



**Leadership Council on Early Years  
Virtual Meeting Minutes**

April 28, 2022  
9:30 a.m. - 11:30 p.m.

**YouTube link for the public:** <https://youtu.be/xsoxRznvYA>

**Members Present:** Governor Tony Evers, First Lady Kathy Evers, Emilie Amundson (DCF), Peter Barca (DOR), Linda Hall (OCMH), Mary Kolar (DVA), Rebecca Murray (CANPB)

**Others Present:** Kathy Bilek (DOT), Jessica Boling (WHEDA), Jennifer Cole (DWD), Camille Crary (Governor's Office), Curtis Cunningham (DHS), Catherine Haberland (DFI), Olivia Hwang (DOA), Jess Justman (DPI), Curtis Lemke (DVA), Steven Little (DNR), Melissa Roberts (DOC), Stephanie Weix (Office of First Lady), Hilary Shager (IRP), Dennis Winters (DWD), Erin Arango-Escalante (DCF), Margaret McMahon (DCF), Andrea Cammilleri (DCF), Jane Penner-Hoppe (DCF), Elizabeth Valitchka (DCF)

**Welcome, Introductions, and Approval of Meeting Minutes**

- Secretary Emilie Amundson welcomed the council and called for approval of the 1/27 minutes.
  - Peter Barca motioned to approve the minutes. Rebecca Murray seconded. All in favor, none opposed. Motion to approve minutes carries.
- The theme for the day was shared:
  - Addressing child poverty
- An overview of the agenda was provided.

**Update on Early Care and Education Initiatives**

Erin Arango-Escalante, Administrator, Division of Early Care and Education, Department of Children and Families provided updates from DCF:

- Provided an overview of the federal relief dollars used to help further early childhood education in Wisconsin – 27 months of ongoing payments.
- An update on Project Growth was given.
  - An overview of research from the Wisconsin employer perceptions of ECE, which showed how important early care and education is to Wisconsin's workforce was provided.
  - Letters of intent to award went out for Project Growth this week for both the Dream Up! and Partner Up! grant programs.
    - 39 communities applied for Dream Up! from all across the state.
    - Over 660 businesses applied for the Partner Up! grant, across multiple sectors.
  - LCEY members were thanked for sharing the grant program with their stakeholders.
- DCF has formed the Parent/Caregiver Equity Advisory Cabinet (PCEAC), which identified three communities that are top priority: Lac Courte Oreilles, Adams County, and Beloit County.
  - This group has members from local programs, parents, and caregivers.

- The first meeting was held in April and members were excited to have their voices heard.
- It's important to coordinate the lived experience into the decision-making process.

### **Economic Case for Investing in Early Childhood**

Dennis Winters, Chief Economist, Department of Workforce Development shared the importance of investing in early childhood.

- It must be absolutely understood that knowledge and skills are the elements of Wisconsin's economic competitiveness and success in the global economy.
- It's important to use the right policies; education can help solve poverty.
- Case studies of economic returns on investment in early childhood were showcased.
  - They are varied and continual, but can be seen immediately.
  - 20% of returns go to the individual and 80% go to the public.
  - Returns to high-quality early childhood initiatives produce large, low-risk, long-lived returns.
- Wisconsin's workforce curve is flat.
- The best and most effective way to increase the quality of our workforce and lessen the tax burden is to invest in the quality early childhood development. The sooner and earlier, the better.

### **Overview of Department of Revenue Tax Credits in 2021**

Peter Barca, Secretary, Department of Revenue provided an overview of tax credits in 2021.

- An overview on the Earned Income Tax Credit (EITC) was given.
  - This tax credit helps low- to moderate-income workers and families.
  - DOR is proactive and looking at who is not claiming EITC, but should and are sending out letters to let them know. More people are taking advantage, so less letters are going out every year. Only 11,900 went out.
- An overview on the Child Tax Credit was given.
- An overview on Child and Dependent Care Credit was given.
  - Child and Dependent Care Tax Credit claimers can claim 50% of the federal credit for Wisconsin purposes.
  - This is part of the surplus plan.
- While total employment has recovered, employment for the married has lagged.
- State fiscal health is currently the strongest in a half century.
- An overview of the Governor's Surplus Plan was given, which includes:
  - \$150 refund to every Wisconsinite - \$600 for a family of four,
  - \$130M in child and caregiver tax credits, and
  - \$750M into supporting our schools

### **Promising New Policies and Programs to Address Child Poverty**

Hilary Shager, Ph.D., Associate Director, Programs & Management, Institute for Research on Poverty gave an update on new policies and programs to address child poverty.

- An overview of childhood poverty, including rates, causes, and consequences was given.
  - The data during COVID is still pretty, messy, so data was given pre-pandemic.
  - In 2018, Wisconsin was at about an 11% poverty rate.

