

Talking Points and Supportive Data 2023 Early Educator Legislative Agenda and Early Educator Platform for Change

Please draw from these talking points and supportive data as helpful. Talking points are bulleted and supportive data are labeled with checkmarks. This document covers these topics:

- Background and context
- Why workforce compensation requires urgent action
- About the Early Educator Design Team
- About the 2023 Early Educator Legislative Agenda and Platform for Child Care
- Connections with cost of quality care rate setting and C3TF recommendations
- The importance of compensation for child development
- The importance of compensation for workforce diversity
- The importance of compensation for family access and affordability
- Economic security for early educators
- The importance of child care for Washington's economic wellbeing
- COVID-19 recovery

Background and context

- On May 7, 2021, in honor of Child Care Provider Awareness Day, Governor Jay Inslee signed
 Senate Bill 5237 (the Fair Start for Kids Act) into law and set in motion a series of critical policy
 and budget changes to improve access to high-quality and affordable child care for families.
- It has been a little less than two years since the Fair Start for Kids Act was signed into law, and it is already benefiting families across Washington State through expanded eligibility and lowered copayments. However, the need for child care still far outweighs the supply.
- Poor retention of the child care workforce stands in the way of stabilizing let alone expanding

 the child care system in Washington State and across the country.
- Child care that is so underfunded that modest increases in public funding rarely find their way workforce compensation. Instead, resources are used for a litany of expenses that are lower and/or one-time costs.
- The federal <u>Inflation Reduction Act</u> did not include provisions for additional child care funding, even though the House-passed version of the bill allocated nearly \$400 billion for child care and preschool funding.¹
- Early educators know better than most that in the wake of the pandemic and decades of
 underfunding, our state's child care system is struggling more than ever to stay afloat. However,
 without relief from Congress, the Washington State Legislature's ability to respond quickly is
 limited. Our need is urgent, but our approach cannot be short-sighted.

Why workforce compensation requires urgent action



- Licensed child care programs face significant challenges recruiting, retaining, and supporting staff in a tight labor market amid rising inflation and competition from retail, hospitality and service sectors that offer higher wages and benefits.
- ✓ As of August 2022, the child care workforce was 8.4% below its employment levels in February 2020, with 88,300 child care jobs lost.ⁱⁱ
- ✓ The New York Times recently reported on the child care crisis with a frighteningly succinct title: "Why You Can't Find Child Care: 100,000 Workers Are Missing." The subtitle is "Where did they go? To better-paying jobs stocking shelves, cleaning offices, or doing anything that pays more than \$15 an hour." In contrast to private sector employment, which has stabilized, the Times reveals that the child care sector is 9.7% smaller than it was in February 2020.
- ✓ Turnover rates in the child care field are high at 43%, and studies suggest this is largely due to low benefits and lack of pay.^{III}
- ✓ Across the country, many child care programs continue to operate at reduced capacity because of difficulty hiring particularly since many workers have left the sector altogether, iv moving toward jobs that pay them more. VAs a result, more than half of all providers are serving fewer children than their capacity allows. VI
- √ 60-80% of a provider's costs go toward wages and providers operate on razor-thin margins, child
 care center and family home owners and directors often keep wages low for themselves and
 their staff to balance their budgets.

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- ✓ Licensed child care capacity in Washington State would need to grow by an estimated 34% to meet demand. At a time when we need to significantly grow capacity, 4 out of 5 Washington providers are reporting staff shortages. viii
- ✓ Even before the pandemic, 63% of children birth through age five in Washington lived in areas with an inadequate supply of child care. ix
- ✓ Only 13% of eligible children birth through five currently receive assistance through the subsidy program in Washington.^x

About the Early Educator Design Team

- Workforce instability is not unique to Washington State, but Washington State is uniquely positioned to solve this crisis and serve as an innovative model for other state and federal leaders grappling with workforce instability.
- With support from child care advocates, 34 early educators have been participating in a Liberatory design process since June 2022 to identify scalable policy and budget solutions to address workforce recruitment and retention.





