6 Policies to Support the Early Childhood Workforce

By Rebecca Ullrich, Katie Hamm, and Leila Schochet  February 2017
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Introduction and summary

America’s economy is dependent in no small measure on the 2 million educators who comprise the early childhood workforce. Without this largely female workforce, millions of working parents with no or few high-quality child care options would be unable to participate in the U.S. labor force. Despite the importance of early childhood educators—to the economy, parents, and young children—low wages, minimal benefits, and a lack of professional supports are commonplace.

One of those early educators is Carmella Salinas, who was interviewed by The New York Times in July 2016. According to The New York Times, Salinas earns just $12.89 per hour as a teacher in a child care center in Española, New Mexico, after almost 15 years in the field. Her center cannot afford to provide her with benefits, so she is limited to working 32 hours per week. This past summer, however, Salinas was without work because not enough parents could afford the center’s full tuition, which is offset by pre-K funds during the school year. Salinas had to wait for a new school year to begin in September when state pre-K funds could pay her salary.

The volatility of her wage situation has taken a toll on Salinas and her family. She struggles to afford her utility bills, and it takes her months to save enough money to cover additional expenses such as car repairs. At one point, Salinas got a second job to supplement her child care wages. She then earned too much to qualify for Medicaid and the Supplemental Nutrition Assistance Program but too little to comfortably afford groceries and the two inhalers she needs for her chronic asthma. Salinas told The New York Times that she found herself rationing the medication—taking just one puff instead of four per day—to save money.

The story from The New York Times went on to explain that many early educators—including Salinas—have limited opportunities for career advancement. Although policymakers and researchers increasingly see a bachelor’s degree as a
needed credential for high-quality care programs, degree programs are inaccessible to many teachers. While New Mexico, for example, offers a stipend to help teachers earn degrees and stay in the field, underfunding means that the program nevertheless falls far short of covering the cost of attending and graduating from college for many teachers. Salinas’ stipend only covers one class per semester, but there is simply no way she can afford the cost of extra classes on top of meeting basic needs. Consequently, she has been taking classes toward her bachelor’s degree for more than a decade.

Salinas’ experience is not unique: Early educators across the country struggle to make ends meet on dismal wages and limited benefits. Child care workers and preschool teachers are in the bottom quintile of annual salaries in the United States, averaging less than $30,000 per year. Child care workers are also less likely to have benefits compared with similar workers in other industries. When the adults working in early childhood programs face stress associated with poverty and income volatility, the children they serve are affected as well. Research consistently shows that high-quality early childhood programs depend on a professional, well-compensated, and skilled workforce, but early childhood educators remain underpaid and undervalued in the current U.S. early childhood education system.

Low wages and limited professional development opportunities are symptoms of an early childhood system that is underresourced and fragmented. States have made laudable efforts over the past decade to professionalize the early childhood field with limited resources. However, these efforts have generally been piecemeal—applying only to particular teachers in particular programs—or have lacked robust funding sources to meet the workforce’s needs. Moving forward, the workforce must be a priority in comprehensive legislation for early childhood care and education. In addition to increasing funding levels, the federal government must craft comprehensive policies to ensure that early childhood workers receive adequate compensation, benefits, and support for their professional growth—no matter where they work or who they serve.

This report identifies six policies that the federal government should include as part of significant federal financing reform for early care and education. These policies will be implemented in partnership with states and communities.
• Develop and maintain a comprehensive professional development system with stable funding and measures for quality assurance.
• Develop or revise statewide career pathways that provide a road map for early childhood professionals to advance in their careers through increasing levels of education, experience, demonstrated competencies, and compensation.
• Make progress toward compensation and benefit standards at parity with kindergarten teachers.
• Promote data-driven policies and programs for the workforce with a statewide workforce registry.
• Bolster scholarship programs for early educators.
• Reward degree completion with wage supplements or tax credits.

