



## Parent Payoff: Dems Want Massive Child Care Subsidies

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Don't look now, but Democrats are trying to do with child care what they did with health care 11 years ago in the Obamacare bill. The House version of the Build Back Better plan includes what Dems are calling their "Affordable Child Care Plan," which essentially amounts to subsidies going to states and families to cover child care costs. But not everyone qualifies for those subsidies, and many of them are only phased in over the course of multiple years.

As parents and the child care industry struggle to emerge from the pandemic and get back to work, this plan sounds like a reasonable solution. But just as subsidies in Obamacare didn't bring down the cost of health care, critics warn of a similar outcome here. "If Washington is going to start subsidizing pre-K programs and child care programs, it is going to impose all kinds of rules on the administrators of those programs, which will raise costs," says Chris Edwards, economist with the CATO Institute.

The other issue with the plan is that "free" money is not really free. "The federal government is going to have to tax more eventually to pay all these subsidies, and in the long run that just means higher taxes down the road that workers are gonna have to pay," says Edwards.

Edwards believes this is another example of the federal government getting involved in an area that should be left to the private sector or the states. "I think a major problem with this federal legislation is it would force all of these program ideas on all 50 states, when all 50 states don't necessarily want them," he tells KTRH. "States have their own tax money, and they can enact any of these programs on their own anytime they want."

"Activities that are currently done in the private sector efficiently are going to become government programs," Edwards continues. "And when things become government programs, they tend to raise costs."