

RHODE ISLAND KIDS COUNT ONE UNION STATION

PROVIDENCE, RHODE ISLAND 02903 401/351-9400 • 401/351-1758 (FAX) Testimony Re: S-2344, Child Care for Child Care Educators & El Staff (RI Works) Senate Finance Committee April 23, 2024 Leanne Barrett, Senior Policy Analyst



Rhode Island KIDS COUNT coordinates the RIght from the Start Campaign, a state policy coalition led by eight organizations to advance state policies and budget priorities that will help families with young children.

Both Rhode Island KIDS COUNT and the RIght from the Start Campaign strongly support Senator DiMario's Child Care for Child Care Educators & Early Intervention Staff bill, S-2344, which would continue a proven program that is helping to recruit and retain staff in child care and early learning programs. We also strongly support the proposal to expand the program to allow higher income early educators to participate (as is done in Kentucky) and to make staff of Early Intervention programs eligible to help recruit and retain qualified EI staff and reduce the waiting list for Early Intervention services.

As you may remember, Speaker Shekarchi introduced a budget amendment to fund this program as a \$4 million pilot from August 2023 – July 2024 along with \$3 million in funding to address the staffing crisis in Head Start and Early Head Start which caused classrooms to close. The Head Start and Early Head Start funding was included in the Governor's FY25 proposed budget but unfortunately, his budget proposal does not include the statutory changes needed to continue the Child Care for Child Care Educators program or to strengthen it.

The Department of Human Services successfully launched the Child Care for Child Care Educators program in August 2023, and it has been a remarkable success. **Nearly half of the licensed early learning centers and 5% of the licensed family child care homes in the state had at least one staff person participating.** As of March 2024, there were 475 children of child care educators participating including 191 children under age three, 169 children ages three through five, and 115 children ages six through twelve.

This strategy Kentucky established to cover the cost of child care for all child care staff has also been recommended by the <u>federal government</u> and the <u>National Association for the Education of Young Children</u> to help address the staffing crises in child care and early learning programs. Rhode Island has <u>gotten national attention for adopting this strategy along with a few other pioneering states</u>.

This bill would make the program permanent, remove the family income limit to help more middle-income staff receive the benefit (Kentucky does not have a family income limit in their program), and make frontline staff in Early Intervention programs eligible. Early Intervention still has many vacant staff positions and a waiting list as of February 2024 of 623 infants and toddlers with developmental challenges. The federal government has clearly stated that federal Child Care Development Block Grant funds can be used to fund this benefit for child care and early educators who are part of families that exceed the current family income federal limit (85% of State Median Income) – by considering early educators as a "protected population" and reviewing each case to determine that child care is not affordable to the family (e.g., would consume more than 7% of family income).

Enabling staff with higher family incomes to qualify for this benefit would directly help child care programs. Child care and early learning programs shouldn't have to search for individuals in low-income families to staff child care programs. Programs should not be incentivized to keep staff wages low so teachers with children can qualify. Programs can't offer a discount on tuition or waive tuition for moderate income teachers without reducing the revenue to the program that is needed to cover operating costs and offer competitive base wages to all staff.

## Child Care Provider Comments on DHS Survey of Impact of CCAP for Child Care Educators on Staff Recruitment/Retention:

- "We have gotten many more applicants who are looking to bring their child with them to work. It has really given us an opportunity to appropriately staff our center."
- "This has been life changing for parents with small children to go back to work. We have truly benefited from this program as staff want to stay and work where their child attends."
- "This has been an amazing experience. We were able to attract a top-notch toddler teacher who had chosen to stay home because the cost of child care was too high in comparison to her income."
- "It has aided in the recruiting and retaining of staff who did not qualify for DHS child care assistance nor have the ability to pay out of pocket for quality child care. It has also helped to attract teachers with children who also do not qualify for assistance. The program helps reduce the financial burden for those families.
- "Thanks to the pilot program, I recently hired two additional staff who are in the process of applying for the pilot program. This pilot program is financially supporting our staff with young children, allowing them to work in a field that otherwise does not pay well. They are full of energy and a great asset to our program. I hope this program will continue to support the staff so they will continue to work in childcare."

We have not heard that the federal Child Care and Development Block Grant (CCDBG) funding that was used to fund this pilot program was reduced. In fact, the recent federal budget that was passed will bring in another \$1.8 million in CCDBG funds to Rhode Island. We believe the Department of Human Services proposed to continue this program in their FY25 recommendations to the Governor. Without General Assembly action this successful program will expire at the end of July – along with two other major initiatives (\$3,000/year retention bonuses funded with ARPA funds and the Child Care WAGE\$ national model program that is funded with federal PDG

Birth to 5 funding) that have been helping to address the staffing crisis in early care and education.

We know that 9 out of 10 families in Rhode Island cannot afford the cost of quality, child care – we should start with making sure the staff of our early childhood programs get the help they need so they can come to work every day to care for and educate other people's children.

Thank you for this opportunity to provide testimony and for Senator DiMario's leadership on this issue.