

2020 WI Governor's ECAC Recommendations

Recommendation Template

(For March Presentation)

1. Budget Request

Recommendation Title/Name:

Investing in the workforce behind Wisconsin's workforce

Description of the recommendation:

We recommend dedicated state funding to support recruitment and retention of early childhood educators in order to maintain and expand access to high-quality early education, enable participation and productivity among today's workforce, and develop our next generation of students, workers, and citizens. Specifically, this funding will be used to provide increased quality bonuses that allow providers to increase educator compensation through a decoupling of bonus payments. This is aligned with priorities in the Preschool Development Grant B-5 and the Wisconsin Infant Toddler Policy Project supported by the Pritzker Children's Initiative.

What is the evidence base to support the recommendation?

- High-quality early childhood education is a powerful two-generation strategy, one that enables workforce participation and productivity for parents, and confers long-lasting educational, civic, economic, and personal benefits on participants¹.
- But Wisconsin's early education providers struggle to recruit and retain qualified staff, which significantly impacts the availability and quality of early education. Early childhood teacher turnover averages 30% annually, and assistant teacher turnover averages 45% annually.²
- These staffing challenges mean that children and families do not have the consistency in care that matters for positive child development and family engagement. In Community Listening Sessions undertaken as part of the Pritzker planning grant, participants from diverse communities across the state identified inadequate compensation for early

¹ U.S. Chamber of Commerce Foundation, [Workforce of Today, Workforce of Tomorrow: The Business Case for High-Quality Childcare](#), 2017; The Heckman Equation, *Perry Preschool: Intergenerational Effects*, [Early childhood education strengthens families and can break the cycle of poverty](#).

² Wisconsin Department of Children and Family Services and Wisconsin Early Childhood Association, [Wisconsin's Child Care Workforce: Wages, Benefits, Education, and Turnover of the Professionals Working with Wisconsin's Youngest Children](#)

childhood educators as a barrier to quality care. In the words of one participant, “I would tell decision makers to pay the employees of our local daycare enough money that they will want to stay longer than six months. I think that would decrease the high turnover rate for all daycares. Our babies need stability no matter how resilient they are.”

- Staffing challenges as also are the primary contributor to extreme shortages in access to child care, especially for infants and toddlers. Statewide, over half of people live in a child care desert, where there are either no child care providers or so few options that there are more than three times as many children as licensed care slots.³ Over the past decade, DCF indicates that the number of regulated family child care programs has declined by 68%, and the number of licensed group child care centers declined by 9%. In the past five years alone, the number of regulated providers has decreased by more than 2,000.⁴ And among remaining providers, evidence suggests that up to 20% of child care slots go unfilled due to staffing challenges.⁵
- Low compensation is a key reason for these recruitment and retention problems that lead to shortages in quality care. On average, Wisconsin’s early childhood workforce is better educated than the state workforce as a whole, but is paid significantly lower wages. Roughly half of early childhood educators have an AA or higher, compared to 41 percent of the workforce overall. But among workers with an AA, early childhood educators earn an average of \$10/hour while the state average is \$18.75/hour. For individuals with a BA, early childhood educators earn an average of \$12/hour, while the state average wage is \$22.78/hour.⁶
- According to DCF analyses, bringing early childhood educator wages in line with average Wisconsin salaries for individuals with comparable educational attainment would result in annual wage increases of \$5,014 for lead teachers in 4-star centers and \$13,666 for lead teachers in 5-star centers.⁷
- Add data on % of workers on public assistance: 7,956
- Add data on how many classrooms are empty because of staffing. Couldn’t find good data on this, I think you could say, based on the 4C survey noted to the right that up to 20% of child care slots go unfilled due to staffing challenges....
- Households have less income
- Workers are staying home because they don’t have child care
- Why THIS workforce and why NOW?

³ Center for American Progress, <https://childcaredeserts.org/?state=WI>

⁴ Connecting the Dots for all Wisconsin’s Kids: Strengthening WI’s B-5 State System and Regional Network of Support

⁵ 4C-For Children Survey (which one?)

⁶ Wisconsin Department of Children and Family Services and Wisconsin Early Childhood Association, [Wisconsin's Child Care Workforce: Wages, Benefits, Education, and Turnover of the Professionals Working with Wisconsin's Youngest Children](#)

⁷ Erin Gernetzke, Cost of Care presentation (is it okay to cite this?)

- Why do quality teachers matter to kids; school readiness

Early childhood programs that are available to the workforce, kids are ready for school and they'll stay in the school district

- The estimated annual state economic benefit of having affordable child care statewide is over \$3 billion.

From the Center for American Progress, <https://www.americanprogress.org/issues/early-childhood/reports/2019/10/21/475867/investing-infant-toddler-child-care-strengthen-working-families/>

- By increasing public investment in child care from birth to age 5, the early care and education system can be made more equitable for parents and children. Today, families with greater resources have many more choices when it comes to child care. For most parents, child care choices are constrained by the high cost of providing care for an infant or toddler. With few affordable options, some parents leave the workforce out of necessity rather than choice, which can have a compounding effect on lifetime earnings and savings.¹ This circumstance disproportionately affects women and has been identified as one of the primary reasons that the United States now trails other economically developed nations when it comes to female labor force participation.²

What are the benefits/impacts from addressing the issue?