With more than 6 million children in child care and preschool, early educators play a significant role in young children’s daily lives. The country’s underresourced and fragmented early childhood system undermines the quality of care and education that these workers can provide. The federal government must work with states to implement coordinated, integrated policies to promote a diverse early childhood workforce that is skilled, supported, and adequately compensated.
Challenges facing the early childhood workforce

The challenges facing teachers such as Carmella Salinas reflect the shortcomings of the child care and early education system as a whole, which is underresourced and fragmented. Teachers work in a variety of settings, including public schools, private child care centers, and targeted preschool programs such as Head Start. Public funds for child care typically include per-child rates that assume historically low wages for providers. In the private market, most parents cannot afford higher fees, but current prices do not allow for needed wage increases, comprehensive benefits, and supports for professional development.

Unsurprisingly, poor pay and higher levels of teacher stress are associated with lower observed classroom quality in early childhood programs. Moreover, programs that serve predominantly low-income children are especially less likely to have the resources to compensate and support highly qualified teachers, meaning that these children may be experiencing high levels of stress from multiple sources.

Fragmented policies and inadequate resources present significant barriers to creating a high-quality early childhood system. These challenges include inadequate compensation and benefits, inconsistent workforce standards, and uncoordinated professional development systems.

Who is the early childhood workforce?

The early childhood workforce includes educational staff—meaning those who work directly with children—in child care centers, Head Start programs, state- and locally funded pre-K programs, private preschools, and family child care programs. For the purposes of this report, the authors refer to these workers collectively as the early childhood workforce, early educators, early childhood educators, or teachers. More specific terminology—child care workers or home-based providers, for example—is used when citing research or data that use a particular term or title. Unless otherwise noted, references to the workforce exclude center or program leadership, such as directors, administrators, and principals.
Inadequate compensation and benefits

A poorly resourced early childhood system means that early educators’ salaries are low, averaging less than $15 per hour and below compensation levels for other industries. Almost half of all child care workers are enrolled in at least one public assistance program. Salary data are more difficult to quantify in the home-based child care workforce, but among listed providers, one-third lived in households with incomes below $35,000 per year. Data on early educators’ access to and utilization of benefits are fairly limited. One analysis found that less than 40 percent of child care workers and preschool teachers had access to health insurance through their employers, and less than one-third had access to retirement plans.

While wages are low across the board, there are also persistent inequities in teachers’ compensation and benefits within the system itself. Disparities exist across program sponsorship—such as state-funded pre-K and federally funded Head Start—as well as across age ranges. Notably, public investments in infants and toddlers are lacking: The majority of infant and toddler teachers are privately funded through parent fees, and the cost of infant care is higher than care for preschool-age children. The average annual salary for an infant and toddler teacher is almost $9,000 less than that of a preschool teacher. Meanwhile, teachers and lead teachers in school-sponsored early education programs—specifically programs that are administered by a local school district—typically fare the best, earning an average of $23.50 per hour. However, salaries for pre-K teachers in public schools remain significantly lower than those for similarly qualified kindergarten teachers.

Economic stress has a profound negative impact on physical and mental health. When teachers are unsure of how they can pay their bills or put food on the table, it is infinitely more difficult to focus on the needs of the children in their care. These stressors are exacerbated by variable work schedules and a lack of or limited benefits such as paid time off and employer-sponsored health insurance. In a survey of California’s early childhood workforce, one-third of all educators expressed concern about having their hours or benefits cut.

Poor compensation undermines efforts to recruit a highly qualified workforce. Early childhood education has the lowest lifetime earning potential of all college majors, likely reducing the field’s appeal for new graduates, particularly those with significant student debt. Low wages and poor benefits also affect retention. Among centers that experienced any turnover in 2012, the average turnover rate was 25 percent. Some teachers leave the field altogether, while others remain in education but seek higher-paying positions with better benefits and supports.
Inconsistent standards for the workforce

Like wages, baseline standards for teachers’ credentials are too low and inconsistent across states. Perhaps because wages are so low, only 11 states have a minimum education requirement beyond a high school diploma for teachers in center-based child care settings outside of public pre-K. Just two states require a Child Development Associate Credential or vocational training for both center- and home-based staff. These minimal requirements are inconsistent with the importance of the work. From birth, children experience rapid growth and development that lay a foundation for future success. Early childhood teachers face a demanding and complex set of tasks each day: They must manage challenging behavior; identify warning signs of developmental delays; and engage in developmentally appropriate interactions with the children in their care.

