

Thinking through the Timeline for Early Care and Education and Public PreK

House Committee on Ways and Means

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JFO

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The Goal: High quality, accessible Early Care and Education

- Use RAND Schedule 2 to illustrate a high-quality, accessible program
 - Maintain CCFAP features
 - No copay for families with income up to 150% FPL (family of 3: \$37,290; family of 4: \$45,000)
 - Weekly copay starts at \$25 for incomes just above 150% FPL through 175% FPL, etc.
 - Family copay no more than 10% of income up to 350% FPL
 - CCFAP eligibility continues to 500% FPL (RAND)
- Gap in funding for Schedule 2
 - About \$260 million in 2022 dollars; adjusting for inflation, about \$288 million in 2024 dollars



New investments needed

- High quality, accessible early care and education
 - Perhaps achieved over 4-5 years
 - \$288 million divided by 4 implies about \$72 million additional investment in each of 4 years
 - One-time administrative startup funds for the Dept. of Children and Families, and also perhaps for the Dept. of Taxes
 - One-time readiness payments and grants for early care and education providers
- Public PreK (Education Fund)
 - Likely need a few years to enable changes in physical capacity across the state
 - One-time administrative payments and grants for the Agency of Education and supervisory unions, school districts
 - One-time readiness payments and grants for local schools



Possible, tentative timeline for discussion

	FY 2024 July 2023	FY 2025 July 2024	FY 2026 July 2025	FY 2027 July 2026	FY 2028 July 2027	FY 2029 July 2028
On-going base		25% early care	50% early care	50% early care Public preK	75% early care Public preK	100% early care Public preK
One-time	prep early care		prep public PreK			

JFO draft: illustrative only



To start the revenue discussion

- On-going investments
 - Early care and education, rising over 4-5 years
 - Public PreK, to begin in FY 2027?
- One-time spending
 - Prep for early care and education in FY 2024?
 - Prep for Public PreK prior to FY 2026?
 - Perhaps startup for new tax structure?
- Revenue sources
 - House FY 2024 Budget, early care in base: \$50 million
 - House FY 2024 Budget, one-time for early care: \$21 million
 - Additional tax type or add-on for early care?
 - Additional property tax revenue for Public PreK?



Multiples of Family Poverty Level

2023



Household Size	100%	150%	185%	200%	350%	400%	450%	500%	575%	600%	700%	800%
3	\$24,860	\$37,290	\$45,991	\$49,720	\$87,010	\$99,440	\$111,870	\$124,300	\$142,945	\$149,160	\$174,020	\$198,880
4	\$30,000	\$45,000	\$55,500	\$60,000	\$105,000	\$120,000	\$135,000	\$150,000	\$172,500	\$180,000	\$210,000	\$240,000
5	\$35,140	\$52,710	\$65,009	\$70,280	\$122,990	\$140,560	\$158,130	\$175,700	\$202,055	\$210,840	\$245,980	\$281,120
6	\$40,280	\$60,420	\$74,518	\$80,560	\$140,980	\$161,120	\$181,260	\$201,400	\$231,610	\$241,680	\$281,960	\$322,240

<https://aspe.hhs.gov/poverty-guidelines>



Thank you!