- <u>Liberatory design</u> is a problem-solving process where people who are most impacted by a problem co-develop a solution that prioritizes racial equity in process and in outcome.
- The Early Educator Design Team's goal is to increase access to high-quality child care for children, families, and communities in Washington by retaining a diverse and thriving workforce.
- As Fatima Goss Graves noted in her opinion piece, <u>The roots of our child care</u> <u>crisis are in the legacy of slavery</u>: "The invisibility of child care workers today can be connected directly to the invisibility of Black women who provided care both as coerced labor and underpaid workers before and after the Civil War in conditions that made it difficult to also care for their own children."xi
- Addressing provider compensation, and making visible the labor of this essential workforce, is a critical step toward a more just and equitable future.
- The Compensation Design Team is supported by: Child Care Aware of WA, Child Care Resources, Children's Alliance, Community Day Center for Children, Early Care & Education Consortium, Economic Opportunity Institute, Imagine Institute, MomsRising, Save the Children Action Network, SEIU 925, WA State Association of Head Start & ECEAP, WA Child Care Center Association, the WA Federation of Independent Schools, and the Washington Family Child Care Association.

Workforce Role		
Center owners/CEOs	7	
Center directors	8	
Center teachers	4	
FCC owners	9	
FCC assistants	3	
FFN caregiver	1	
Race and Ethnicity		
Black	8	
AAPI	4	
Latinx	11	
White	8	
American Indian	5	
Primary Language		
English	24	
Spanish	10	
Geographic Region		
Central	12	
Eastern	2	
King and Pierce	10	
Northwest	4	
Olympic Peninsula	5	
Southwest	2	

- Shared values established by the Organizational Leadership Team that led to the Early Educator Design Team
 - Black, Indigenous, and other Women of Color should determine their own needs.
 Ownership. Dignity. Control.
 - Keep in mind racial and gender pay gaps. Changes can't just be better than what we have without continuing to perpetuate inequities.
 - o Comprehensive benefits are essential, including mental healthcare.
 - Funding mechanisms for compensation need to be permanent and not variable depending on political and economic conditions. Compensation must be tied to inflation.
 - o Child care provider compensation should be competitive across workforces. Retention and recruitment are essential as are opportunities for professional and financial growth.
 - Wages should reflect the importance of the work. Child care is essential.
 - We need a wage floor, and the rest is an add-on. Honor current expertise in the field now - many different forms of experience and quality. The workforce needs security.

About the 2023 Early Educator Legislative Agenda and Platform for Child Care

• The Early Educator Legislative agenda was adopted from a comprehensive policy platform that calls for all early educators – in public and private programs alike – to earn living wages and benefits subsidized through the state. The 2023 Early Educator Legislative Agenda is the first, and foundational, step toward this goal.



With public solutions that recruit and retain a thriving workforce, the Early Educator Design
Team's vision is that all families – beginning with those most in need – have access to
affordable, quality early care and education opportunities. The 34-member design team built a
sequenced, multiyear policy platform for child care through a liberatory design process.

In 2023:

- Continued investments in the Fair Start for Kids Act (FSKA)
- In alignment with C3TF recommendations, fund DCYF to plan for delivering wage supplements to early educators

In 2025:

- Improve compensation, benefits, and wellbeing for early educators and their families
- o Support equitable opportunities for professional growth
- Increase and stabilize revenue for licensed child care programs by expanding access to small business supports

The Provider Design Team's efforts build on work already underway, including implementation of the Fair Start for Kids Act and the recommendations included in the Child Care Collaborative Task Force's Cost of Quality Care recommendations.

Federal COVID relief has come to an end and – coupled with inflation, rising interest rates, and supply chain issues – our state's revenues are likely to slow. The Legislature is required by law to adopt an operating budget that leaves a positive ending balance. Without additional revenue sources, the Legislature is forced to prioritize between services and programs that are meritorious while contending with its paramount duty to fund basic education. The 2023 Early Educator Legislative Agenda is scaled to match the opportunities at hand and lay the groundwork for future reforms.

Connections with cost of quality care rate setting and C3TF recommendations

- The Department of Commerce and the Department of Children, Youth, and Families recently completed a cost of quality care study that resulted in a cost estimation model adapted for Washington State.
- Ultimately, in 2024-25, DCYF will present a decision package reforming Washington's child care
 subsidy system based on the cost of quality care model. This is a one-of-a-kind chance to scale a
 strategic administrative and legislative advocacy campaign so policies to promote workforce
 retention and recruitment identified in the C3TF recommendations and in the Provider Design
 Team are a key part of system reform.
- The cost of quality care estimation model confirms that current sources of revenue, both public
 and private, for licensed child care programs are insufficient. Even when estimating the cost of
 quality care using current provider wages (which are overwhelmingly low), subsidy
 reimbursement rates barely cover the cost of providing care in some cases, subsidy rates fall
 short of the cost of providing care.
- The cost of quality care estimation model highlights the essential need for public investments in living wages, benefits and activities that support quality improvement. Policymakers should consider significant public investments in the child care market beyond the subsidy system to make child care affordable for families and sustainable for providers.



