Top 10 Early Childhood Ideas for States in 2018

By Simon Workman, Katie Hamm, Rasheed Malik, and Cristina Novoa

March 2018
Top 10 Early Childhood Ideas for States in 2018

By Simon Workman, Katie Hamm, Rasheed Malik, and Cristina Novoa

March 2018
Contents

1 Introduction and summary

3 Top 10 ways states can support young children and their families

9 Funding early childhood initiatives

10 Conclusion

11 Endnotes
Introduction and summary

The American political landscape is increasingly polarized, with almost every issue falling on one side or the other of the partisan divide.¹ There is, however, at least one issue that unites voters across the country: early childhood education. According to a recent poll from the First Five Years Fund, 82 percent of Republicans, 85 percent of Independents, and 97 percent of Democrats support “making quality early education for children from birth through age five, including child care, more affordable for working families.”²

Voters recognize the benefits of quality early childhood programs—including preschool, child care, Head Start programs, and voluntary home visiting programs—and want their elected officials to increase funding to make these programs available to low- and middle-income families.³ Despite this broad support, too many children are currently unable to access the services they need, and too many parents are left scrambling to put together a patchwork of care that meets their families’ needs.

States have a critical role to play in expanding access to high-quality early childhood programs. With voters prioritizing investments in young children and with 36 upcoming gubernatorial races, now is the time for bold proposals. This report provides the following 10 progressive policy ideas that states can explore to help give all children the best start in life:

1. Ensure no family pays more than 7 percent of their income for high-quality child care.

2. Make full-day, high-quality preschool available to all 3- and 4-year-olds.

3. Value early educators by paying them a living wage.

4. Support early educators’ access to higher education and early childhood credentials.
5. Give parents more child care options by reducing child care deserts.

6. Use the tax system to increase access to high-quality early childhood programs.

7. End suspensions and expulsions in preschool.

8. Address the school readiness gap by investing in the Early Head Start program.

9. Invest in voluntary home visiting programs so that new parents and their children have the best possible start.

10. Improve supports for parents of children with disabilities and developmental delays.
Top 10 ways states can support young children and their families

1. Ensure no family pays more than 7 percent of their income for high-quality child care

Child care is one of the most significant expenses in a family’s budget and often exceeds the cost of housing or public college tuition. The annual price of a child care center surpasses $10,000 per child, putting it out of reach for many low- and middle-income families.

States can support working families by providing a significant public investment that guarantees child care assistance to low- and middle-income families and ensures no family pays more than 7 percent of their income on child care. Child care assistance should reflect the true cost of high-quality child care, including a livable wage for early educators.

Current child care assistance programs fail to reach all families that need support, with only 1 in 6 eligible families served by the federal Child Care Development Block Grant. Congress recently approved a $6 billion increase in federal child care assistance, but many eligible families still will not receive child care assistance. The Child Care for Working Families Act, introduced by Sen. Patty Murray (D-WA) and Rep. Bobby Scott (D-VA) in 2017, provides a model that states can follow to guarantee access to high-quality child care for all families.

2. Make full-day, high-quality preschool available to all 3- and 4-year-olds

Parents understand the importance of high-quality preschool in preparing their children for kindergarten. While 67 percent of 4-year-olds and 38 percent of 3-year-olds are currently enrolled in preschool, only a handful of states provide public funding to support access to high-quality preschool programs. Higher-
income children are also more likely to have access to full-day, high-quality programs compared with their peers in lower-income households, furthering the school readiness gap.\textsuperscript{10}

States can promote kindergarten readiness by making high-quality preschool available to all 3- and 4-year-olds.\textsuperscript{11} Priority should be given to low-income families who struggle to afford the cost of preschool and whose children would benefit the most from a high-quality program.\textsuperscript{12}

Parents should have their choice of preschool in school district programs, community-based child care centers, or family child care homes that meet high-quality standards.\textsuperscript{13} Research has demonstrated that participation in high-quality preschool has a significant return on investment for children, parents, and state economies.\textsuperscript{14} One recent analysis estimated that universal preschool for 4-year-olds would generate more than $83 billion per year in economic benefits.\textsuperscript{15}

