# Morning Plenary: Conversation with Senior White House Advisors and ACF Leadership on Child Care and Early Education Policy Research

Thursday, June 29, 2023

9:00 a.m. – 10:30 a.m. | L'Enfant Ballroom ABCD (Livestreamed)

## 1. Descriptive Information

Morning Plenary: Conversation with Senior White House Advisors and ACF Leadership on Child Care and Early Education Policy Research

Join us to hear from the White House Domestic Policy Council, the President's Council of Economic Advisers, and the Administration for Children and Families' Office of Early Childhood Development. Leadership from each of these policymaking offices will share research-informed actions and priorities in child care and early education policy, highlight critical information needs, and engage in conversation with the CCEEPRC research community.

#### **Presenters**

Mario Cardona, Senior Advisor for Early Childhood Development and Education on the White House Domestic Policy Council

**Chloe Gibbs,** Senior Economist with the President's Council of Economic Advisers

**Katie Hamm,** Deputy Assistant Secretary for Early Childhood Development

Scribe Katie Caldwell

**Number of Attendees: 184** 

- 2. Documents/Presentations Shared (Please list any electronic documents, PowerPoint presentations, or web links used during the session.) Collect presenter PowerPoints or other documents on the flash drive provided.
  - Federal Investments in Early Care and Education: A Research Agenda to Inform Policy
  - EARLY CHILDHOOD DEVELOPMENT PRIORITIES IN THE ADMINISTRATION FOR CHILDREN & FAMILIES

## 3. Brief Summary of Presentations

- Summary of Presentation #1: Colleen Rathgeb
  - Thanked researchers for allowing policymakers to make evidence-based decisions
  - How to connect the research and the policymaking to make it more efficient and effective? How do we make research to policy more possible?
    - A laudable goal but difficult to execute
- Summary of Presentation #2: Mario Cardona
  - President's agenda on early childhood
    - Investments through the American Rescue Plan- American Families Act part of this plan
    - Called for even greater investments in early care and education in his budget
    - President passed an executive order to expand child care, long term care and increased wages for caregivers
      - Increase the subsidy rates
      - DOL has released a grant proposal for more care training programs that reflect worker voice
  - For researchers- we would love help:
    - Assessing the impact of the work we are doing- want to see the impact on workforce participation, child outcomes
    - Answer questions about employer supported child care- how is that being impacted by the current market conditions?

### • Summary of Presentation #3: Chole Gibbs

- Council of Economic Advisors- why are economists in this space?
- o 2023 Economic Report of the President- annual report required by statue
  - Report called for new ways to adjust to economic growth
  - Market for ECE as an integral part of agenda
  - Lay out the evidence on the impact of ECE on children, families and society
  - Can families that need care access a well-functioning market with options that meet their needs?
  - Is the supply of high-quality of ECE sufficient from society's perspective?
    - Report answers no. Gap in what families can afford and the cost of quality
  - Challenges:
    - Workforce issues
    - ECE pricing and price-sensitive consumers
    - Business model fragility
  - Participation and availability of ECE
    - 60% of children are participating in non-parental care setting on regular basis
    - Rates in the US lag beyond other developed countries
    - Some communities don't have enough slots for children who live in their area
      - o 73% of centers have to turn families away or operate a waiting list
  - Both demand and supply need attention
    - Supply side subsidies would allow caregivers to make needed improvements
  - Recent policy efforts
    - American Rescue Plan Act of 2021
      - o \$24 billion for child care stabilization program
      - 15 billion in CCDF discretionary funds
    - FY23 Omnibus Appropriations Bill
    - Executive Order on Increasing Access to High-Quality Care
    - President's FY24 Budget Proposal
- o Focus on American Rescue Plan reach, use and impact
  - Important to understand the impact of investment and for designing future policy to improve child care availability, affordable and quality
  - Use: add child care slots, operational costs like wages and benefits, rents/utilities, cleaning and sanitation
  - Impact: examined one outcome- mother's employment:
  - Mother's labor market participation was hard hit during the pandemic
    - Has recovered greater in areas with greater stabilization grants
      - 2020 area's mother's employment rates were similar
      - 2021- during recovery- in areas with more stabilization funds- mother's employment rebounds more quickly
- Research to Inform Policy
  - Explore outcomes of interest such as employment in child care, provider stability and staff wages and turnover
  - All 50 states and DC are using funds to offer recruitment and retention bonuses
  - Child and family outcomes: child development, school readiness, mental health, family resource and wellbeing and parental stress
  - Explore research questions that capture the full impact of this investment on our country's child care infrastructure

#### Summary of Presentation #4: Katie Hamm

- o ECE development priorities in ACF
- Mission: Advance an early childhood sector that meets the developmental needs of children and families in communities

- Focused on children and families AND the ECE workforce
- Equity is embedded in this mission and vision
- Nine priorities within ACF:
  - Families can access ECE programs
  - Children have equitable access to high quality ECE programs in culturally and linguistically responsive and inclusive settings
  - ECE settings protect children's health and safety
  - Mental health services are integrated in ECE programs
  - Payment policies support the stability of ECE sector
  - Federal ECE funds support increased compensation and a pipeline of diverse early educators
  - Tribal ECE funding supports integrated high quality ECE programs and facilities
    - Partner nation to nation and support culture and language transmission within child care instead of disrupting these important connections
  - Families and ECE service providers with lived experience share their feedback
  - ACF has the capacity, structure, and expertise to effectively administer funding streams

