



**To:** Kayla Rosen, Early Childhood Policy Director, Office of Governor Gina Raimondo  
Anthony Silva, Chief of Staff, Office of Lieutenant Governor Daniel McKee  
Courtney Hawkins, Director, RI Department of Human Services  
Caitlin Molina, Deputy Director and CCDBG Administrator, RI Department of Human Services

**From: Right from the Start Steering Committee**  
Leanne Barrett, Rhode Island KIDS COUNT  
Marcela Betancur, Latino Policy Institute  
Susan Dickstein, RI Association for Infant Mental Health  
Rachel Flum, Economic Progress Institute  
Lisa Hildebrand, RI Association for the Education of Young Children  
Khadija Lewis Khan, Beautiful Beginnings  
Mary Varr, Rhode Island Head Start Association

**Date:** January 21, 2021

**Re:** Recommendations for Rhode Island's Plan to Spend \$22.5 Million on Child Care Under the Consolidated Appropriations Act of 2021

In December 2021, the U.S. Congress passed the Consolidated Appropriations Act of 2021 which included [\\$10 billion in funding to help meet the child care needs of families during the pandemic and recovery](#). Rhode Island will receive \$22.5 million in funding for child care from this Act, three times the funding available under the CARES Act. States have 60 days to develop plans for this funding and must submit a final report on spending in October 2022.

We offer the following recommendations and priorities to the Governor, Lieutenant Governor, and Department of Human Services to improve the financial stability of child care programs, ensure families can access high-quality programs for children from birth through age 12, and address the staffing crisis by increasing child care educator compensation. Almost half of young children in Rhode Island are children of color. Increased child care investments help address racial and economic inequities so more children get off to the right start.

Child care is an essential part of our economy, preparing children for the future and enabling parents and caregivers to work. Many Rhode Island families struggle to pay for high-quality child care, which they need to cover a 50-hour work and commuting week from early in infancy through the time children enter kindergarten, and then wrap-around child care to cover the hours, days, and weeks when school is not in session for children ages 6 through 12.

Many Rhode Island child care programs struggle to meet research-based quality standards that promote positive child/youth development and learning due to inadequate revenue to compensate qualified and effective staff with strong knowledge and skills. Child care programs employ a large workforce made up almost entirely of women, many of whom are women of color. The median wage for child care educators in Rhode Island is \$12/hour.

Years of disinvestment have created a precarious system that is in danger of collapsing without strategic public funding during and beyond the COVID-19 pandemic.

The first priority is to maintain and increase the funding amount per low-income child to meet federal equal access standards and to promote access to high-quality care; second priority is to increase compensation to retain qualified educators in programs for all age groups and all quality levels; third priority is to reduce co-payments for families; fourth priority is to replenish the Child Care Relief Fund to help providers cover pandemic related expenses; fifth priority is to support high-quality summer learning in 2021 and 2022; and sixth priority is to open the Child Care Assistance Program up to more low- and moderate-income families who cannot afford the cost of high-quality child care without a subsidy.

#### **Detailed Recommendations:**

1) **Maintain the temporary Child Care Assistance Program rate increases** and the practice of paying based on enrollment, and not attendance, **through at least September 2021** that were implemented in June 2020 for all age groups of children. These policies have been enacted under Executive Order and continued on a month-by-month basis. Rate increases should be made permanent in statute to meet the federal equal access benchmark for all ages of children birth through 12.

**And make additional investments to adjust the Child Care Assistance Program rates so the state** meets the equal access benchmark for all age groups and more children have access to high-quality programs:

- a) Provide additional temporary Child Care Assistance Program rate increases so that all 4 star programs receive rates to reflect the increased costs of providing high-quality care like 5 star programs already receive. Funds are needed to **help programs maintain the high-quality care and learning opportunities children need.**
- b) **Increase the temporary pandemic rates for preschool children** enrolled in 1, 2 and 3 star programs so they meet or exceed the federal equal access benchmark as the other age groups already do.
- c) **Increase temporary pandemic rates for family child care providers** so they meet or exceed the federal benchmarks and promote access to high-quality care across all age groups of children.

- d) After ensuring all temporary pandemic rates for the Child Care Assistance Program meet or exceed federal benchmarks and programs that meet high-quality standards (4 and 5 stars) are paid rates that reflect the higher quality services they provide, **add a \$10/week bonus payment to the rate for infants under age 18 months** across all quality levels to help cover the additional staffing needs for this age group.

2) **Address the staff turnover crisis** that has been exacerbated by the pandemic by investing at least 10% of new funding to **provide temporary wage supplements to qualified and skilled child care educators**. Pilot the Child Care WAGE\$ Model, used by 6 states, to improve the compensation and retention of child care educators who have attained credentials, completed college coursework, and earned college degrees in child/youth development and learning. Providing wage supplements is needed to reduce turnover by closing the gap between the compensation levels of child care educators and similarly qualified K-12 teachers. Engage with researchers to study the impact of significant wage increases on staff turnover and the quality of programs available for children and families. Improving compensation levels of child care educators is permitted and encouraged by the federal government under CCDBG and the COVID relief funds.

3) **Temporarily reduce family co-payment levels** so that no family pays more than 7% of income for child care – the federal affordability guideline.

4) **Replenish the Rhode Island Child Care Relief Fund** and allow programs to use funds to **cover the cost of substitutes** when staff must quarantine and to **cover lost tuition** due to a) temporary classroom/program closures for quarantine and b) children who cannot attend programs due to family quarantines.

5) Work with the Rhode Island Department of Education to prevent summer learning loss by **funding RI Pre-K and Head Start programs and other high-quality programs to offer summer learning programs in 2021 and 2022**, regardless of family's work status, for our state's most at-risk children.

6) **Temporarily restore eligibility for the Child Care Assistance Program to levels that existed before the cuts enacted during the Great Recession** so more families can receive a subsidy to access high-quality, affordable child care during and beyond the pandemic. Restore eligibility for families up to 225% of the federal poverty line (\$48,870 for a family of 3 in 2020) and allow families to retain their subsidy up to 300% of the federal poverty line (\$65,160 for a family of 3 in 2020).

## Benchmark Weekly Rates from the 2018 Rhode Island Child Care Market Rate Survey

Age of Child	Licensed Centers + School-Age Programs		Licensed Family Child Care Programs	
	Equal Access 1-3 Stars	High-Quality 4-5 Stars	Equal Access 1-3 Stars	High-Quality 4-5 Stars
Infants/Toddlers (under age 3)	\$256.75	\$298.85	\$200.00	\$232.50
Preschool-Age Children (ages 3 to 5)	\$230.00	\$250.62	\$191.50	\$222.50
School-Age Children (ages 6 to 12)	\$198.75	\$213.50	\$180.00	\$200.00

The federal Equal Access benchmark is at or above the 75<sup>th</sup> percentile of the most recent Market Rate Survey. The high-quality benchmark the Rhode Island Department of Human Services has set is the 90<sup>th</sup> percentile of the most recent Market Rate Survey. Since 2011, the Rhode Island Early Learning Council has recommended that all 4 and 5 star programs be classified as “high-quality.” Note: Rhode Island is required to conduct a Child Care Market Rate Survey every 3 years and is due to gather new information in 2021.