Publicly funded pre-K programs—serving 3- and 4-year-old children—typically have higher standards for teacher qualifications. Roughly half of all state pre-K programs require that lead teachers have a bachelor’s degree to teach in both district schools and community-based programs. Teachers with higher levels of education are commonly incentivized to leave lower-paying private or Head Start programs for school-based pre-K, which may offer more professional work environments and higher compensation.
Uncoordinated professional development systems

Professional development encompasses education, training, and technical assistance, including coursework toward a degree or credential, basic health and safety trainings, skill development workshops, and ongoing mentoring or coaching. High-quality, effective professional development is important to support teachers’ practical skills in the classroom and to promote career advancement. However, the existing professional development systems reflect the underresourced and fragmented early childhood system itself.

Despite the availability of resources and support from the early childhood field, most states have no comprehensive system for professional development, meaning that training requirements and how teachers access professional development vary considerably by program and setting. Public programs typically have more resources to support early educators’ participation in professional development. For example, teachers in Head Start or other publicly funded pre-K programs with relatively robust budgets are more likely to receive on-the-job training. Publicly funded programs are also more likely to incorporate professional development opportunities into the school calendar, so teachers are not required to take paid or unpaid time off to fulfill training requirements. Conversely, teachers in private programs are often required to participate in off-site trainings or college coursework in the evenings or on the weekends. Even in public programs, resources for professional development are commonly too limited to provide intensive, ongoing support such as coaching and mentoring. (see Figure 1)

Without a centralized system of professional development, workshops, trainings, and college coursework all operate largely in isolation from one another. Consequently, professional development content is not necessarily aligned with the most recent research, standards of practice, or needs of employers. In addition, the skills and competencies that are acquired through professional development or coursework do not necessarily translate into progress toward advanced degrees or credentials. This is extremely costly to an already low-wage workforce, both in time and money.
FIGURE 1
Share of center- and home-based teachers who participated in professional development and received support for participation

### Participated in any form of professional development

<table>
<thead>
<tr>
<th>Type</th>
<th>% Participated</th>
</tr>
</thead>
<tbody>
<tr>
<td>School-sponsored</td>
<td>97%</td>
</tr>
<tr>
<td>Head Start</td>
<td>97%</td>
</tr>
<tr>
<td>Public pre-K</td>
<td>92%</td>
</tr>
<tr>
<td>Other center</td>
<td>90%</td>
</tr>
<tr>
<td>Listed home-based</td>
<td>90%</td>
</tr>
</tbody>
</table>


### Participated in coaching, mentoring, or college coursework

<table>
<thead>
<tr>
<th>Type</th>
<th>% Participated</th>
</tr>
</thead>
<tbody>
<tr>
<td>School-sponsored</td>
<td>51%</td>
</tr>
<tr>
<td>Head Start</td>
<td>45%</td>
</tr>
<tr>
<td>Public pre-K</td>
<td>33%</td>
</tr>
<tr>
<td>Other center</td>
<td>28%</td>
</tr>
<tr>
<td>Listed home-based</td>
<td>27%</td>
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</tbody>
</table>

### Received support to participate in professional development

<table>
<thead>
<tr>
<th>Type</th>
<th>% Received</th>
</tr>
</thead>
<tbody>
<tr>
<td>School-sponsored</td>
<td>37%</td>
</tr>
<tr>
<td>Head Start</td>
<td>44%</td>
</tr>
<tr>
<td>Public pre-K</td>
<td>39%</td>
</tr>
<tr>
<td>Other center</td>
<td>41%</td>
</tr>
<tr>
<td>Listed home-based</td>
<td>15%</td>
</tr>
</tbody>
</table>

Supporting a diverse early childhood workforce

As of 2015, children of color comprised more than half of the population of children under age 5. As the population of young children continues to diversify, it is critical to ensure that the demographics of the workforce reflect those of the children in its care. The early childhood workforce is relatively diverse at present—particularly compared with the K-12 workforce. (see Figure 2) Maintaining and building diversity in the field should be a parallel goal to professionalization.