• The task force recommends that MIT's Living Wage model, which estimates the cost of living in a region based on typical expenses, be used to establish a wage floor and salary scale that adjusts for the additional responsibilities of different early childhood education staff positions. In addition to incorporating a living wage and benefits, WCCC rate setting should include costs for program enhancements that support quality, such as parent-teacher conferences, family engagement specialists, substitutes to cover planning time and training, child assessment tools, and curriculum support.

The importance of compensation for child development

- Secure attachment between a child and their caregiver is at the heart of high-quality early learning.
- The child care workforce is a buffer for many young children, especially those with adverse experiences, mitigating harm through high-quality early learning experiences.
- Compensating early educators is critical to ensure children receive high-quality care with continuity.
- Workforce churn undermines investments in critical quality improvement efforts like training and coaching.
- ✓ A child with consistent and responsive relationships grows a strong foundation of neural connections that benefits healthy social cognitive, physical, and language development. Conversely, a child without secure relationships can be harmed by fewer and/or damaged neural connections.^{xii}
- ✓ Researchers found that turnover is higher in child care centers where wages are lower and in centers that serve children whose families receive subsidies.xiii

The importance of compensation for workforce diversity

- The high quality of our early learning system is inextricably linked to the diversity of our workforce, which closely reflects the racial, ethnic, and linguistic communities served.
- Retention of early educators who identify as Black, Indigenous, and people of color (BIPOC) is critical to a high-quality and equitable experience for all children.
- The labor and expertise of our diverse early learning workforce remains underappreciated.
- ✓ A recent analysis by ICF found that 94% of the U.S. child care workforce are women, 50% of Washington's child care workforce are people of color, and 30% are bilingual or multilingual.xiv
- ✓ Data indicate that children of color often have better academic performance, improved school attendance, and are less likely to be suspended when they have teachers of the same race.×∨



- ✓ Children of color in child care settings are three times more likely to be suspended or expelled than their K-12 counterparts, and exclusionary discipline is most likely to impact children who are Black, boys, or are physically larger than their peers. xvi
- ✓ Early educators can face barriers to continued higher education, such as limited language options for coursework, a lack of course offerings during non-traditional hours, lack of substitute coverage, and low compensation that does not make the cost of college tuition a viable investment.xvii

The importance of compensation for family access and affordability

- Workers with caregiving responsibilities, primarily mothers, are precluded from fully
 participating in the workforce. The longer this trend continues, the more difficult it will be for
 women to regain equitable opportunities for earnings and career growth.
- Access to child care is essential for family economic security and mobility, but workforce turnover threatens our current supply of child care programs and our ability to grow.
- Even when parents can find care, it's frequently unaffordable.
- When licensed child care costs exceed affordability, parents may be left to consider alternative arrangements in the informal child care market.
- ✓ Nationally, 1 in 5 working mothers with a child ages 0 to 3 work in low-wage jobs 42 percent of working mothers say they would look for higher paying jobs with better access to child care.
- ✓ 18.3 percent of parents have turned down a job offer or promotion due to child care issues, more often among Black and Native American parents.
- ✓ Here in Washington, 118,000 families (35 percent) with young children live in a child care desert where they have an inadequate supply of child care.
- ✓ Families that have an infant and a child of preschool age in the least affordable counties could spend as much as 35% of their income for full-time care in center-based settings.
- ✓ Single mothers that have an infant and a child of preschool age in the least affordable counties, for example, would have to spend more than 150% of their income for full-time care in center-based settings.
- ✓ The cost of full-time child care for an infant and a child in preschool can equal up to 35% of a two-parent family's income and up to 150% of a single-parent's income well beyond the federal standard for affordability of 7% of income.xviii
- ✓ The most recent data available estimates only 13% of eligible children birth through five actually received assistance through the subsidy program in Washington.xix
- ✓ A typical family in Washington currently spends about 35.5% of their income to send two children to child care well beyond the federal standard of affordability of 7% of income.**



