



Child Care, Head Start, and RI Pre-K in the State Budget

February 24, 2021

www.RightfromtheStartRI.org

#RightStartRI

Let's make sure all babies and young children
get off to the Right Start!



Campaign Overview

We are a State Budget and Legislative Campaign to Advance Policies for Families with Young Children in Rhode Island

Steering Committee

- Beautiful Beginnings
- Economic Progress Institute
- Latino Policy Institute
- Rhode Island Association for Infant Mental Health
- Rhode Island Association for the Education of Young Children
- Rhode Island Head Start Association
- Rhode Island KIDS COUNT

Campaign Champions include the RI Chapter of the American Academy of Pediatrics, East Bay Community Action, Parents Leading for Education Equity (PLEE), RI NOW, and many others.

Sign Up to be a Campaign Champion at: <https://rightfromthestartri.org/right-start-agenda-2/>



2021 Campaign Priorities

- Enact strong state and federal **revenue** policies.
- Pass the **RI Child Care is Essential Act** to improve access to high-quality, affordable child care.
- Pass the **RI Early Educators Investment Act** to establish goals for early educator wages.
- Improve our state's **paid family leave program** (Temporary Caregivers Insurance).



2021 Campaign Priorities

- Cover **community-based doula services** through Medicaid and private health insurance.
- Address the staffing crisis for the **RI Early Intervention program** and our network of voluntary **Family Home Visiting programs** by increasing Medicaid rates.
- Maintain full state funding and children's access to **RI Pre-K and Head Start**.
- Vote to **pass Question 3 and Question 5 on the March 2, 2021** ballot to expand access to affordable housing and help early learning programs improve their facilities.



2021 Priorities

Child Care, Head Start, RI Pre-K

RI Child Care is Essential Act (Diaz, Cano)

- Increase rates for the Child Care Assistance Program to meet the federal equal access standard and help programs deliver high-quality care.
- Cap family co-payments for the Child Care Assistance Program at 7% of family income, the federal affordability standard.
- Restore family eligibility for the Child Care Assistance Program to 225% FPL and adjust exit eligibility to 300% FPL.

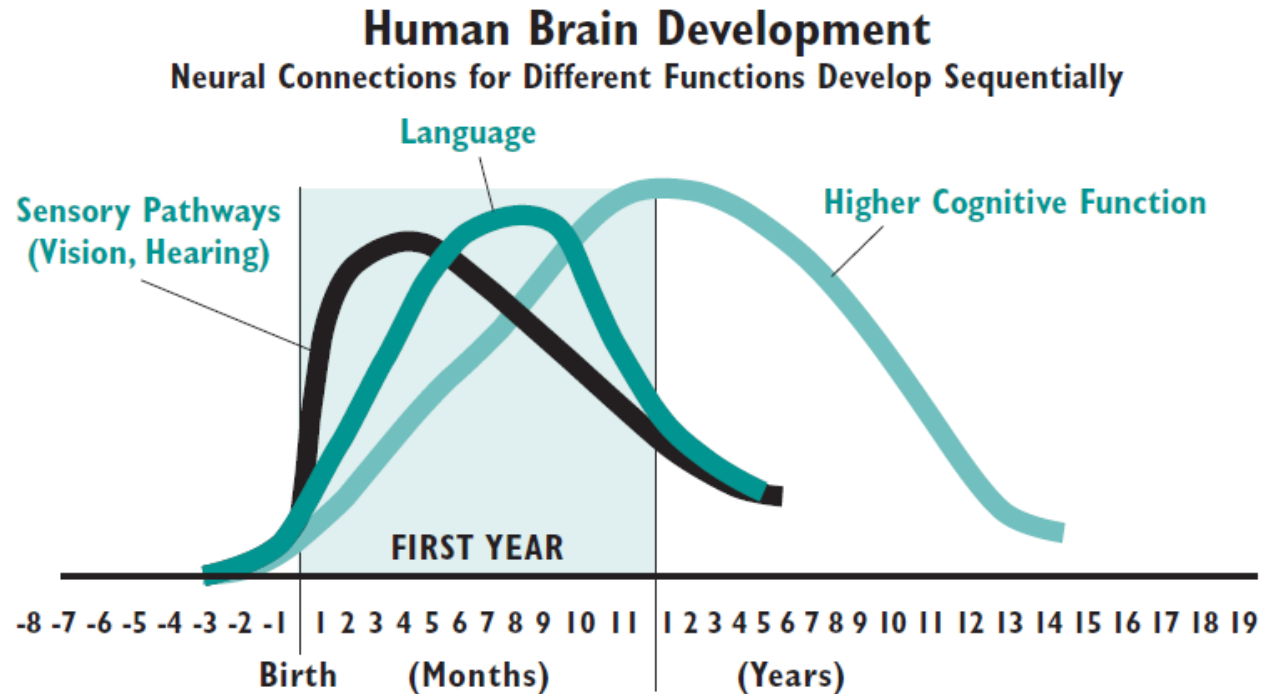
Maintain Full State Funding for Head Start (\$1.2 million)