Teachers of color tend to be employed in positions with lower credential requirements and lower compensation relative to white early educators. Consequently, the challenges of working in the field—including poor pay, lack of benefits and supports, and increasing educational demands—have a disproportionate impact on teachers of color, who have also historically faced more systemic barriers to higher education. Early educators of color are also more likely to report that the cost of higher education is an obstacle to advancing their careers in early childhood education. Recent analysis showed a significant pay gap of 84 cents on the dollar for African American teachers compared with white, non-Hispanic teachers.

Policymakers must ensure that more stringent credential requirements are accompanied by comprehensive support for teachers’ continuing education and training. Targeted supports for working student teachers—such as scholarship programs, evening or online classes, and coursework offered in multiple languages—can help maintain diversity and reduce stratification across roles.

**FIGURE 2**
Demographics of the early childhood and K-12 workforces

<table>
<thead>
<tr>
<th>Center-based</th>
<th>White</th>
<th>African American</th>
<th>Hispanic</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>64%</td>
<td>17%</td>
<td>14%</td>
<td>5%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Regulated home-based</th>
<th>White</th>
<th>African American</th>
<th>Hispanic</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>62%</td>
<td>16%</td>
<td>16%</td>
<td>6%</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>K-12</th>
</tr>
</thead>
<tbody>
<tr>
<td>82%</td>
</tr>
</tbody>
</table>

Policies to support a professional early childhood workforce

Significant advancements in early care and education policy are long overdue. It is critical that the United States shifts away from piecemeal initiatives toward comprehensive reform. Future legislation must infuse enough funding to simultaneously reduce costs for low- and middle-income families, promote high-quality services, and improve conditions for the workforce. The Center for American Progress proposed one possible approach that would expand tax credits for child care and funding for voluntary universal preschool—calibrated to the cost of operating full-day, high-quality programs. These strategies would provide programs with higher levels of funding per child, which would serve to boost early educator salaries.

On top of a new financing approach, reform must address the existing barriers and challenges created by historical underfunding and fragmentation. Solutions aimed at only addressing one problem—such as increasing education and training requirements without improving compensation—will likely exacerbate the existing problems with turnover and have a disproportionate impact on teachers from lower-income communities and the children they serve.

The following six policies should be incorporated into federal reform for early childhood care and education with the goal of promoting a professional early childhood workforce. These policies should ultimately be implemented by states in partnership with the federal government.

Develop and maintain a comprehensive professional development system

States need coordinated professional development systems to prepare and train a skilled early childhood workforce. The benefits of professional development are maximized through a coordinated network of education, training, and technical assistance. Various forms of professional development should both align with and inform one another such that they work in combination to provide teachers with core knowledge and skills.
Federal legislation must include a stable federal investment that, in combination with state dollars, funds the development and maintenance of comprehensive professional development systems. These systems should be available to teachers across programs, settings, and roles. States should work with stakeholders—including institutes of higher education, vocational or technical schools, professional development providers, and other credentialing bodies—to design a system of professional development opportunities that meets the following criteria:

- **Has credentials with labor market value.** Credentials have labor market value when they qualify early educators to fulfill a particular role or position. More advanced credentials should allow teachers to progress forward on a given state’s early childhood career pathway, leading to more advanced roles and higher compensation.

- **Has portable credentials.** Credentials should be portable or widely accepted as a verification of teacher qualifications. This means credentials are acknowledged across educational institutions; program settings; and ultimately, across states. A teacher with a particular credential should be qualified to fulfill a corresponding role in a child care center, Head Start, or state pre-K classroom.

