

**The New Federal Investment:  
A Child Care Entitlement, Universal Pre-K, and What Next?  
November 2, 2021  
4:00-5:15pm ET  
Host: Danielle Ewen, EducationCounsel**

**Organizations:**

- Alliance for Early Success
- Child Care Aware of America (CCAoA)
- Center for Law and Social Policy (CLASP)
- Center for American Progress
- First Five Years Fund
- MomsRising Together
- National Association for the Education of Young Children (NAEYC)
- National Association for Family Child Care (NAFCC)
- National Head Start Association (NHSA)
- National Women’s Law Center
- Save the Children Action Network
- Start Early
- Zero to Three

**Introduction: Danielle Ewen, EducationCounsel**

Early Childhood funding packages are the second largest piece of legislation in the Build Back Better (BBB) framework. The White House has published this [overview](#) and additional analysis is [here](#).

This is a historical investment in early childhood, which was the focus of sharing for this webinar. Healthcare coverage and family economic security policies are other important pieces of the legislation that work in conjunction with the efforts to support birth-to-five systems. Some of the highlights in these areas include:

- A one-year extension of the Child Tax Credit, making a difference for families who need it most.
- Opens up marketplace subsidies for low-income adults to address coverage gap in states that have not expanded Medicaid.
- The Build Back Better Bill expands CHIP postpartum coverage in all states, requiring that all states permanently expand postpartum Medicaid and CHIP coverage for one year after the end of one’s pregnancy.
- The Bill requires 12-month continuous Medicaid and CHIP eligibility for children, increasing coverage for about half of states that are not currently opted-in to this eligibility.

More information on health coverage can be found [here](#).

**Overview of Child Care Entitlement: Lauren Hogan, NAEYC**

The Build Back Better Bill takes what’s already known about child care – successes and challenges, potentials and pitfalls, brain science, economic opportunities – and thoughtfully addresses these pieces in one place. It addresses scarcity of providers and resources, provider compensation in hand with affordability for families, in addition to workforce development. It is inclusive of center-based care,

family-based programs, family-friend-neighbor (FFN) providers, faith-based and local schools. It creates a floor for immediate impact for families and the time and funding required to create the floor. It speaks to affordability and what it costs to provide high-quality care.

- Sliding scale fee system
  - A typical family will save \$100 week on child care costs through the funding.
  - After three-year phase in, every family participating in eligible activities and earning 250% of the state's median income (SMI) will be entitled to child care assistance.
  - 9 in 10 will be income eligible and in receipt of full support, in contrast to only 1 in 6 who are currently eligible and actually receive subsidies.
- This program is built on CCDBG
- State Match
  - May be states who don't opt in, but there are opportunities for localities to opt-in
- Compensation
  - States will be required to use payment rates that cover the full cost of high-quality care in their communities.
  - This does away with market rates, and instead reflect variations in costs by geography, type of provider, etc.
- Supply building
  - States, at a minimum, must provide living wage for providers. The bill also creates a pathway to compensation parity for providers, and includes supports for educators to increase their credentials.

### **Overview of Universal Pre-K: Danielle Ewen, EducationCounsel**

The Bill supports the two sides of a birth to five program, and it's important to continue talking about both child care and universal Pre-K in our communities.

- At federal level, universal Pre-K will be administered by the Department of Health and Human Services (HHS), with the Department of Education serving in an advisory role.
- Three- and four-year-old children become eligible for the program based on the Local Education Agency's (LEA) established school-age enrollment date.
- States must ensure that Pre-K program doesn't disrupt stability of current infant/toddler programs. This means that folks at the local level must work together to support these programs equitably across all mixed delivery options.
- Mixed delivery includes LEAs, licensed programs or those meeting equivalent standards, Head Start agencies, family providers, faith-based programs, and FFN programs.
- Funds will be implemented in consultation with a state advisory council, which will assist in ensuring that states can't reduce the number of slots in state Pre-K programs. States are required to prioritize high-needs areas, which will be identified through a needs assessment.
- Funding and State Match
  - \$18B over first three years to help in ramping up implementation of funds and programs. No state match is required at first, but after three years, just under a 5% state match is implemented, and scales up to just over 36% in the final (sixth) year.
  - Each governor decides what state agency through which the funds will be implemented, and the child care and Pre-K pieces should work together to build a successful system for children and families.
- Compensation

- The bill requires that providers receive a livable wage, working toward salary parity with elementary teachers.
- States are required to assert how they're planning to meet those requirements.
- Program Standards
  - Receiving funding requires that Pre-K programs meet some of the Head Start standards, such as group size and student/teacher ratios.
  - It commits directors and teachers to 1,020 hours of education to meet those requirements.
  - Lead teachers must have a BA in Early Childhood or equivalent within six years of beginning the program.
- States will have to do outreach to families, enrollment support, create data systems, systems of professional learning and coaching, and administer statewide needs assessment. These structures create access to inclusive settings and prioritizes students with disabilities, students experiencing homelessness, and children in foster care.
- If a state chooses not to opt in to the program, localities/counties/cities can apply to the \$2B set aside, committing to provide resources to underserved communities.

This program is especially exciting because each program will be implemented through grants, and it is not child-by-child, giving program the chance to build quality. The Bill text can be found [here](#).

### **Access to Infant and Toddler Programs: Amanda Perez, Zero to Three**

BBB is an answer and solution to current concerns for families: parents paying more than they can afford for child care. This new system will lower costs and increase access to subsidies, as well as increasing supply of programs and giving the attention to quality for toddlers that is often given to Pre-K. We know that teachers need to be skilled in baby and toddler development, and this gives them the recognition they deserve for their work.