- DHS has proposed elimination of state funding for Head Start.

Maintain Full State Funding for RI Pre-K (\$14.9 million)



Early Learning & Development Matters



- Brain architecture is developed in the first 5 years of life.
- Disparities in development and learning begin to appear in the first years of life, and without intervention, widen over time.
- Access to high-quality early learning opportunities from birth through kindergarten entry, helps prepare children for success in school.



Recent History: Rhode Island's Child Care Assistance Program

- In 1998, Rhode Island passed the ***Starting Right Act*** requiring that 1) rates for the Child Care Assistance Program be adjusted every two years to **meet the federal equal access standard** so low-income children could have broad access to the child care market and 2) that families with **incomes up to 250% FPL be eligible** for a child care subsidy.
- The General Assembly delayed full implementation of the family eligibility expansion, stopping at 225% FPL. Then in 2007, Governor Carcieri proposed cutting family eligibility to 150% FPL. The **General Assembly cut family eligibility to 180% FPL** (lower than before Starting Right).
- Rhode Island's Child Care Assistance Program rates met the federal equal access standard in the early 2000s, but then increases were delayed. In 2008, the General Assembly **repealed statutory language requiring that rates be adjusted** to meet the federal equal access standard.



Recent History: Rhode Island's Child Care Assistance Program

- In 2014, the bi-partisan *Child Care & Development Block Grant* was reauthorized by the U.S. Congress which **reaffirmed the need for states to pay rates that meet the federal equal access standard.**
- In 2016, the federal Office of Child Care **put Rhode Island on notice** that rates did not appear to meet the federal equal access standard.
- In 2018, the **General Assembly enacted legislation to implement tiered quality rates** for the Child Care Assistance Program, **allocating \$3.6 million in new federal funding** to raise rates for children under age 6 in child care programs, with higher quality program receiving larger rate increases. Rates for infants and toddlers in 5-star child care centers were raise to meet the equal access benchmark.
- In 2019, the federal Office of Child Care **cited Rhode Island for non-compliance** on equal access, requiring immediate base rate increases to avoid a penalty.