- **Has stackable credentials.** Stackable credentials build upon each other, are reflective of increasing knowledge and skill, and typically connect progressive levels of education. Stackable credentials can help early educators make the jump from shorter-term certificate programs to longer-term degree programs.

- **Is accessible.** Education and training must be targeted to early educators balancing coursework with full- or part-time employment. Programs should be available through a mixture of online and in-person mediums, during the evenings and weekends, and in accessible locations. Coursework and training must also be available in multiple languages to support non-native speakers.

- **Extends beyond traditional coursework.** Teachers should have the opportunity to participate in shorter-term workshops and trainings that target specific knowledge or skills and complement classroom-based learning. For example, a teacher might participate in a series of workshops related to integrating technology into the classroom or effective data collection practices. Trainings and workshops should be augmented by supervised practice in the classroom. In particular, states should establish forms of continuous technical assistance such as mentoring and coaching to support ongoing skill development.
• **Provides credit for prior learning.** Early educators should have opportunities to demonstrate what they know and are able to do and apply those acquired skills toward credential attainment. Receiving credit for prior learning allows early educators to focus on new or lesser-developed content and competencies at their own pace.

• **Includes measures for quality assurance.** States should articulate the required credentials for professional development providers—including individual trainers, mentors, coaches, and consultants—as well as sponsoring organizations. Moreover, states must engage in continuous monitoring and evaluation to ensure that professional development is reflective of the most recent research and standards of practice.53

Develop or revise statewide career pathways

The U.S. Department of Health and Human Services identified career pathways as a key strategy to help states and programs address inconsistent compensation, expectations, and professional development across sectors.54 Career pathways identify a sequence of credentials that are reflective of progressively higher competencies and are tied to particular roles or job titles. When used across early childhood programs, career pathways can reduce fragmentation in program standards for staff and provide a clear road map for early childhood professionals to advance.

While most states have done some work to sequence early childhood credentials, career pathways are often not meaningfully implemented in early childhood programs.55 For instance, such approaches are not used consistently in early childhood programs across the state, nor are they necessarily tied to advancing roles and compensation in the workplace. Most state ladders or pathways are only used in select programs or are used solely to inform individual teachers’ professional development. These limitations inhibit the ability of any given state’s efforts to advance early care and education as a profession.

Federal legislation should support states in developing robust career pathways that accomplish the following goals:

• Provide a shared understanding of expectations for teachers’ knowledge base, skills, and credentials to create consistent standards across the early childhood education field. Education and skills should be tied to a job title that is uniform across early childhood settings.56
• Offer a progression for career development that individuals can use to set career goals and identify steps to meet those goals. This approach allows for specialization based on job characteristics such as age group or function and also provides clear guidance for advancement.

• Establish compensation standards based on education or training.

• Provide opportunities for advancement and increased specialization. Pathways should articulate the skills and competencies required to be promoted to a new position or to remain in the same role but move to a new program or serve a different age group of children. As staff advance, the pathway should also reflect opportunities for increasingly specific tracks or specialties, such as program management and business administration, coordination of educational programming, or early childhood special education.57

• Guide other early childhood systems. For example, professional development systems should all be reflective of the competencies and credentials outlined in the career pathway.58 Likewise, a state’s quality rating and improvement system, or QRIS, should use the career pathway to define progressively higher teacher requirements to advance to higher-quality ratings.

Make progress toward compensation and benefit standards at parity with kindergarten teachers

Including compensation and benefits as formal indicators of quality clearly communicates that teachers’ economic well-being is part of quality in all settings and that a program cannot be of high quality if teachers are not earning a living wage. Federal legislation should require that states add compensation and benefit standards to their QRIS.59 Specifically, standards should require:

• Tiered salary schedules at each level of quality, such that early childhood educators at all levels earn increasingly higher salaries as program quality increases

• At the base level of quality, entry-level professionals to earn a living wage and have access to a comprehensive benefits package
• At the highest levels of quality, lead teachers or equivalent positions to earn salary parity with kindergarten teachers in the local school district

