



Our Future High Quality Early Care and Education System

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Commerce and Economic Development

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100%

of families have access
to child care

\$1.2
Billion ROI

Net benefits predicted
for current cohort of children
from implementing BRC
recommendations

**Every Child
Has a Strong
Start**

10%

Maximum Family
Income Spent on
Child Care

20%

Administrative
Efficiency
from Shared Services

It would be incorrect and short-sighted to assume the investments in “early childhood programs” benefit only the participants and not the public who pays for them. “Whether one thinks it is the moral thing to do or whether it is the role of government, it makes economic sense to invest in increasing productivity; to spend less early on to prevent much greater costs later.”

Blue Ribbon Commission on Financing High Quality Affordable Child Care, 2016
Quoting James J. Heckman, *The Economics of Inequality: The Value of Early Education*, 2011

Brief Bibliography of Sources

- Quantifying the Life-cycle Benefits of an Influential Early Childhood Program
- Blue Ribbon Commission on Financing High Quality, Affordable Child Care
- Building Vermont's Future From the Child Up Think Tank Report
- Vermont's Early Care & Learning Dividend Report
- Transforming the Financing of Early Care and Education



Outcomes & Savings

ROI from investments in high quality affordable child care results in:

- **Savings for K-12, public & private health, criminal justice expenditures**
- **Set up for success in life including resilience to ACEs**
- **Wage growth for ECEs, wage growth for VT workers**
- **Overall increased economic output**
- **Parents – especially mothers – can stay in workforce**

Early Care & Education Program Characteristics



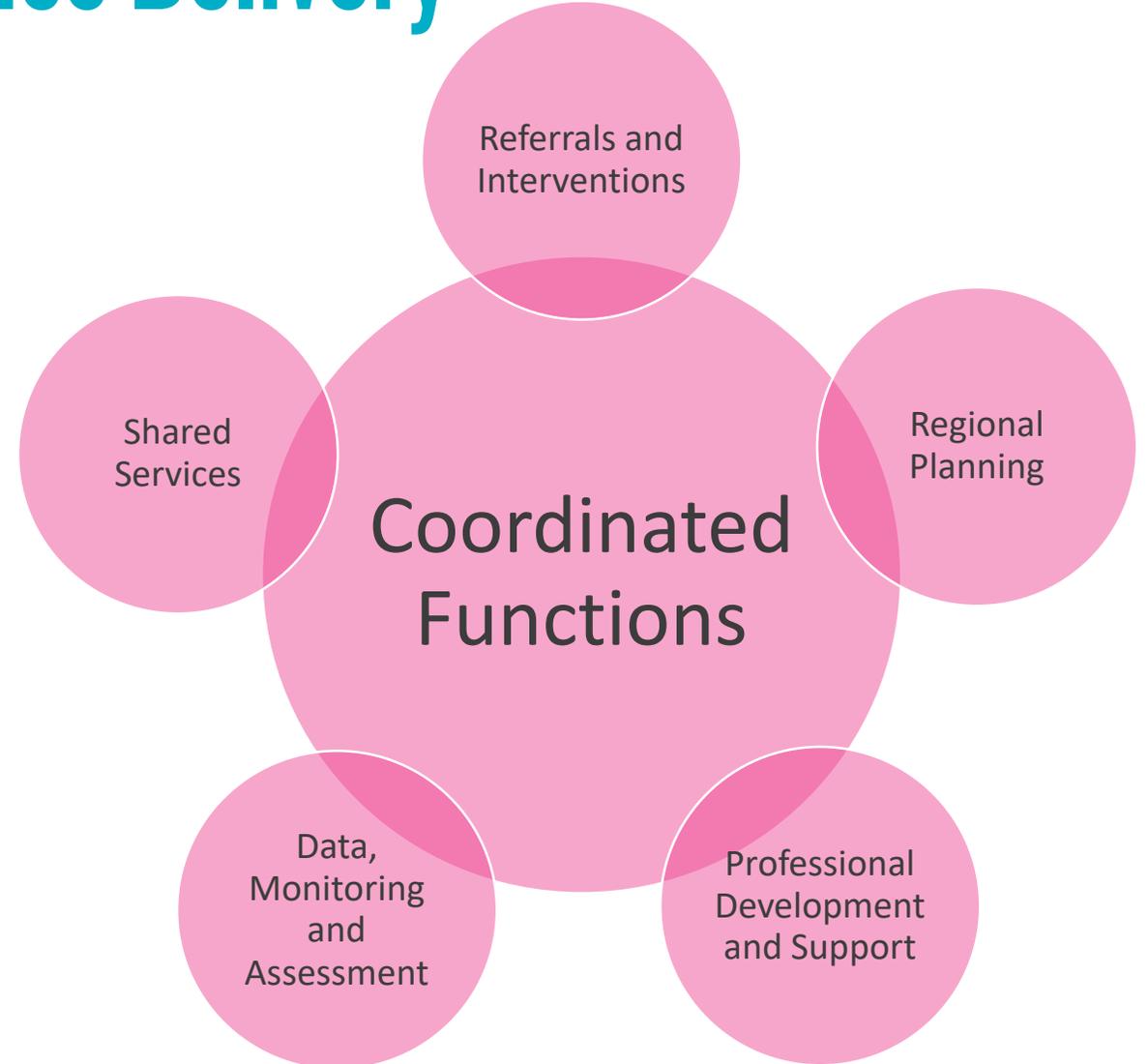
- Regulated programs will be **high-quality** (QRIS rating of 4 or 5 stars)
- Educators are **paid what they deserve** and have **career growth opportunities**
- **Wrap around** supports for children and families
- **Professional** supports for early educators

Child Care Financial Assistance Program

- Family contributions on a sliding scale, based on **income level**
- Reimbursements reflect **actual cost of high quality care**
- Blended and braided federal, state and private funding streams managed in dedicated ECE fund by state-level coordinator

System Administration & Service Delivery

- Think Tank recommended service delivery in regions overseen by ECE hubs
- Coordinated oversight of hubs and ECE programs in AOE and AHS and/or new Dept. of ECE
- Finance oversight by statewide coordinator





System Financing

BRC and Think Tank made recommendations – none are sufficient to fund the system

- Reallocate savings
- Public-private partnerships
- ECE license plate
- Expand global commitment waiver
- New revenue dedicated to ECE, e.g. regulated cannabis sales
- Income tax surcharge

Other jurisdictions have looked to bigger sources:

- Employer-paid payroll tax
- Social insurance program
- Property tax (not recommended if it negatively impacts K-12 education funding)



LET'S GROW KIDS
LITTLE KIDS • BIG IMPACT