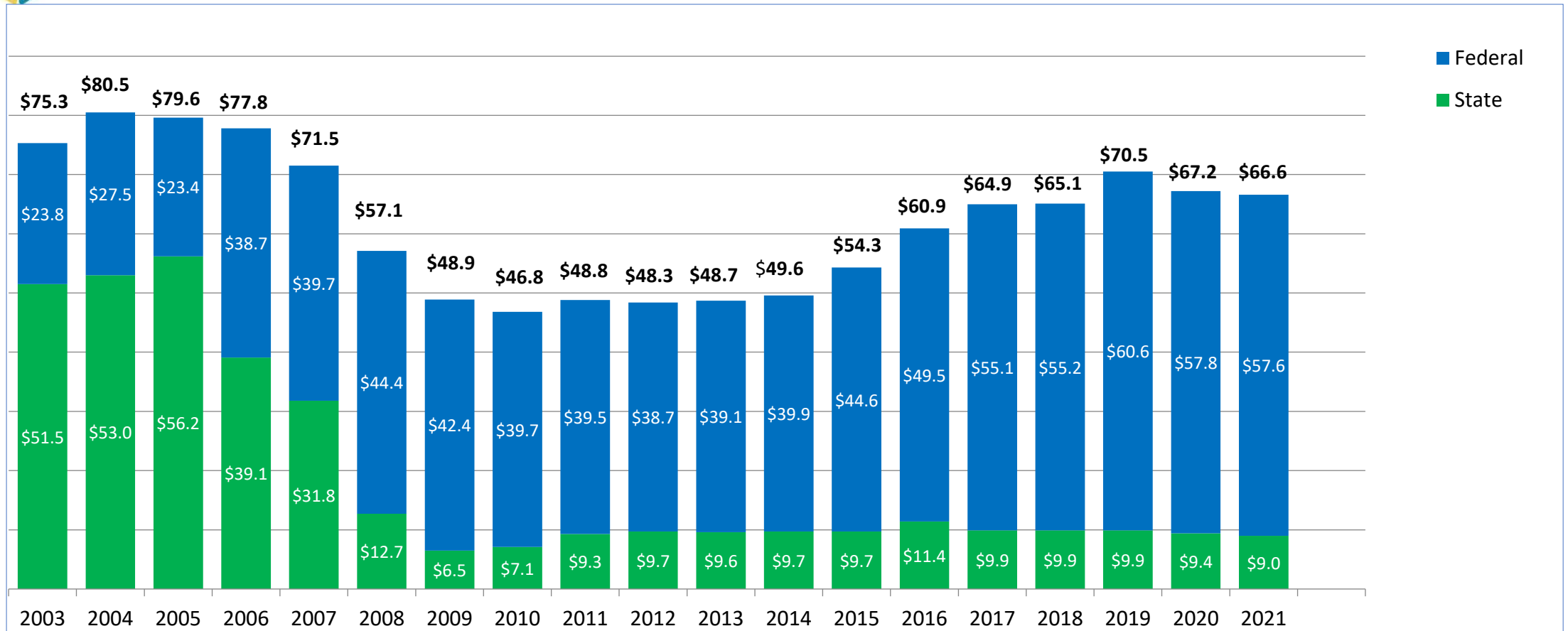


Recent History: Rhode Island's Child Care Assistance Program

- In 2020, the federal *CARES Act* **allocated \$8 million** and the *Coronavirus Response and Relief Act* **allocated \$23.9 million** to Rhode Island for child care.
- In June 2020 through Executive Order, Governor Raimondo **implemented significant, but temporary rate increases** for programs serving children in the Child Care Assistance Program. These temporary rates have been continued on a month-by-month basis.
- Since March 2020, the Department of Human Services has been **paying child care programs based on children's enrollment and not attendance** to stabilize program revenue during the shut-down and during ongoing periods of quarantine for children, families and staff.
- In February 2021, the Department of Human Services began **covering 100% of family co-payments** for the Child Care Assistance Program, which was also done during the shut-down.



