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To: Senate Education Committee

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Testimony on Vermont's Universal Pre-K Program and Child Care Challenges

Thank you very much for inviting us to speak with you today about Vermont's child care capacity challenges and our state's universal pre-K program.

Let's Grow Kids' mission is to ensure affordable access to high-quality child care for all Vermont families by 2025. This mission may sound familiar to you if you're familiar with the Permanent Fund for Vermont's Children or Vermont Birth to Five. In the past year, we have fully integrated our work, and now we have one name, but we've always been one organization. Together, we have over 30,000 Vermonters who support our mission, including parents, early educators, business and health care leaders, community partners and others who share our vision and mission for Vermont's children and our future.

Through close collaboration with state agencies and community organizations, Let's Grow Kids directly engages child care providers and communities to improve program quality, capacity, and operations, including work specifically related to Vermont's universal pre-K program. In the past, our technical assistance and grant-making efforts focused on pre-K took place through our Vermont Community Preschool Collaborative program, often referred to as VCPC. VCPC focused on supporting and sustaining communities in the equitable implementation of publicly-funded pre-K in Vermont. As an organization that is very invested in seeing the best possible outcomes for Vermont's pre-K program, we appreciate this committee's attention to the issue, and we want to share our perspectives on what is working for children and families and offer suggestions on how we can continue to strengthen the program to ensure that it is a universal, portable, and mixed-delivery program that best meets the needs of children and their families.

Vermont's Universal Pre-K Program: Successes

We understand and acknowledge the concerns that have been expressed about Vermont's Universal Pre-K Program (UPK), but we would like to take a few moments to discuss what is working before we address those concerns.

When Vermont was working to envision UPK, a driving factor was trying to create a program that worked best for children and families. Prior to Act 166, whether a child had access to high-quality, publicly-funded pre-K programming depended entirely on where the child lived in our state. This approach was not at all equitable – as Vermont policymakers have repeatedly affirmed, a child's zip code should not determine their access to opportunity. In 2014, prior to the implementation of Act 166, 57% of 4-year-olds and 39% of 3-year-olds participated in some type of publicly-funded pre-K programming in Vermont.¹ As of 2017, these percentages climbed to 75% of 4-year-olds and 60% of 3-year-olds, the second highest participation rate for 3-year-

olds and the third highest participation rate for 4-year-olds in the country.^{2*} This is a huge success for our state and highlights that our commitment to a universal, mixed-delivery system that allows families to use the program that works best for their child(ren) is in many ways working for families.

Yes, there are challenges with implementation, and we must overcome disagreement in the field in order to find the best solutions to address these challenges. And we must at the same time remember that the program is helping thousands of children access quality early education, helping to set them up for future academic success and social-emotional development.³

As we discuss current challenges and potential solutions, it is important to remember that children and families shouldn't be penalized because of challenges with the way we currently administer the system. Participation rates suggest that many things about the system are working for many families and their kids.

Vermont's Universal Pre-K Program: Challenges and Solutions

Administration

Through our work with public and private providers and state agencies, we understand that there are challenges with the administrative procedures and processes at the local, regional, and state levels. For the past few years, we have been working with regional groups of pre-K coordinators to develop streamlined policies, practices, and resources to help regions better coordinate implementation of UPK in their area. We recommend that the legislature look to the regional coordinator pilots currently taking place for guidance on how streamlined implementation solutions could be brought to scale for the entire state. These approaches do not necessarily require legislation – just support and cooperation.

Equity of special education services

We share the concern that pre-K-age children with special needs do not have equitable access to educational services around the state. Inequitable access to special education is an issue that families, early educators, schools, agencies, and the Legislature have struggled with for over 30 years. The Legislature has taken great strides in the last biennium to begin to address this issue for K-12. UPK implementation has helped to shine a spotlight on this inequity at the early education level and is forcing important conversations. To clarify, the inequity has existed for a long time, UPK has just highlighted the issue in a way that wasn't previously as visible at the systemic level.