• Any staff member working at least the equivalent of a full school day and year to be salaried rather than paid on an hourly basis

The federal government should also lead by example and create wage parity for Head Start teachers in the next reauthorization. Although three-quarters of Head Start teachers now have a bachelor’s degree, they earn $31,242 annually—more than $20,000 less than the average kindergarten teacher salary. Likewise, the federal government should leverage Preschool Development Grants and any subsequent federal preschool funding to encourage states to address compensation disparities within their public pre-K programs. As described in previous sections, existing parity policies fall short of serving many teachers in the public pre-K system. Teachers in public pre-K classrooms—both in public schools as well as in community-based settings—should earn salaries and benefits on par with kindergarten teachers in the local public school district.

While family child care providers can be seamlessly integrated into many policy solutions—including credential requirements and professional development supports—addressing compensation for the home-based workforce is complex. As small-business owners, family child care providers have some agency around the number of children they care for and the number of hours they work, which affects their revenue. Increasing per-child funding levels will help increase providers’ take-home pay. However, states must also develop strategies to ensure that family child care providers who choose to work full time can earn a living wage.

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Promote data-driven policies and programs with a statewide workforce registry

States should increase participation in their early childhood workforce registries to gather relevant information about the early childhood workforce. Early childhood workforce registries are online systems that include characteristics of early childhood workers and their programs of employment. Workforce registries allow teachers to track their progress toward their professional goals; enable centers to verify teacher participation in various professional development and training opportunities; and inform state early care and education administrators about the workforce.
When the data collected in registries are robust and comprehensive, they can inform state policies around teacher credential requirements and participation in professional development; identify geographic areas in need of workers with specialized education and training; and help states target financial and technical assistance resources to underserved areas. Workforce registry data can be linked to states’ QRIS to easily verify that programs have met particular standards. They can also be linked with child-level data systems to analyze associations between programs, teachers, and children for the purposes of research that improves systems and practices in the classroom.

Forty-two states have a workforce registry in place. However, because most state registries are voluntary for teachers, they fall short in providing a complete picture of the status of the workforce. This ultimately limits their utility in informing policymaking and program administration.

Federal legislation should require states to amend existing registries or develop new comprehensive workforce registries that:

- Collect data on teacher demographics; role or position title; compensation and benefits; degree progress and attainment; and participation in professional development
- Are linked to statewide career pathways, early childhood data systems, QRIS, and state-sponsored professional development and training courses
- Can generate reports to inform policy planning and implementation

Bolster state scholarship programs

As early childhood programs increasingly require or encourage higher credentials for staff, states must bolster their existing scholarship programs to help offset the cost of tuition and other expenses.

There are few data on scholarship recipients, but evidence suggests that these programs are fairly limited in scope and impact. Scholarship awards are likely too small in amount to offset a significant amount of the cost of tuition or fees. Programs generally lack the resources to support all eligible members of the workforce in any given state.
State scholarship administrators should use data collected through their workforce registries to target scholarship funds based on the unique needs of programs and workers in their states. For example, in states where public pre-K teachers are required to have a bachelor’s degree, policymakers may choose to target scholarship funds to teachers serving children ages 3 and younger. Other states may choose to target teachers seeking education and training in high-need specialty areas, such as early childhood special education, early intervention, or dual language learners. States should also consider prioritizing educators who may experience more significant barriers to higher education, such as teachers in rural or high-poverty communities.

Reward degree attainment with wage supplements or tax credits

To incentivize professional growth and retention, some states have turned to wage supplement initiatives, which provide a lump sum to teachers once or twice annually. However, wage supplements cannot replace an increase in compensation across the board for the early childhood workforce, nor do one-time bonuses truly offset the upfront costs of higher education and training. Instead, states should consider the following strategies as a means of providing bonuses or incentives to early childhood educators.