- Opportunities
  - Pathway to rapidly developed baby and toddler programs
  - Higher wages for staff across the board
  - Professional development and training that allows for crucial support of children and families
  - Increased access to subsidies
    - Right now, only 4.2% of babies and toddlers have access to subsidies
- Advocacy
  - There is special urgency for supporting baby and toddler programs to become high quality. Baby/Toddler care is given six years to ramp up its programs to higher quality, so it's important that advocates push to make sure this is done as quickly as possible.
  - Babies can't wait for program development, so it's important that state leaders know how vital it is to start the ramp-up as early as they can.

### **Overview of Head Start: Kent Mitchell, National Head Start Association**

BBB is equity-driven toward universal early learning, and inclusive of Head Start's whole child, whole family model. It prioritizes high-need environments and enhances payments in for Pre-K programs.

- The bill requires that each state's Head Start slots need to be filled first before building programs for more seats, leveraging existing capacity.

- The bill aligns Pre-K and Common Core standards with HS and EHS. Establishing Head Start standards as a “North Star” for programs creates a unity to what children will gain from early learning, whether that’s cognition or social emotional development.
- The bill provides an opportunity for states to fund "comprehensive services" in pre-K, including using family needs assessments, at a higher rate or per-child funding.
- There are also Early Head Start (EHS) and Head Start (HS) workforce provisions, which springboard the pay parity movement and create momentum for parity in the early childhood field.
- The "full utilization" provision is precedent explicitly in KY, WV, and other states, where collaboration in an equitable, mixed delivery system is shown to work.
- Head Start welcomes the explicit reference for programs to offer transportation, which is especially important for foster children and students experiencing homelessness, as this has been noted as the primary barrier for Head Start programs.

**Provider/Family Impact: Moderator: Anne Hedgepeth, CCAoA**

**Jerletha McDonald: NAFCC, Arlington, TX**

**Jacquelyn Boyett: NJ Family/Parent Advocate**

**Khadija Lewis Khan: Executive Director, Beautiful Beginnings Child Care Center in Providence, RI**

- What gives you hope about the Build Back Better Bill?
  - Families need more providers to choose from – this bill gives an opportunity for more family child care programs to expand and to give options for high-quality care and a sustainable business model.
  - Currently, families cannot afford to pay for child care and teachers can’t afford to stay in the classroom, so providers are looking forward to the investment because it’s going to make a huge difference. Labor Sec. Marty Walsh affirmed that it was a major priority for the administration.
- The details are still coming together on this bill. Do you have any worries as it comes together?
  - It’s important that it’s equitable. As parents sign their children up for programs, they need to know that *all* children will be served.
  - Geographic availability of programs. Even if these high-quality programs expand, parents have to be able to get to them.
  - Family child care has been shut out, sometimes purposefully. Family child care must be intentionally included in this funding.
- What do you want to say to your policymakers about Build Back Better?
  - For early education to be a career, Secretary Walsh shared that it needs to be meaningful and needs to be economic sustainability for the people who are invested in our younger children. Providers and teachers continuously share that it’s meaningful work for them, and now we need the economic sustainability to continue doing this work.
  - Right now, this system isn’t equitable. We need a successful system that works to include all children and families.
  - Go big for child care! Come and see family child care! Equitable compensation matters – including benefits, health care, and retirement. Child care is a public good and we can’t wait any longer to invest.

### **Congressional Action: Alycia Hardy, CLASP**

The bill includes \$100B in funding for first three years of the program: \$24B for FY22, \$34B for FY23, and \$42B for FY24.

- Between FY22-FY24, states will see total funding ranging from nearly \$121 million in Wyoming, to \$11 billion in Texas.
  - As states begin building the supply of childcare, implementing quality improvement measures, and expanding access to direct services, increased funding is needed from year to year.
  - These increases will support the increased number of eligible children each year as states phase-in income eligibility that will eventually expand to 250% of state median income in FY 2025.
- CLASP has analyzed the bill and has [state-by-state funding specifics](#).
- The White House estimates that this funding will enable states to expand access to 20 million children each year. However, the actual number of children served will depend on many factors, including, but not limited to, state decisions about how to prioritize funding and other policy decisions.

### **Sarah Rubinfeld, FFYF**

Congress is about to pass this bill and will be finally responding to all of the advocacy that has taken place over the past 50 years. This is an unprecedented \$400B investment in child care and Pre-K.

- Based on a narrow Democratic control of the Senate and the House, President Biden can pass this bill along a party line vote through a process called budget reconciliation. This means that all Democrats must agree on the final package, which is still currently undergoing discussions on other pieces of the legislation.
- The House could vote as early as next week, which would then move the bill to the Senate. The procedural process in the Senate could take weeks, and if any changes are made, it would need to be voted on again in the House. The bill would then be sent to the White House to be signed by President Biden

FFYF's Action Center can be found [here](#).

### **Closing: Lauren Hogan, NAEYC**

We're as close as we've ever been to getting millions more children access to quality child care and Pre-K. As both houses of Congress move closer to a vote, advocates must maintain their pressure on passing this funding package. You can do this through two avenues:

- Tell everyone how great this bill is – Facebook friends, neighbors, family, business leaders. We're more powerful when we work together, and we must help every leader know that they need to participate!
- Don't let up! When each of organizations alert you to an advocacy opportunity, it matters when you share your voice, tweet, and call.

We can do it – We can change the course of early childhood in this country!