It should also be noted that there are significant differences across the state in how school districts service prekindergarten children who are eligible for special education. There are several school districts who will only serve children within their school building while other districts have taken steps to serve children in partnership with private community-based programs and in some cases other school districts (Burlington School District and Mt. Abraham school district are examples of schools that have worked to expand early education options for children who receive special education services). Other states who also have universal pre-K programs have utilized a variety of approaches to deliver quality pre-K programming and early special education services including building strong public-private partnerships, using

* DC has the highest participation rates for both 3- and 4-year-olds, and Florida has the second highest participation rate for 4-year-olds.

community hubs to coordinate services, and delivering services in a setting of a family's choosing.^{4,5}

We believe that identifying a solution that works for Vermont families and children should allow children to receive the services and support they need, while also maintaining the current successful approaches of universality, mixed delivery, and portability.

UPK Capacity and Child Care Deserts

In addition to the challenges and solutions noted above, we also want to address the overall shortage of quality, affordable child care and early education programs in Vermont. As noted in the recent child care and pre-K capacity report issued by the Joint Fiscal Office, there is not sufficient capacity to meet the needs of infants, toddlers, or pre-K-age children in our state.⁶ For pre-K, the report found that there are a total of 7,946 prequalified pre-K slots across public and community-based settings; well below the number of children who likely qualify for Act 166. For infant and toddler child care, the report also noted a significant shortage of available slots, similar to the findings of our own research, conducted in collaboration with the Child Development Division, Building Bright Futures, the Vermont Association for the Education of Young Children, and the Vermont Child Care Providers Association, which found that more than half of infants and toddlers likely to need child care in Vermont do not have access to a regulated child care or early learning program.⁷ As this committee knows, the shortage of available early care and learning slots impacts many aspects of our communities, including K-12 educational outcomes. When children have access to high-quality early education, they experience greater success in school, relationships and life.

Recognizing that capacity is an issue impacting communities throughout our state, Let's Grow Kids has launched a new program called Make Way for Kids, which provides grant funding and technical assistance to early care and learning programs to increase the number of high-quality infant, toddler, and pre-K slots available in our state. Let's Grow Kids estimates that the Make Way for Kids program began to impact child care capacity in Summer 2018. In September, licensed capacity among early care and learning programs began to edge back up. Now with Make Way for Kids financial and technical assistance in place for 3 quarters of 2018, we have counted 262 new licensed slots among programs (new and expanded) that we have supported, including 9 new child care programs. And there are hundreds more slots in the pipeline, with a second round of grants that will be announced in February. We are hoping to start turning the curve, but philanthropic organizations can't solve this problem on our own. We need systemic solutions.

Qualified, skilled early educators are another critically important component to the success of any expansion. Vermont does not have enough qualified early educators to fill open positions at early care and learning programs.⁸ This limits the system's ability to meet demand. In 2015, Let's Grow Kids partnered with the Agency of Education (AOE) for a 3-year initiative to mentor up to 50 early educators with bachelor's degrees working in early education to achieve teacher licensure through the VT Agency of Education's Peer Review Program. This program was very successful in meeting the stated goals. Unfortunately, the AOE was not interested in extending or expanding this program after it ended in June 2018. It is critical for Vermont to continue to support the growth and expansion of its early care and learning workforce to ensure that the delivery of UPK, or infant, and toddler child care, isn't limited by a lack of qualified early

educators. To do this, we recommend a combination of workforce support strategies and financial support through a strengthened Child Care Financial Assistance Program.

The first early care and learning workforce strategy we recommend is to address the early educator wage gap. It's hard to raise a family on \$12.71 an hour, the median hourly wage for a child care worker in Vermont. College graduates who earn bachelors' degrees in early education earn the least of any college degree in the country, including the least of any education-related degree.⁹ In Vermont, on average, a kindergarten teacher earns \$24,000 more per year than a lead preschool teacher with similar qualifications.^{10,11} The wage gap faced by early educators in Vermont is an issue that many states are facing across the country. Other states are using a variety of strategies to provide immediate financial relief to early educators while working to address root causes to create a sustainable system for families and early educators. One new tool to address the wage gap is through refundable tax credits. In Louisiana, tax credits are offered based on an early educator's educational attainment and experience. This structure has not only meant real financial relief to early educators, but it has also encouraged increased professional development for early educators.