3. Value early educators by paying them a living wage

Early educators are chronically underpaid for the important work that they do. In fact, the average wage for a child care teacher is just $10 per hour.\textsuperscript{16} As a result of their low wages, nearly half of the early childhood workforce depends on public benefit programs just to meet their basic needs. Moreover, child care programs struggle to recruit and retain highly skilled teachers because they cannot offer competitive salaries.\textsuperscript{17}

States can show that they value early childhood educators by setting up a wage board charged with developing compensation standards. Wage boards have previously been proposed by the Center for American Progress Action Fund as an approach to set industry-wide working standards and compensation levels.\textsuperscript{18}

In the early childhood sector, this wage board should include government officials; representatives of private-sector early education providers; and organizations representing child care teachers, directors, and other staff. The board should gather input from experts, researchers, advocates, parents, and a diverse group of early educators and child care providers to determine the compensation necessary for educators to be self-sufficient and for the sector to retain a qualified and stable workforce.\textsuperscript{19} The board would make recommendations to establish a wage ladder and compensation standards tied to increased experience and educational qualifications, which would strengthen workforce retention.
4. Support early educators’ access to higher education and early childhood credentials

Successful high-quality early childhood programs are staffed by experienced and highly skilled teachers. Unfortunately, low wages make it challenging to recruit and retain educators with college degrees or advanced credentials, and there are few financial incentives for early childhood educators to pursue higher education.

States can support the early childhood workforce by providing a robust scholarship program. The T.E.A.C.H. Early Childhood Initiative offers a model for a comprehensive scholarship program that has successfully increased educator credentials in several states. States that already operate these scholarship programs should increase funding in order to broaden their reach, while other states can look to the T.E.A.C.H. program as a proven effective model.

Scholarships should be sufficient to cover the costs of higher education, including not just tuition but also materials and release time from the classroom. They must also be responsive to the realities of the early childhood workforce by offering programs in the evenings and weekends; providing on-site child care; being located in local communities or offering distance learning; and requiring little to no out-of-pocket costs for educators.

5. Give parents more child care options by reducing child care deserts

Many parents who set out to find child care encounter long waitlists and few choices. According to a recent report, more than half of Americans live in a child care desert, where there are more than three children for every licensed child care slot. While child care deserts are a widespread problem, licensed child care is especially scarce in small towns and rural communities.

States should include child care facilities when making infrastructure investments. Just as public roads and bridges help parents get to work, child care is a vital component of a modern economy for working families.

Because quality early childhood education has been shown to have long-term benefits for children, these investments would have positive effects across generations. Through targeted long-term investment in child care deserts, state agencies can spur economic development in areas that need it most while also providing hardworking families with much-needed relief.
6. Use the tax system to increase access to high-quality early childhood programs

The economics of the current child care system provide little to no incentive for providers to improve the quality of their programs, for parents to choose a high-quality program, or for early educators to obtain higher credentials. With parents unable to pay higher tuition, and with low child care subsidy rates, revenues are insufficient to cover the cost of operating a high-quality program, including a livable wage for early educators. Meanwhile, the benefits of early childhood education are greatest when children attend high-quality programs.

In the absence of a significant increase in public investment, states can utilize their tax systems to incentivize program quality improvements. States can implement a package of tax credits that encourage programs to improve their level of quality, help parents offset some of the cost of a high-quality program, and compensate early educators who achieve higher credentials.

The tax credits should be tied to the state’s quality rating improvement system (QRIS) and be designed to increase access to high-quality programs for those who struggle the most to afford it. As such, the provider credit should be tied to the number of child care subsidy-eligible children served as well as the program quality, and the family credit should be fully refundable and offer a higher credit when parents choose high-quality programs.

7. End suspensions and expulsions in preschool

More than 250 preschoolers are suspended or expelled every day across the United States. Perhaps most troubling is the fact that exclusionary discipline is applied disproportionately to African American preschoolers, which can potentially extend the school-to-prison pipeline down to our youngest learners. Excluding children from school at an early age can create negative associations with learning environments that can have profound impacts on children’s later academic careers.