#### o CCDBG

- Increase of \$1.85 billion in CCDF discretionary funding in FY23
- ACF guidance to encourage states to continue to address the workforce issues with these funds
- Equal access to set your payment rate to at least 50<sup>th</sup> percentile, strong recommendation for 75<sup>th</sup> percentile of market rate survey
- Head Start
  - Guidance:
    - Improve the amount of paperwork for families
    - SNAP participation makes it easier to enroll in Head Start
    - Clarified for Tribes that they can enroll children in Head Start who are eligible for Tribal TANF
    - Strategies to stabilize Head Start workforce
      - Funding for COLA adjustment
      - Competitive bonuses for the workforce
      - o Guidance given to increase wages to stabilize programs and address under-enrollment
- Preschool Development Grants Birth through Five:
  - Awarded nearly \$300 million to 42 states
  - Highlights:
    - MT- recruitment and retention
    - OH- increased wages
    - AZ- trauma informed care
    - NC- Enhance FCC
  - \$25 million increase in FY23
- National ECE Workforce Center- new center
  - Currently the transitioning from the planning to the policy phase. Planned activities:
    - Coordination and partnership
    - Tool and resources
    - Community of Practice
    - National campaign
    - Intensive TA
    - Research and Data
  - To support 5 policy areas:
    - Qualification
    - Compensation
    - Work environment
    - Financial resources
    - Data
- Informing strategies with research and evaluation:

- Actionable
- Timely
- Learn as we go
- Create partnerships

## 4. Brief Summary of Discussion

- Q: What other factors that come into play that drive policies? And how is rigor important in this? (for Chloe)
- A: Rigor is certainly important. We are looking for the best work on the topic. Varies in how much research has to exist- it depends on the policy being examined. Takes a body of evidence that has relevant context. Know incentives are not to continue exploring the same topics over and over but the variation is very helpful to making policy decisions. Super helpful to know when work is happening even if not fully published. See working papers, see things shared on Twitter. Encourage researchers to get work out when it is ready to be seen!
- Comment: Attracting workers to ECE. There needs to be a bigger push to get the next generation of ECE workers which is really important. Licensing is often the scapegoat when bad things happen in child care centers. There are little investments in licensing careers and we are often seen as the bad guy. Would love more investment in the licensing.
- Response: Katie: Completely agree- wages are not enough but we need it to start with it. Have heard from ECE education programs that they cannot graduate people because they wouldn't make a living wage.
- Q: In Georgia the vast majority of children are going to private, for profit child care centers. Until we fully fund child care for all families we're putting band aids on. We're seeing a real shift in the business model in Georgia. Private equity is buying up childcare centers and they are not interested in quality and subsidy. How is this impacting work you all are doing?
- A: Mario- we agree, that without substantial investment we know we wouldn't fix this. Katie- substantial investment is the long-term vision of the Administration. What we hear from providers about accepting subsidy-the overall amount of subsidy is important even if not a cure all (50<sup>th</sup> percentile as a floor is a way we're trying to address). How providers are paid for their services- payments based on enrollment vs. attendance. We're looking at the timeliness of payments. The smaller businesses going under and larger businesses is a reflection of the market. Our role as the Federal government is to bolster the subsidies and support as much as we can.
- Q: For Katie or Colleen- almost 10 years of Early HS child care partnership model funding- is there any movement to revitalize and reflect on that?
- A: Bringing Early Head Start and child care together was historic because often we separate programs into silos. Think it is a good time for reflection. To do a high quality full year full day program, most states do need to blend or braid funding. Can be challenging but had great opportunity.
- Q: For Mario- stabilization funds coming to an end. Any conversation going on about the end of those funds? Any more info on what to research related to those funds?
- A: We had a plan of what to do when the stabilization funds expire but it was part of Build Back Better that wasn't
  passed. Currently we are operating under a constrained budget environment because of the debt ceiling
  conversations.
- Q: For Katie: work being done with Tribal Head Start, is there work being done to recognize non-western qualifications?
- A: My understanding is that Elders are the ones who hold the linguistic skills in the community but do not have a CDA required to be involved in Head Start are not interested in getting it. I don't believe the current Head Start law allows for much wiggle room in that but I agree with you that allowing space for Elder participation is important.
- Q: Applaud you for focusing on rates. Changing the market- maybe not? A lot of the providers receiving subsidies serve just a few children. Grants that go to providers that aren't linked to the number of children would be more helpful. If they are based on rates and private pay it wouldn't have the effect that is wanted.

- A: Katie- I agree. Foundational grants would really be a great place to begin.
- Q: Rates mean a lot. Georgia has changed their rate structure to meet market rates after Covid. We haven't seen additional participation for providers. What is being done to address barriers to providers?
- A: Helpful to hear more about your experience. Its payment policies, investment in quality but your experience that
  we're trying to make iterative progress. We hear from providers they can only afford to serve a limited number of
  children receiving subisidies.
- Q: Broadly, what do you see as the role of this research community in conversation in ECE?
- A: First, great to study the investments that have happened and how they worked. Second- next frontier, we've answered that ECE matters, now let's answer the questions within childcare such as how to best structure programs.
- **5. Summary of Key issues raised** (facilitators are encouraged to spend the last 3-5 minutes of sessions summarizing the key issues raised during the session; bullets below are prompts for capturing the kinds of issues we're looking for)
  - Policymakers are really looking to researchers to gain information on how recent policy innovations have affected child
    care and the market. Being able to see the effect these policies have made will in turn help policymakers know where
    to focus future policy efforts.
  - Recommend focusing on provider grants that aren't tied to the number of children they care for. This would help bolster provider participation, especially among home-based providers.
  - Consider policies that allow Elders to more readily participate in Head Start programs in Tribal care care in order to pass on vital linguistic and cultural traditions to the next generation.