The Child Care WAGE$ Project is an example of a wage supplement program for early educators. WAGE$ is administered by nonprofit organizations in Florida, Iowa, Kansas, New Mexico, and North Carolina. Teachers, directors, and family child care providers earning below an hourly wage threshold are eligible for a twice-yearly supplement based on their highest level of education. The average six-month supplement is $952. In 2015, nearly 6,000 members of the early childhood workforce received wage supplements through WAGE$. The WAGE$ program is typically funded through a mixture of private and public sources, depending on the state.

State-funded tax credits for members of the early childhood workforce are an emerging strategy to promote and reward continuing education, training, and retention. At present, Louisiana and Nebraska have adopted a tax credit program for the early childhood workforce. While eligibility for participating teachers varies, both states award higher tax credits to teachers with higher levels of education and credentials. In some states, tax credits are a preferable funding mechanism—compared with other wage supplements—because, as part of the tax system, they are stable and not subject to approval each year.
The federal government should provide flexible resources to states that choose to adopt some form of ongoing, stable bonus or incentive structure to promote continuing education and advancement within the field of early childhood education.

**The Louisiana School Readiness Tax Credit**

The Louisiana School Readiness Tax Credit, started in 2008, promotes early childhood program quality by providing refundable tax credits to families, programs, members of the early childhood workforce, and businesses that support early care and education. The tax credit applies to all centers that participate in the state’s QRIS, the Quality Start Child Care Rating System.

Early childhood teachers and program directors are eligible for a refundable tax credit after six months in a Quality Start center if they are enrolled in the state career ladder program, Louisiana Pathways Child Care Career Development System. The tax credit is based on educational attainment level on the career ladder and is not dependent on the center’s quality rating. In addition, providers that meet quality standards beyond those required for licensure who serve children in the state’s child care subsidy program can receive an additional bonus for each eligible child. These bonuses are based on the provider’s rating and the average number of subsidy-eligible children the provider serves each month.

The tax credit program works toward the dual goals of improving program quality and supporting the workforce in multiple ways. A tax credit can create demand for quality programs by providing higher tax credits to parents who choose higher-quality centers. Ideally, this will also encourage programs to improve and maintain their quality. Programs serving eligible children can receive increasingly higher credits as they move up the quality rating system, which can be invested in staff through increased compensation or support for professional development. Finally, the tax credit aims to reward educators for pursuing higher levels of education and training, which can increase center quality and, in turn, center star ratings.

Over the course of three years—from the enactment of the School Readiness Tax Credit in 2008 to 2011—the number of child care centers participating in Quality Start almost doubled, and the proportion of centers meeting quality standards above and beyond those required by licensure increased from 15 percent to about 50 percent. Similarly, the share of directors and staff with career ladder credentials also significantly increased. In 2014, more than 400 providers and 3,770 teachers and directors claimed the tax credit.
Conclusion

The early care and education system is at a crossroads. The need for working parents to access early care and education is critical and well-documented, as is the need for that care to be of high quality in order to realize long-term positive benefits for children’s learning and development. In order to dramatically improve early childhood program quality, the federal government must support states in building and maintaining a professional early childhood workforce: one with uniform standards for preparation and training; a clearly defined pathway for career advancement; fair compensation and comprehensive benefits; and robust supports for continuing education and training. By adopting these policies as part of systemic reform, conditions will improve not only for the early childhood workforce but also for the millions of children and families who rely on early educators every day.
About the authors

Rebecca Ullrich is a Policy Analyst with the Early Childhood Policy team at the Center for American Progress, where she focuses on the early childhood workforce, young children with disabilities, and early childhood program quality. Previously, Ullrich conducted academic research related to observations of classroom quality and teacher-child interactions as a graduate research assistant at George Mason University. She also provided research assistance on evaluations of federal programs related to higher education; adult basic education; housing; and science, technology, engineering, and math education with Abt Associates in Bethesda, Maryland.

Katie Hamm is the Senior Director of Early Childhood Policy at the Center. Prior to joining the Center, Hamm worked as a program examiner at the U.S. Office of Management and Budget on federal child care and early education programs, including the Race to the Top Early Learning Challenge, the Child Care and Development Fund, and the Head Start program. Her work focused on developing budget proposals to strengthen the quality of and access to early childhood programs. She also worked on international issues in early childhood while on detail to the Organisation for Economic Co-operation and Development. Earlier in her career, Hamm worked at the Center for Law and Social Policy and the Institute for Women’s Policy Research on child care and early education issues.