States can address this issue by eliminating exclusionary discipline in preschools. New evidence shows that children with disabilities are at the greatest risk of suspension; if states outlaw preschool suspension and expulsion, they will affirm the rights of our most vulnerable students at the earliest stages of learning.
In addition, states must address the root of the behavioral issues that can lead to suspensions and expulsions. Research has shown that when teachers have access to behavioral health consultants the likelihood of expulsion is greatly reduced. Investing in teacher training and support programs can help educators recognize behavioral problems and connect children with early intervention services. These alternative services have been shown to help children who display disruptive behaviors and to allow teachers to meet the needs of all students.

8. Address the school readiness gap by investing in the Early Head Start program

Early Head Start is a federal program that provides early education and services such as health screenings and parenting support to pregnant women and children less than 3 years old. The program currently reaches about 6 percent of eligible children.

States can increase participation in Early Head Start by providing state funds or using flexible federal funds to augment federal resources. Setting a goal of serving all children in families living below the poverty line can be part of a birth-to-college education plan.

Many states struggle to find opportunities to increase school readiness, particularly among children who face multiple risk factors. Research shows that the earlier children participate in early childhood education, the better their long-term outcomes become. Early Head Start improves cognitive and socio-emotional skills in young children, especially when paired with a preschool program.

9. Invest in voluntary home visiting programs so that new parents and their children have the best possible start

Bringing a new child home is challenging in even the best circumstances. Many parents face additional stressors—including economic challenges and lack of social support—that can negatively impact their well-being and the well-being of their children. Home visiting programs connect these families with nurses, social workers, and other trained professionals who provide families with the coaching and resources necessary to create a healthy home environment.
States should expand funding for these vital programs and work towards achieving universal access by including home visiting services as an optional Medicaid benefit.33

Home visiting is a tested and effective intervention that is ready to be scaled up. The demonstrated benefits—improved child health and school readiness, improved maternal health, and increased family economic self-sufficiency—are good for the economy and produce significant long-term savings.34 In fact, a recent analysis estimated that if all eligible families were enrolled in these programs, states could save up to $2.4 billion over 10 years.35 Unfortunately, states currently only serve around 2 percent of high-priority individuals, such as pregnant women whose incomes fall below the poverty line or who are less than 21 years old.36

10. Improve supports for parents of children with disabilities and developmental delays

Although each child is unique, the acquisition of specific skills and abilities—known as developmental milestones—typically follow a predictable pattern. When children do not achieve these milestones within the anticipated timeframe, it may be a sign that their development is delayed or disordered. Developmental and behavioral screenings play an important role in the early detection of developmental delays.

States should provide home visitors and early childhood teachers with robust training on developmental screenings and allow Medicaid to be billed for screenings. States should also increase funding for early intervention services to guarantee that all children with disabilities or delays receive the required services in a timely manner. These services, which can lead to significant cost savings in the future, can be paid for by expanding Medicaid.

Just 3 percent of infants and toddlers nationally receive early intervention services, although research suggests that as much as 13 percent of American infants and toddlers experience developmental delays.37 Even after delays are identified, many children are placed on long waitlists to receive these crucial, high-demand services.38 Increasing funding for screenings, early interventions, and planning—including by providing connections to disability supports and service—can help families identify delays early, access treatment and information about available services, and make informed choices for care.
A significant public investment is needed to support a comprehensive early childhood education system that meets the needs of children and their families, early childhood education providers, and early educators. Ideally, states would increase general fund appropriations to address the policies outlined in this report, recognizing that investing in young children is a public good that produces a significant return on investment.

There are several other financing options states can explore to increase investments in this sector, including:

- Expanding the K-12 funding formula to include preschool and services for infants and toddlers, with funding flowing through local school districts to community providers.

- Introduce new excise taxes on consumables such as soda, tobacco, or marijuana, with revenues earmarked specifically for early childhood initiatives.  