RI State General Revenue Funding for Child Care Has Fallen Dramatically



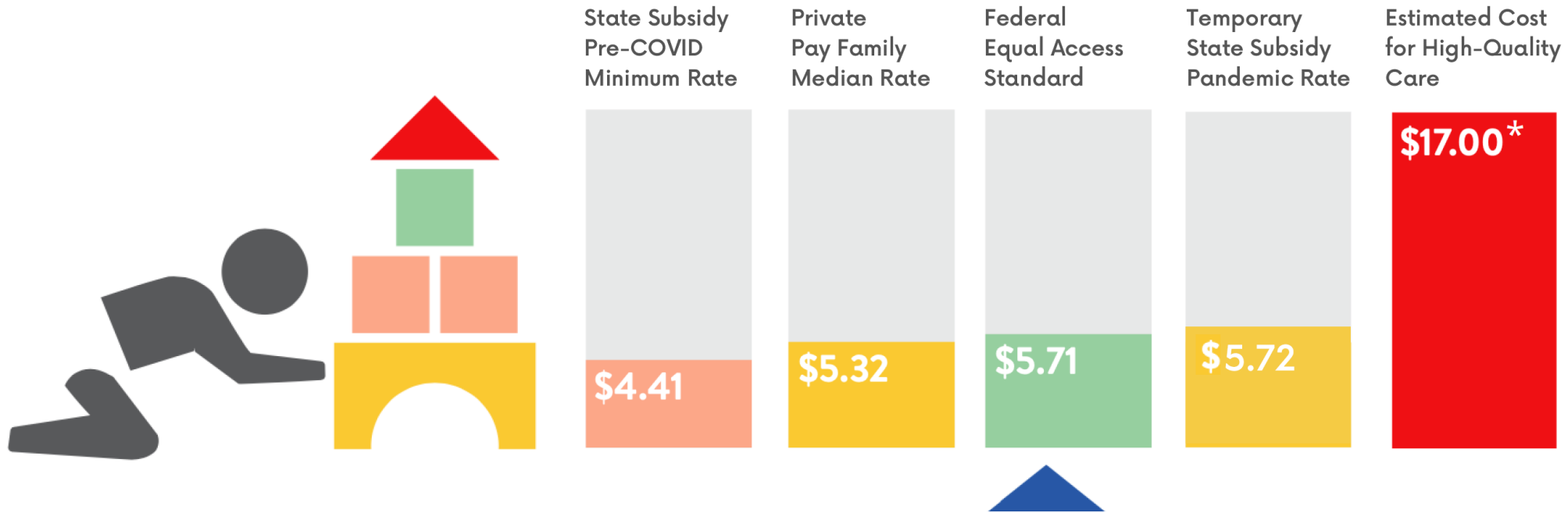
- Rhode Island allocates **\$47.2 million less in state funding** to the Child Care Assistance Program than in 2005, an **84% drop**.



Temporary Pandemic Rate Increases Must Be Maintained

Before...

Access to quality child care was **already out of reach for parents** who needed it.

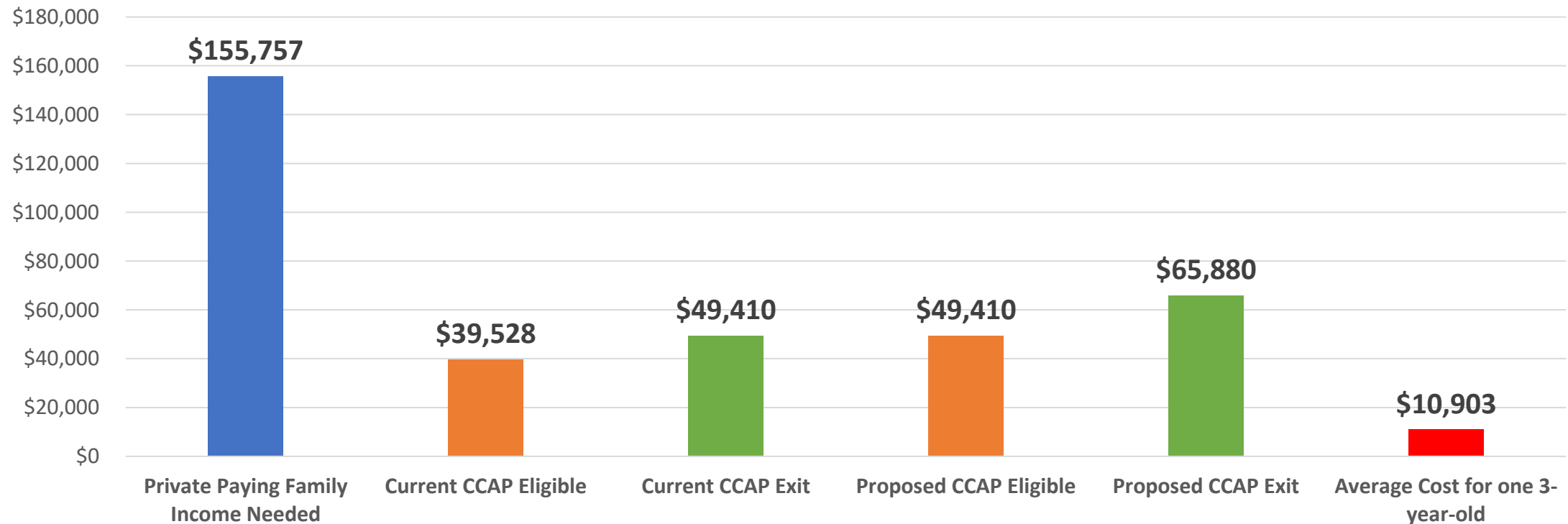


- The temporary pandemic rate increase has generally gotten rates to the equal access standard
- The pandemic has increased costs to deliver child care with stable staffing and groups.
- \$17/hour is comparable to K-12 costs in Rhode Island



