



12/1/22 Senate Ways & Means Child Care COVID-19 Recovery Plan

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Child Care Prior to Pandemic



- Working families were struggling to access and afford child care
 - Tuition = 35% of 2-parent household income; 150% for single parents
 - 27% reduced hours due to child care issues; 18% quit
 - \$14 billion in lost wages every year
 - \$2 billion annual turnover/absentee costs for employers, every year
 - \$6.5 billion opportunity costs for WA's economy

Child Care Prior to Pandemic



- Child care educators suffering from turnover and poverty wages
 - Ranked in 3rd percentile of all occupational wages
 - 43% turnover rate for lead teachers
 - Racism/Sexism: 94% of workforce is women; 50% are people of color; 30% are multilingual
- Early Achievers is working!
 - Early Achievers: 73% of programs enrolled (including 900 programs enrolled since the end of the “pause”);
 - 96% of rated programs have met the quality threshold
 - Validation Study (UW – CQEL)
 - Children in EA programs “make gains in the expected direction across most domains in a relatively short period of time”
 - “Children make greater gains in sites with higher-level ratings than in sites with lower ratings”

Child Care During the Pandemic



- Child care educators were deemed essential workers and cared for children when no one else would
 - Expanded to serve school-aged children
 - Programs struggled with COVID guidance, supply acquisition, and sanitation
 - Educators suffered from long hours, changing rules, poverty wages, and fears of getting sick with no health care or early vaccinations
 - At the peak:
 - 50% loss of income
 - 40% of programs temporarily closed
 - 35% of workforce furloughed or laid off
- Essential workers struggled to find stable child care
 - Ratios were reduced, programs forced to temporarily close, teachers left the field, and exposures resulted in no access to care
 - Many parents turned to Family Friend & Neighbor caregivers, and still do, to address concerns with group sizes and exposure

Child Care During the Pandemic



- COVID Recovery
 - Fair Start for Kids Act!
 - Expanded eligibility and reduced copays
 - Increased rates and invested in care that is most difficult to access (non-standard hour care, infant care, complex needs, trauma-informed care)
 - Invested in equity (dual language, equity grants)
 - Health care coverage for child care educators: nearly 50% of the child care workforce has been connected with coverage!
 - Stabilization Grants
 - One-time flexible grants funded by COVID-relief dollars
 - 11/22: \$360 million awarded to over 5300 programs
 - 92% reported funding helped them stay open
 - 46% used fund to pay debts accrued during pandemic
 - 75% used funds for staff compensation
 - DCYF and WA STEM estimate that the grants saved over \$60k child care slots!
 - Program ended on September 30th, final payments processed this month

Child Care After the Pandemic



- **Staffing Crisis**

- As of August 2022, child care workforce was 8.4% below its employment levels in February 2020
- New York Times recently reported that the child care sector is 9.7% smaller than it was in February 2020
- 4 out of 5 programs are reporting staff shortages
- WA's child care sector would need to grow by 34% to meet demand

- **Mental Health Crisis**

- 67% of programs report they have seen an increase in social/emotional challenges
- 41% of programs report 50%+ need more social/emotional support; 9% report that ALL their children need it
- Currently 110 programs are on wait list to receive mental health consultation

Child Care After the Pandemic



- Fair Start = Better Vouchers and More Options for Families!

- \$1.7 million in Equity Grants to programs
- \$7.4 million in Complex Needs Funds to programs
- \$12.9 million in Workforce Retention Grants
- Expansion of ECEAP and Home Visiting
- Family of four making \$64k or less pays no more than \$115/month
- Family of four making \$53k or less pays no more than \$90/month
- **“The Fair Start for Kids Act has truly made an amazing difference in my life,” Heavner said. It’s allowed her to find good child care, do a job she loves and not have to fall back into a bad domestic situation just to get the bills paid.’ – Crosscut, January 2022**
- Unfortunately, parents are finding a lot of empty classrooms when seeking child care.....

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Going Forward...



- Child Care Collaborative Task Force
 - Key Recommendations from 2022 Report:
 - Adopt a Working Connections Child Care rate-setting model that is based on the cost of care model and incorporates fair compensation
 - Distribute relief payments to licensed child care programs and educators in the short term
 - Make implementation plans for delivering publicly-funded wage supplements and benefits to the entire child care workforce
 - Make implementation plans with providers and others for economic development framework for the child care sector

Going Forward...



- Child Care Provider Design Team

- Diverse team of early educators
- Facilitated policy development conversations since June
- Utilization of the National Equity Project’s Liberatory Design Process, to ensure that historical inequities in the system are addressed
- **Design Team finalized their “platform” in October:**
 1. **Improve compensation, benefits, and wellbeing for early educators**
 2. **Support equitable opportunities for professional growth**
 3. **Increase and stabilize revenue for programs by expanding access to small business supports**

Workforce Role	
Center owners/CEOs	7
Center directors	8
Center teachers	4
FCC owners	9
FCC assistants	3
FFN caregiver	1
Race and Ethnicity	
Black	8
AAPI	4
Latinx	11
White	8
American Indian	5
Primary Language	
English	24
Spanish	10
Geographic Region	
Central	12
Eastern	2
King and Pierce	10
Northwest	4
Olympic Peninsula	5
Southwest	2

Going Forward...



- 2023 Legislative Priorities
 - Proviso for DCYF to develop implementation plan of C3TF and Design Team recommendations
 - DCYF Decision Package
 - Raise WCCC rates and enhance rates for infants and non-standard hour care
 - Implement enrollment-based pay
 - Streamline WCCC eligibility requirements for families
 - Eliminate background check and licensing fees for programs
 - Expand Mental Health Consultation for programs
 - Expand Play & Learn groups for FFN caregivers

Conclusion

- Washington's children, families, and economy NEED high quality child care!
- The Early Start Act, the Fair Start for Kids Act, and COVID-relief have helped make licensed child care affordable and high quality in WA!
- Unfortunately, most of WA's young children still live in areas with inadequate child care, and programs everywhere are under-staffed due to COVID
- To ensure high quality care for all of WA's working families, we need to invest in WA's most important educators: early educators!
- Without significant public funding for the ECE workforce,
 - early educators will continue to leave the field,
 - families will continue to leave the workforce,
 - employers will continue to struggle to hire,
 - children will continue to show up at kindergarten not ready for school.



Questions?

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