Leila Schochet is a Research Associate for the Early Childhood Policy team at the Center. Prior to joining the Center, Schochet conducted senior research around staff retention and wellness in child care centers in Addison County, Vermont. She also interned at the Institute for Educational Leadership, where her work focused on communicating the importance of family and community engagement in education. Schochet is originally from Princeton, New Jersey. She holds a bachelor’s degree in psychology from Middlebury College.
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Finally, the authors would like to acknowledge Mary Jo Smith and Jenna Conway of the Louisiana Department of Education for their help in verifying information in this report.
Endnotes


3 Ibid.


7 National Survey of Early Care and Education Project Team, “Number and Characteristics of Early Care and Education (ECE) Teachers and Caregivers.”


14 Refers to home-based providers designated as “listed” in the National Survey of Early Care and Education, meaning that they appear on national or state lists of home-based providers. “Listed” family child care providers include those that are licensed, regulated, license-exempt, or registered.


18 Ibid.


22 Adamu and Hamm, “How Low Child Care Wages Put All Children at Risk.”


28 Child Care Aware of America, “Parents and the High Cost of Child Care.”


31 Child Care Aware of America, “Parents and the High Cost of Child Care.”


33 Whitebook, McLean, and Austin, “Early Childhood Workforce Index.”


39 Ibid.


44 Ullrich, Hamm, and Herzfeldt-Kamprath, “Underpaid and Unequal.”

45 Whitebook, McLean, and Austin, “Early Childhood Workforce Index.”


51 Lutton, “Supporting Successful Degree Completion by Early Childhood Professionals.”

52 U.S. Department of Labor, Career Pathways Toolkit.


56 Ibid.


60 “Highest levels of quality” refers to the top tier in a three-level QRIS and the top two tiers in a five-level QRIS.


63 Whitebook, McLean, and Austin, “Early Childhood Workforce Index.”

64 Only 14 states require participation in the workforce registry for all licensed programs. Many registries focus solely on the goal of tracking professional development and do not collect critical information about the workforce such as wages, benefits, and demographics. Only 22 state workforce registries collect information about teacher compensation, and 11 collect information on benefits. Few states have meaningfully linked their workforce registry to other state data systems. For more information, see Fran Kipnis and Marcy Whitebook, “Workforce Information: A Critical Component of Coordinated State Early Care and Education Data Systems” (Berkeley, CA: Center for the Study of Child Care Employment, 2011), available at http://cscc麒eekeley.edu/files/2011/CSCCEPolicyBrief_WorkforceInformation_March2011.pdf; Whitebook, McLean, and Austin, “Early Childhood Workforce Index.”


66 Whitebook, McLean, and Austin, “Early Childhood Workforce Index.”


68 T.E.A.C.H. Early Childhood National Center, “Child Care WAGES Overview.”

69 Ibid.

70 For example, the Child Care WAGES Project is a national wage supplement program that awards early childhood educators with salary supplements twice per year based on education and retention. WAGES currently operates in five states. A similar, nonaffiliated program called Great START is also located in Illinois. See T.E.A.C.H. Early Childhood National Center, “Child Care WAGES,” available at http://teachecnationalcenter.org/child-care-wage/ (last accessed August 2016); Gateways to Opportunity, “Great START Wage Supplement Program,” available at http://www.greatstart-wage-supplement-program.org (last accessed August 2016).


Licensed providers in good standing are automatically eligible for a one-star rating in Louisiana’s QRIS. Providers must meet additional quality standards—at the two-star level or above—to be eligible for the School Readiness Tax Credits. For more information, see Louisiana Department of Revenue, “School Readiness Tax Credit.”

Louisiana Department of Revenue, “School Readiness Tax Credit.”


Ibid.

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