Most Families Cannot Afford Child Care Without a Subsidy

Family Income Needed to Afford Child Care for a 3-Year-Old in Rhode Island
Current and Proposed Eligibility for Child Care Subsidy (Family of 3)



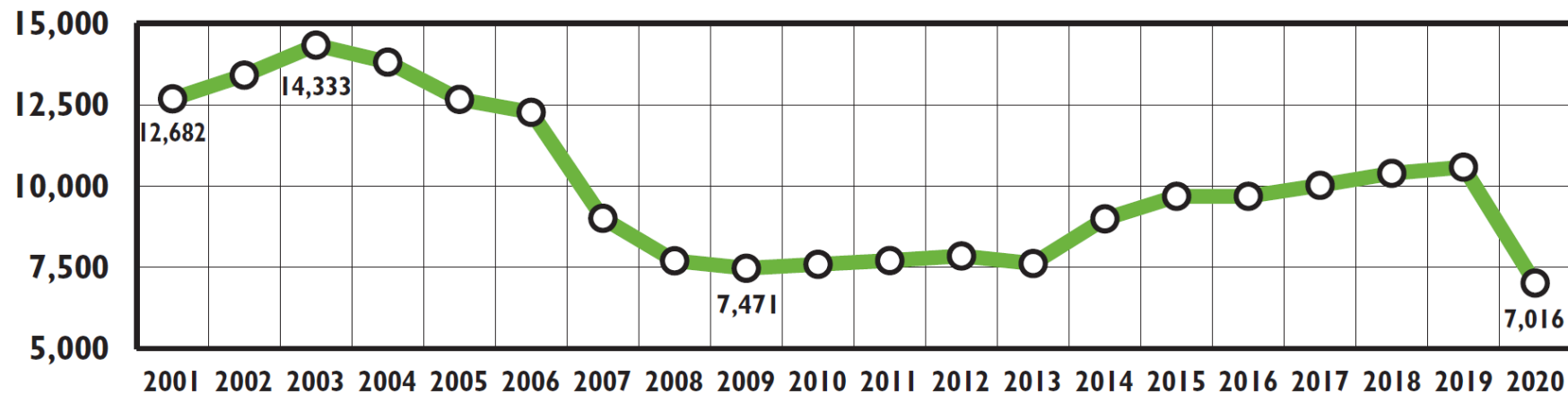
The federal affordability standard for child care is 7% of family income.



CCAP Participation Has Fallen



Child Care Subsidies, Rhode Island, 2001-2020



Source: Rhode Island Department of Human Services, December 2001–December 2015, September 2016, December 2017–December 2020. Data for December 2016 were not available.

- Between 2003 and 2006, family copayments were increased and child support enforcement was added as an eligibility requirement.
- Between December 2006 and December 2007, eligibility for CCAP was cut from 225% FPL to 180% FPL and eligibility for children ages 13-15 was eliminated.
- In 2020, the COVID-19 pandemic led to a steep drop in CCAP participation (-34%).