- Increasing recruitment and retention among early childhood educators will increase both the availability and quality of early childhood education. This will benefit Wisconsin's
 - children, by giving them foundational skills for success in school, the workplace, and society;
 - families, by allowing parents of young children to participate in the workforce; and
 - employers, by allowing them to attract and retain parents of young children as employees.
- Improving early childhood educator recruitment and retention will also stabilize and strengthen Wisconsin's child care sector, which has an estimated economic impact of \$1.75 billion, including revenue generated by child care providers and spillover or related productivity in other sectors⁸

⁸ Committee for Economic Development, [Child Care in State Economies, Wisconsin Fact Sheet 2019 Update](#)

- According to researchers at the Federal Reserve Bank, cost-benefit ratios from quality early childhood programs for children from low-income families “range from \$4 to as high as \$16 for every dollar invested.”⁹

Child care is an important aspect of economic policy, for both the short-term labor force attachment of parents facing the economic shocks that accompany a growing family and for the long-term health of the economy in the face of widening income and wealth inequality. It is a matter of gender and racial equity, since mothers face larger income shocks than fathers and are more likely to leave the labor force out of economic necessity instead of by choice. It is also an issue that affects racial and ethnic groups differently, leading to discrepancies in rates of access to licensed infant and toddler child care, making it harder for families of color to get ahead.

But thoughtful public policies can counter these inequities, with the goal of providing more families with a broader set of choices than they currently have, leading to greater economic security for families with young children. States and the federal government should spend much more supporting access to high-quality child care for children under the age of 3. Businesses and employers would benefit greatly, as nearly 9 in 10 primary caregivers say that problems with child care reduced their productivity at work.²⁹ In the aggregate, this productivity loss is estimated to cost employers around \$13 billion every year, which is a steep price to pay for a system that virtually no one says is working for them.³⁰

What is the Wisconsin specific context in current work?

- Implementation of the Preschool Development Grant B-5 will support research and development for quality bonuses to increase early childhood educator compensation.
- This policy has also been identified as a priority for the statewide, cross-sector Wisconsin Infant Toddler Policy Project supported by the Pritzker Children’s Initiative.

What is the probability/feasibility of the recommendation being implemented?

While the challenges of securing new state funding cannot be overstated, given the growing awareness of the crisis in the early education workforce and its impacts on families and employers in communities across the state, as well as alignment with current efforts through PDG and Pritzker, we are optimistic about this recommendation being implemented with the Governor’s support.

⁹ Rob Gruenwald, Federal Reserve Bank of Minneapolis, [Investments in Young Children Yield High Public Returns](#)

2. Direct Agency and budget request

Recommendation Title/Name:

Connecting the dots across the economic support system

Description of the recommendation:

We recommend the Governor direct all state agencies with connections to the benefits access system to work together to adopt changes that streamline the application process to be more family and worker friendly, improve efficiency, and ensure that Wisconsin families are benefitting from available supports. This is aligned with the Preschool Development Grant B-5 plan, and we recommend that the Governor fund identified components from the PDG strategic planning process.

What is the evidence base to support the recommendation?

- Wisconsin Shares is a critical support for families in accessing early education, but currently, fewer than 10 percent of income-eligible families participate.¹⁰ One contributor to this low participation rate is the complexity of the Shares eligibility and authorization system.
- In Community Listening Sessions undertaken as part of the Pritker planning grant, participants from diverse communities across the state identified the complexity of Shares as a significant barrier to accessing child care. In the words of one participant, “The (Shares) process is really rough. At a certain point, I was like, this is not even worth it anymore.”
- Families often interact with multiple economic support systems in addition to Shares, such as FoodShare and BadgerCare. By aligning and streamlining across these Wisconsin can increase participation and make the systems more efficient and family and worker friendly.
- Similar work has happened in other states. Six states have participated in a Work Support Strategies Initiative intended to help families get and keep the work supports for which they are eligible. This included aligning policies across the Supplemental Nutrition Assistance Program (SNAP), Medicaid and the Children’s Health Insurance Program (CHIP), and child care assistance. Policies involved in this cross-program alignment include:
 - Using data for cross-program automatic enrollment;
 - Aligning definitions and requirements;
 - Aligning recertification dates and enabling automatic renewals;
 - Establishing process for cross-program review of new policies; and
 - Developing integrated policy manuals.¹¹

What are the benefits/impacts from addressing the issue?

¹⁰ What’s the citation for this data point?

¹¹ Urban Institute, [Changing Policies to Streamline Access to Medicaid, SNAP, and Child Care Assistance: Findings from the Work Support Strategies Evaluation](#)

- An evaluation of state efforts to align policies across work support programs shows that streamlined and aligned policies reduce administrative burdens and benefit both clients and workers. For example,
 - North Carolina’s Economic Benefits Policy Governance Board reduced the number income definitions across the programs from 250 to around 85.
 - By aligning SNAP and Medicaid recertification dates and instituting automatic Medicaid renewal using SNAP eligibility information, Idaho all but eliminated procedural closures and churn among Medicaid cases.¹²

What is the Wisconsin specific context in current work?

- As part of the Preschool Development Grant B-5, Wisconsin will pilot Early Childhood Education Family Navigators in two culturally and linguistically diverse communities to provide direct assistance to families with underserved or vulnerable children to help problem solve and access services across early childhood education, health, social services, and K-12 systems, as well as local community-based services tailored to meet family needs. This is informed by the work of Reach Dane in Dane County, which employs family economic support workers who help underserved and vulnerable families access services across early childhood education, health, social services, and other community-based services. These efforts would provide valuable information and insight for the implementation of this recommendation.
- This economic support alignment has also been identified as a priority for the statewide, cross-sector Wisconsin Infant Toddler Policy Project supported by the Pritzker Children’s Initiative.

What is the probability/feasibility of the recommendation being implemented?

While challenging to implement, this work is within the purview of the Governor and well-aligned with his priority of connecting the dots to better serve Wisconsin’s children, families, and communities.

¹² Urban Institute, [Changing Policies to Streamline Access to Medicaid, SNAP, and Child Care Assistance: Findings from the Work Support Strategies Evaluation](#)