- The poverty rate has been cut in half before, so there are things that can be done.
- Poverty harms children through a number of factors, including, low birthweight, structural changes in brain development, adverse childhood experiences, weaker language/memory/self-regulation skills, etc.
- If a child experiences poverty, they are more likely to be impacted by it as an adult as well.
- There are systemic causes and consequences to child poverty.
- A Roadmap to Reducing Child Poverty from National Academies from 2019 was shared and noted that:
  - Child poverty has costs for society—roughly between \$800 billion and \$1.1 trillion annually.
  - There are currently a number of programs contribute to reducing childhood poverty.
  - The goal was to reduce child poverty by half over ten years and they looked at a number of programs that could help, including work-oriented and income-support oriented programs and policies.
  - There were two policy packages that met their goal:
    - Policy Package 1: Means-Tested Supports and Work
      - Expands four existing programs.
    - Policy Package 2: Universal Supports and Work
      - Combines work incentives, economic security, and social inclusion strategies.
- Because of COVID and the American Rescue Plan, Wisconsin will be able to test some of the items in the different plans, including:
  - Expanded Child Tax Credit
    - This program was an extremely successful anti-poverty program, which has now ended.
  - Mayors for a Guaranteed Income
    - Currently there is planning for programs in Madison, Wausau, and Milwaukee for this program.
    - The Stockton Economic Empowerment Demonstration (SEED) was one of the first guaranteed income programs launched in California where families receive monthly payments for 24 months.
      - In the first year, they found reduced income volatility; enabled recipients to find full-time employment; increased health and decreased depression and anxiety; and alleviated financial scarcity creating new opportunities for self-determination, choice, goal-setting, and risk taking.
  - Baby's First Years
    - This program gives an unconditional cash gift of \$333/month in early childhood to low-income mothers in specific locations.
    - This program is new and one to watch. We hope to learn if this will support young children's healthy development and brain function and improve family functioning and better enable parents to care for their children.
  - Baby Bonds (or Baby Trusts)
    - These are trust accounts funded by the federal government and provided to every newborn infant, which provides substantial assets to them when they become young adults.

## **Discussion: LCEY Engagement in Addressing Child Poverty**

Secretary Amundson facilitated a discussion on Child Poverty. She announced that just yesterday, the Governor's Health Equity Council voted on a number of recommendations to include in their plan, and among them was a proposal around a universal approach to baby bonds as well as a proposal for earned income tax credit.

Meeting attendees provided the following comments/questions:

- The question was brought up as to if early childhood programming reduces criminal behavior—the knee jerk reaction is to get touch on crime, build up police forces, etc. Those things play a role, but does quality early childhood programming reduce criminal behavior by affording adults opportunities to work, become more educated, etc. or is it because early childhood programs build up young brains to have opportunities that avoid poverty and thus, criminal behavior, later in their lives?
  - There was a consensus that really the answer is both—short run gains and long run.
- Returns on investment for quality early childhood include self discipline and motivation, which are drivers for future success and contribution. Also increases the number of productive workers on the jobsite in the short term. We need a systemic, wide-ranging, sustainable approach.
- Exciting research in early childhood shows that there are socio-emotional skills developed in quality early years programming that lead to later outcomes like including avoiding retention in a grade level, incorrect identification for special education, increases in self-regulation and reduction of negative behaviors, in addition to the well-known measures of academic outcomes like test scores and educational attainment.
- The cost of incarceration is also a main driver in this research on savings. Cost/benefit analyses have followed children for decades and that is one of the largest savings from investment in quality early childhood programs.
- The funding lags what we think it could/should be to achieve these results. If people from across the economic spectrum feel the programming is beneficial, it's more likely to be supported long-run.
- Questions about research on Medicaid expansion:
  - Expanded Medicaid has been found to be a positive influence in early childhood—more working hours for caregivers.
  - Since we are not expanding Medicaid, is that reducing people participating in the workforce?
  - With 50% of babies being delivered under Medicaid, have researchers looked at Medicaid as a positive intervention for reducing poverty and increasing childhood success?
  - There is a study that looks at this and found Medicaid to be a positive intervention for early childhood success. From an economic perspective, anything you can do to lower the barriers to entry to the workforce will be a net positive economically.
- A final question was asked of members: What will you take away from this meeting?
  - The amount of child care available in Wisconsin is higher than pre-pandemic, which is a big accomplishment.
  - Media loses site of all the progress that has been made around early care and education and all that has been done to keep us operating at this level.
  - Anecdotally, onsite child care was a huge positive impact on one member's work-life balance.

- Several southern states are piloting programs allowing families to bring infants up to 6 months old to work at state agencies.
- Child poverty is a systemic issue and we need to connect the dots and look at public and private partnerships.
- North Carolina has been a leader for a couple decades in early childhood.
- A systemic approach with public/private partnership is worth our focus.
- We are currently in a good position since so much of the focus is on workforce, so the more we can tie together child outcomes to a better workforce, and put together some coherent, nice materials about it, the more impact we can have.
  - Chambers of Commerce have great influence, for example, we have their attention. I think there's more we can do and I'm going to challenge my team to work on this a little.
  - Whether you are coming at this from the economic, workforce, or early childhood perspective, these issues are aligned. We can solve multiple issues at once.
- Complexity of the issue can lead to decamping people from this focus, with some focusing on economy, workforce, others on quality, etc. Everyone has felt the pain of lack of child care in the last 2 years, so we have this moment to get this right. Each of you can tell the story of how this impacts your sector, and help identify the most relevant messages for your sector.

### **Wrap-up and Next Steps**

- Next meeting dates: August 4, October 27

**The meeting adjourned at 11:30 a.m.**