- ✓ The percent of families that reported difficulty finding space in a licensed child care program increased dramatically from 22% in December 2021 to 58% in January 2022. This affects us all, as 71% of parents report that difficulty finding child care has affected their ability to work.^{xxi}
- ✓ Working parents in Washington forego \$14 billion each year in lost wages without access to affordable child care. xxii
- ✓ In a January 2022 survey, 71% of parents reported that difficulty finding child care impacted their ability to work. xxiii
- ✓ In September 2020 alone, 600,000 women left the workforce, compared to 78,000 men. xxiv

Economic security for early educators

- Even in the best of times, poverty wages for the child care workforce perpetuate the very economic inequalities our child care system is meant to address.
- Child care providers fuel economic growth, but frequently it's at the expense of their own economic security.
- ✓ In Washington, child care employees rank in the third percentile of total earnings among occupational groups (below pet groomers).***
- ✓ The poverty rate for child care providers in Washington is 17.7 %, much higher than for Washington workers in general (8.2 %) and 7.9 times as high as for K-8 teachers (2.3 %).xxvi
- ✓ In fact, 39% of Washington's child care providers rely on one or more sources of public assistance to make ends meet.xxvii

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Occupation	Median Wage
Child care worker	\$14.57
Preschool teacher	\$15.96
Center director	\$24.12
Kindergarten teacher	\$35.98
Elementary teacher	\$39.58
All U.S. occupations	\$23.15

Earnings by Occupation

- ► In 2019, the median wage for child care workers was \$14.57, **a 13% increase since 2017.**
- ► For preschool teachers, the median wage was \$15.96, a 4% increase since 2017.
- ► For preschool or child care center directors, the median wage was \$24.12, a 4% increase since 2017.

Gould, E., Whitebook, M., Mokhiber, Z., & Austin, L. (2020). <u>Financing Early Educator Quality: A Values- Based Budget for Every State</u>. A series of state-by-state reports produced by the Economic Policy Institute and University of California Berkeley's Center for the Study of Child Care Employment.

✓ In one study, a Bachelor of Arts in early childhood education had the lowest projected lifetime earnings of 80 college majors considered.xxviii



✓ Nationally, early educators have high-rates of uninsurance (16%), far surpassing the rate of teachers of older children, at 4.2%, with only about a third of educators employed at child care centers accessing employer-sponsored insurance. Between 14 to 38% of early educators depend on public health insurance. xxix

The importance of child care for Washington's economic wellbeing

- ✓ The Department of Commerce's Mounting Costs of Child Care report concluded that inconsistent access to stable child care for Washington's working families resulted in \$2 billion in direct turnover costs to Washington's employers and \$6.5 billion in direct and opportunity costs to Washington's economy every year.
- ✓ The task force's 2019 "Mounting Costs of Child Care" analysis estimated that, due to child care issues, 27% of Washington parents with young children reduced to part-time work hours and 18% quit.
- ✓ Pre-pandemic, employee turnover and missed work due to child care access issues cost Washington employers an estimated \$2.08 billion annually. Including missed opportunities for businesses and consumer spending, Washington's economy loses an estimated \$6.5 billion annually.
- ✓ Working parents in Washington forego \$14 billion each year in lost wages without access to affordable child care.**×

COVID-19 recovery

- Even without access to health care coverage, early vaccinations, and PPE, the child care
 workforce showed up for families and employers of essential workers. When school buildings
 closed, child care programs remained open and even pushed the limits of their budgets to make
 space for additional children with nowhere else to go.
- Child care is essential for communities to equitably recover from the COVID-19 crisis and to
 mitigate disproportionate harm in future crises. However, the ability of the child care workforce
 to serve communities in times of great need is hindered by their own financial insecurity.
- Stabilization grants serve as proof of concept that public funding can help licensed child care
 programs stay open, but the grants were short-term relief programs that have already ended.
 DCYF distributed \$400 million in emergency stabilization grants for licensed child care programs,
 funded through the Federal American Rescue Plan Act (ARPA).
- ✓ In Washington, 62,370 child care slots were maintained through ARPA funds. **XXXI Nationally, of providers who received ARPA stabilization grants: **XXXII
 - 92% said the funding helped them stay open
 - 46% used the funds to pay debts taken on during the pandemic, including 63% of those in family homes
 - 75% used the funds for compensation, but still struggle to provide competitive wages and benefits to attract and retain staff



¹ Transformative Investment in Child Care and Pre-K Included in Reconciliation Package.