A similar approach in Minnesota has also been very successful. An evaluation of this program recently found that more than half of its recipients credited the program's existence as influencing their decision to stay in the field.¹² Based on the success of this approach in Louisiana, Minnesota, and other states, we are recommending that Vermont explore a similar program to address the early educator wage gap in our state.

In addition to exploring wage support to early educators, we also recommend initiating a student loan repayment support program to attract and retain new early educators. As a result of low wages, prospective early educators can be deterred from taking a position in a pre-K, toddler, or infant classroom because it doesn't allow them to address their basic expenses, often including monthly student loan payments. Paying back student loans can be challenging for new early educators. In Vermont, the average student loan debt burden is \$30,651. This can be a serious concern for new early educators who may only earn \$11.17 an hour as they start out in the early care and learning field. Other states have successfully used student loan repayment programs for new early educators to address these challenges. We recommend launching such a program in Vermont for lead teachers who work with infants, toddlers, or preschoolers in a regulated child care or early learning program who meet certain program criteria.

We also need to support our current early educators in advancing their credentials. Vermont's T.E.A.C.H. Early Childhood scholarship program provides scholarships, book and travel funds, release-time funds, contract completion bonuses, and career counseling to individuals currently working in early care and learning programs who are seeking an associate's degree in early childhood education or individuals with a bachelor's degree who are seeking early childhood teacher licensure or endorsement. With increased financial support, the program can provide scholarships to even more early educators and expand to also provide scholarships to early educators seeking a bachelor's degree in early education. We recommend supporting the Vermont Association for the Education of Young Children's request for additional funding from the state to expand the T.E.A.C.H. program in Vermont to support current members of our workforce in obtaining advanced credentials to help meet demand.

In addition to workforce challenges, financing and affordability link UPK and child care. Affordability continues to be an important issue for families even though the state provides 10 hours of publicly-funded pre-K per week. While the 10 hours of publicly-funded pre-K help to make quality programming more affordable for families, 10 hours is often not enough time, meaning that families need to look for programs that can provide a combination of publicly-funded pre-K programming and child care, or piece together programs to balance work and child care needs. An additional complicating factor in this equation is child care financial assistance. Vermont's Child Care Financial Assistance Program, also known as CCFAP, provides financial support to many low and middle-income families for the hours of care needed outside of UPK. Unfortunately, CCFAP has been underfunded for many years, resulting in preschool and afterschool child care programs being paid reimbursement rates far below what they currently charge for tuition. This leaves families to make up the difference. It is critical for the state to increase investment in CCFAP to better support lower- and middle-income families in accessing the child care they need outside of the 10 hours of UPK.

Conclusion

We appreciate this committee's attention to these issues, and we encourage this committee to continue to explore these issues moving forward. While we wait for additional research on Vermont's UPK program to be submitted later this spring, we encourage the committee to explore more immediate solutions to support Vermont's early care and learning workforce, address affordability, and enhance system supports to help infants, toddlers, and preschoolers.

Citations

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- ⁸ This statement is based on concerns raised at multiple Building Bright Futures state and regional committees and analysis of job postings on the Early Childhood Jobs VT website, a job posting site for early care and learning positions in Vermont, as of 2018. Early Childhood Jobs VT is a project managed by the Let's Grow Kids programs team.
- ⁹ Carnevale, Anthony, Cheah, Ban, Hanson, Andrew. (2015). *The Economic Value of College Majors*. Georgetown University Center on Education and the Workforce: Washington, DC. Retrieved from <https://1gyhoq479ufd3yna29x7ubjn-wpengine.netdna-ssl.com/wp-content/uploads/The-Economic-Value-of-College-Majors-Full-Report-web-FINAL.pdf>.
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