you know if the program is successful?

We will implement a three-year longitudinal study with an robust evaluation plan with outcome measures and long-term goals such as the following: spouses' ability to obtain and retain employment, overall family financial well-being (including accumulated savings and retirement, reduced debt burden, etc.), spouse wages, spouse promotability, spouse mental health, spouse personal sense of fulfillment, and service member retention.

What is the size and locations of the program?

This will be determined with the collaboration with the Department of Defense and other stakeholders.

² Department of Defense (2022). 2021 DoD Survey of Active Duty Spouses: The Military Spouse at a Glance. Office of People Analytics. <https://download.militaryonesource.mil/12038/MOS/Presentations/2021-active-duty-spouse-overview-briefing.pdf>