- viii ICF and Fran Kipnis. 2020. Washington Child Care Industry Assessment Volume IV: Workforce Compensation Policy Analyses. Fairfax, VA: ICF. https://deptofcommerce.box.com/s/I7zhcrgvpe5h7mq6azxykje12760j8tg.
- ix Child Care Collaborative Task Force Washington Industry Assessment Report, August 2020.
- * Malik, Rasheed. "The Build Back Better Act Substantially Expands Child Care Assistance." Center for American Progress, December 2, 2021.
- xi Goss Graves, Fatima. "The roots of our child care crisis are in the legacy of slavery," June 21, 2021: https://thehill.com/changing-america/opinion/559457-the-roots-of-our-child-care-crisis-are-in-the-legacy-of-slavery xii https://developingchild.harvard.edu/science/key-concepts/brain-architecture/
- xiii Research Shows Low Pay is Associated with High Early Educator Turnover and Poor Student Outcomes, Examining teacher turnover in early care and education
- xiv ICF and Fran Kipnis. 2020. Washington Child Care Industry Assessment Volume IV: Workforce Compensation Policy Analyses. Fairfax, VA: ICF. https://deptofcommerce.box.com/s/I7zhcrgvpe5h7mq6azxykje12760j8tg.
- xv Figlio, D. (2017). The importance of a diverse teaching force. Brookings.
- xvi Malik, R. (2017). New Data Reveal 250 Preschoolers Are Suspended or Expelled Every Day. Center for American Progress.
- xvii Metivier, K. (2020). Envisioning Higher Education as Anti-Racist.
- xviii Child Care Collaborative Task Force Washington Industry Assessment Report, August 2020.
- xix Malik, Rasheed. "The Build Back Better Act Substantially Expands Child Care Assistance." Center for American Progress, December 2, 2021. Available at: https://www.americanprogress.org/article/the-build-back-better-act-substantially-expands-child-care-assistance/
- xx Economic Policy Institute. Child Care Costs in the U.S., Washington
- xxi Rapid-EC Survey, March 2022.
- xxii Washington State Department of Commerce, The Mounting Costs of Child Care. 2019.
- xxiii Rapid-EC Survey, March 2022:
- xxiv Data from the U.S. Bureau of Labor Statistics <u>Employment Situation Summary</u>, Sept 2020. Not all childcare in this data was in early childhood education ages.
- xxv Center for the Study of Child Care Employment, University of California, Berkeley:

http://cscce.berkeley.edu/files/2016/Index-2016- Washington.pdf

- xxvi Gould, E., Whitebook, M., Mokhiber, Z., & Austin, L. (2020). <u>Financing Early Educator Quality: A Values- Based Budget for Every State</u>. A series of state-by-state reports produced by the Economic Policy Institute and University of California Berkeley's Center for the Study of Child Care Employment.
- xxvii Gould, E., Whitebook, M., Mokhiber, Z., & Austin, L. (2020). <u>Financing Early Educator Quality: A Values- Based Budget for Every State</u>. A series of state-by-state reports produced by the Economic Policy Institute and University of California Berkeley's Center for the Study of Child Care Employment.
- xxviii Child Care Collaborative Task Force. 2019. *Initial Recommendations Report to the Legislature under SHB 2367, Laws of 2018*. xxix Under 3 DC, "DC Announces Free Health Insurance for Child Care Workers and their Families."
- xxx Washington State Department of Commerce, The Mounting Costs of Child Care. 2019.
- wil Julie Kashen and Rasheed Malik, "More than three million child care spots saved by American Rescue Plan Funding," The Century Foundation, March 9, 2022.
- XXXII NAEYC: Saved but Not Solved: America's Economy Needs Congress to Fund Child Care, February 2022.

ii Maureen Coffey and Rose Khattar, "<u>The Child Care Sector Will Continue to Struggle Hiring Staff Unless It Creates Good Jobs</u>" Center for American Progress, September 2, 2022.

iii June 2021 Child Care Access Plan, C3TF.

iv Olivia Rockeman and Reade Pickert, "Child-Care Workers Are Quitting the Industry for Good in the U.S.," Bloomberg, April 27, 2022.

^v The White House, "<u>Pandemic Shifts in Black Employment and Wages</u>," August 24, 2022.

vi Early Care and Education Consortium, "The Child Care Workforce Shortage: Solutions from Around the Country" (Washington: 2022)

vii Child Care Collaborative Task Force Action Plan, June 2021.