- Directing property tax revenue to support early childhood programs. While property taxes have long been used to fund public schools, few states have used them to fund programs for young children.

- Increasing tax rates for high-income earners and identify areas where the tax system disproportionately favors higher-income families and corporations at the expense of services for low-income and middle-class households. For example, states can address corporate tax loopholes, end inefficient corporate subsidies, and consider raising or restoring state estate and inheritance taxes. The increased revenue that results from these changes can be directed to support early childhood education initiatives that in turn contribute to the state economy.
Conclusion

Research shows that early childhood education is one of the smartest investments states can make, and voters overwhelmingly agree. Supporting new parents and their infants; helping families access high-quality child care that allows them to work and provides their children with developmentally appropriate learning environments; and improving conditions for the predominantly low-income and female early childhood workforce is a win-win for states. The benefits are immediate, long-term, and apply to children, families, and the state’s economy.

It is time to view investments in early childhood in the same light as other economic development investments. Building a comprehensive early childhood system that addresses the multiple needs identified in this report can help grow states’ economies and develop the workforce of the future. In the absence of federal leadership, states have a prime opportunity to lead on this issue. The policy ideas laid out in this report provide a roadmap for taking bold action to support all families in 2018 and beyond.

About the authors

Simon Workman is the associate director for Early Childhood Policy at the Center for American Progress.

Katie Hamm is the vice president for Early Childhood Policy at the Center.

Rasheed Malik is a senior policy analyst for Early Childhood Policy at the Center.

Cristina Novoa is a policy analyst for Early Childhood Policy at the Center.
Endnotes

1 Carroll Doherty, “Key takeaways on Americans’ growing partisan divide over political values,” Pew Research Center, October 5, 2017, available at https://www.pewresearch.org/fact-tank/2017/10/05/takeaways-on-americans-growing-partisan-divide-over-political-values/.


3 Ibid.


8 First Five Years Fund, “2017 Poll.”


19 For additional information on wage boards see David Madland and Alex Rowell, “How State and Local Governments Can Strengthen Worker Power and Raise Wages.”


22 Simon Workman, “Where Does Your Child Care Dollar Go?”
23 Hirokazu Yoshikawa and others, “Investing In Our Future: The Evidence Base on Preschool Education.”

24 For an example of how these credits have been implemented in Louisiana see: http://www.revenue.louisiana.gov/IndividualIncomeTax/SchoolReadinessTaxCredit (last accessed February 2018).


30 Unpublished calculation from ZERO TO THREE. Personal communication between author and Patricia Cole, February 15, 2018.


33 Ibid.

34 Ibid.


36 Based on authors’ analysis of the number of parents and children served by MIECHV—159,000—and the number of pregnant women and families meeting one or more targeting criteria, such as families with children under 12 months; families and pregnant women with income below the poverty threshold; pregnant teens and women less than 21 years; single mothers and pregnant women; and parents and pregnant women with less than a high school education. See National Home Visiting Resource Center, “2017 Home Visitation Yearbook” (2017), available at https://www.nhvr.org/wp-content/uploads/NHVRC_Yearbook_2017_Final.pdf.


40 Seattle, Washington, and Cincinnati, Ohio, recently passed property tax levies to fund universal preschool, and Seattle has an additional levy to support families and education, including early childhood services. See Seattle Department of Education and Early Learning, “About the Families and Education Levy,” available at http://www.seattle.gov/education/about-us/about-the-levy (last accessed February 2018). In Florida, voters have the power to create Children’s Services Councils, local government bodies that receive dedicated funding from local property tax dollars to oversee programs and services for young children and their families. The councils coordinate all services for children in their jurisdiction acting as an umbrella for home visiting, child care, after school, and child safety programs. For more information, see Florida Children’s Council, “Overview,” available at http://fcchildrenscouncil.org/about-the-council/overview/ (last accessed February, 2018); and The Florida Legislature, “The 2017 Florida Statutes,” available at http://www.leg.state.fl.us/Statutes/index.cfm?App_mode=Display&StatuteNumber=0100-0199/0125/Sections/0125.901.html (last accessed February 2018).