Child Care is Essential





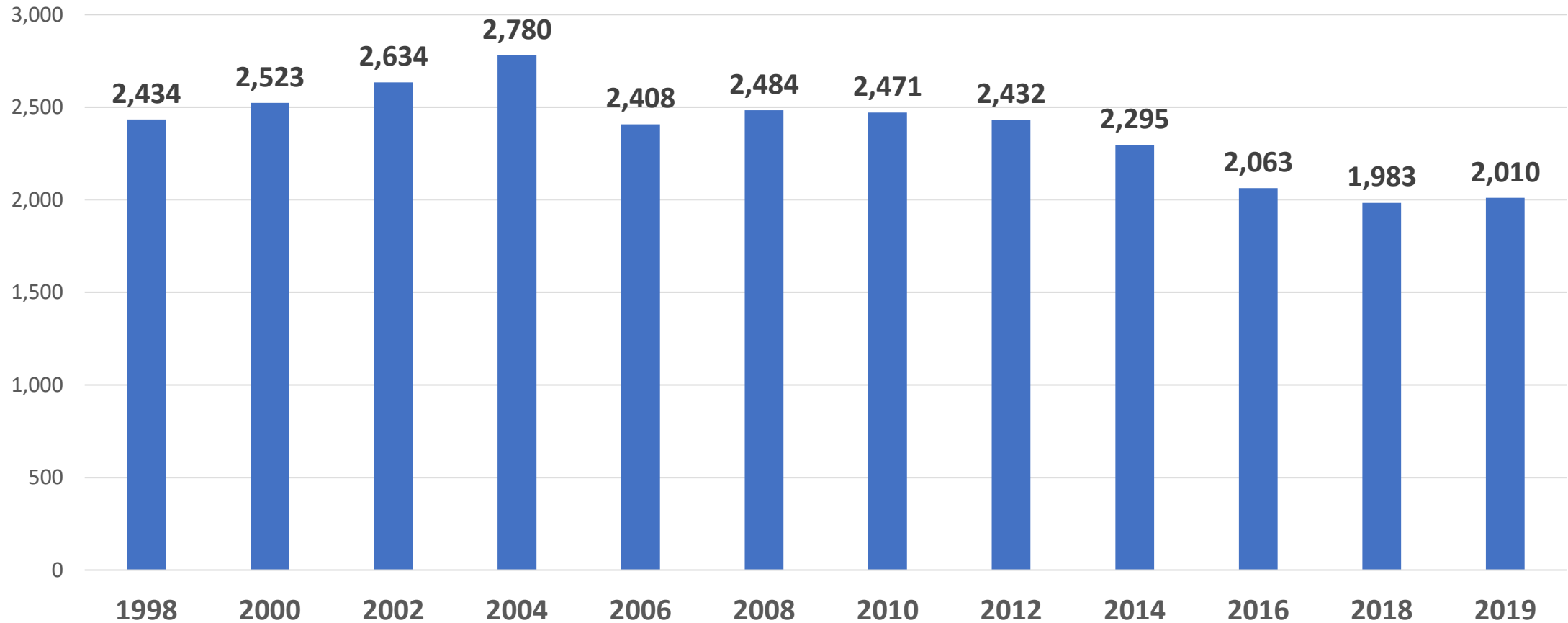
State Support for Rhode Island Head Start Programs

- There are **7 non-profit agencies** that operate Early Head Start (for children under age 3) or Head Start (for children ages 3-5) programs in Rhode Island, serving the entire state.
- Almost all of the Early Head Start/Head Start funding comes from the **federal government contracted directly** to the Rhode Island agencies.
- In the 1980s, the RI General Assembly began allocating state General Revenue to allow **500 additional children ages 3 and 4** to enroll in Head Start.
- In 2008, Governor Carcieri proposed to eliminate all state funding for Head Start. The General Assembly **preserved state funding for 130 children**.
- In 2018, Governor Raimondo and the General Assembly authorized a **\$390,000 increase in state funding for Head Start** to meet per child costs for the 130 state-funded Head Start seats (\$1.2 million).



Rhode Island Head Start

RI Head Start Enrollment, 1998 - 2019





Recent History: RI Pre-K

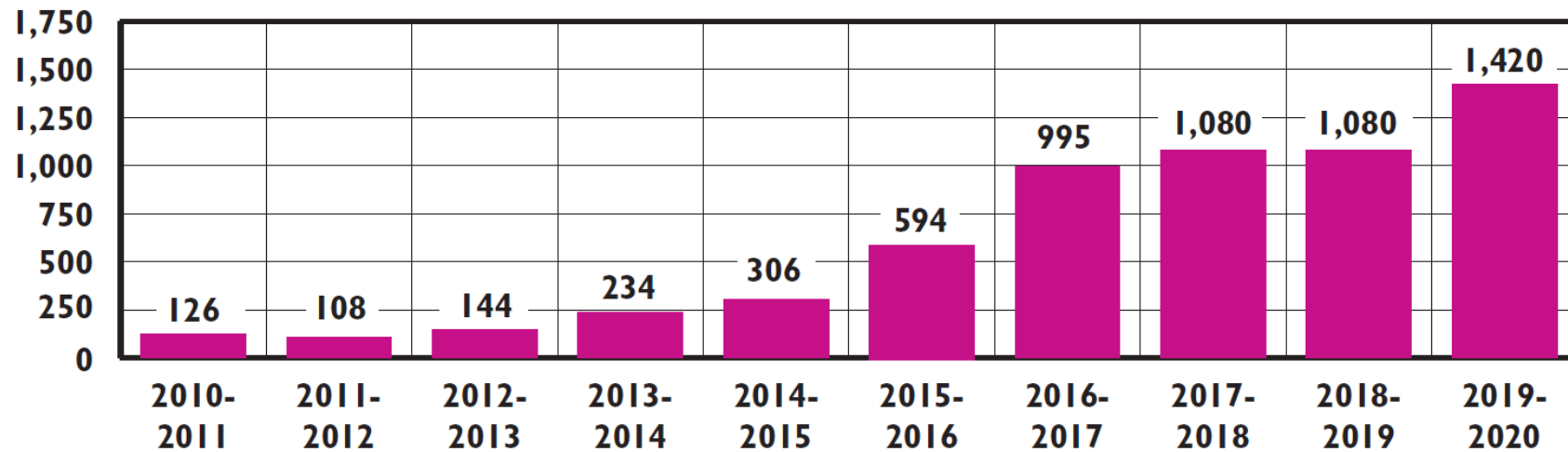
- RI Pre-K was **launched in 2009 with \$700,000 in state funding** for 126 four-year-olds. Head Start agencies, child care programs, and public schools received contracts to deliver the program and meet quality standards.
- In 2010, the **RI Education Funding Formula law** passed and included categorical state funding for RI Pre-K with plan to gradually increase funding to serve all 4-year-olds in a diverse delivery system.
- In 2018, **state funding had reached \$6.2 million**. Combined with \$6 million in federal funds; RI Pre-K served 1,080 four-year-olds not enrolled in Head Start.
- In 2019, **state funding rose to \$14.9 million** as previous federal funding expired; RI Pre-K served 1,420 four-year-olds not enrolled in Head Start.
- In 2020, state funding remained at \$14.9 million and added **\$4.2 million in new federal funds** to expand to reach about 1,726 four-year-olds not enrolled in Head Start.
- In 2021, RIDE announced **\$4.5 million in new federal funding** to expand RI Pre-K by 200 seats for fall 2021.



RI Pre-K



RI Pre-K Enrollment, 2010-2011 through 2019-2020



Sources: National Institute for Early Education Research, *The State of Preschool 2010, 2011, 2012, 2013, 2014, 2015*. Rhode Island Department of Education, RI Pre-K programs 2015-2016 through 2019-2020.



RI Pre-K Expansion for 21-22

- Additional federal PDG Birth to 5 funding and Governor's Emergency Education Relief Funding Round 2 (GEER II) to fund 20 more classrooms and **200 more RI Pre-K seats for 2021-2022**
- **5 funding models** in RFP. Open to child care programs, Head Start programs, public schools, and non-public schools.
- RFP out now on www.ride.ri.gov
- Questions due 12:00 noon on February 26, 2021
- Proposals due 4:00 p.m. on March 23, 2021
- Tentative announcements of grantees on April 12, 2021
- Statewide online lottery for all RI Pre-K programs April 30 – July 5, 2021
- Children selected from lottery and families notified on July 8, 2021



Upcoming Zoom Events

Wednesday, March 10th, 1:00: Needed Improvements for Rhode Island's Paid Family Leave Program

(Tentative) Wednesday, March 24th, 1:00: Medicaid and health insurance coverage for community-based doula services

Wednesday, April 7th, 1:00: Worthy Wages – The RI Early Educator Investment Act

TBD: Strolling Thunder Family Rally, 10th Anniversary of RI Child Care Awareness Day, Early Childhood Advocacy Day.