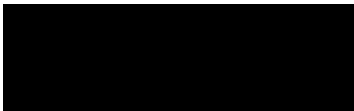


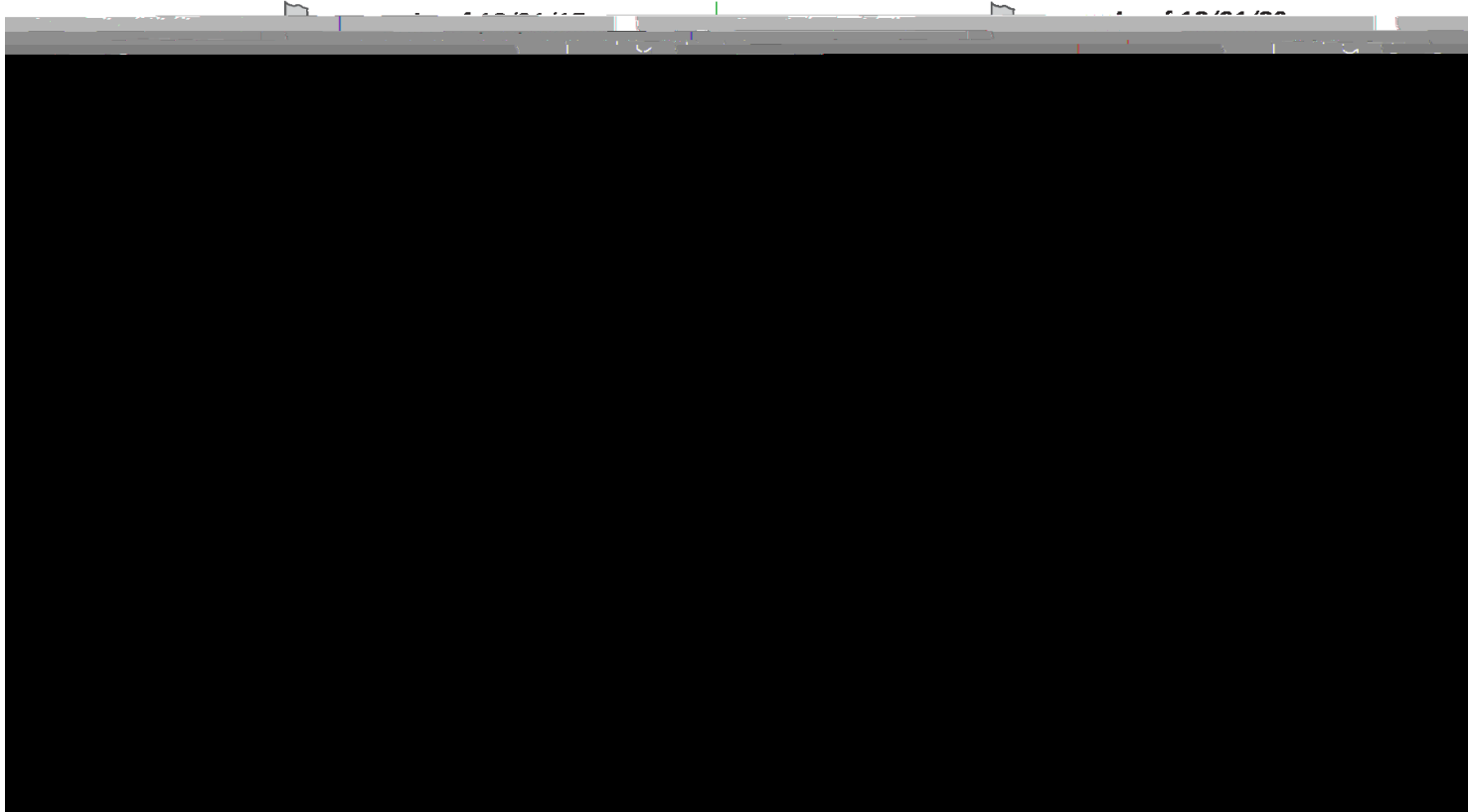
2022

LEGISLATIVE PRIORITIES

**EARLY CARE AND EDUCATION
CRISIS WORK GROUP**



1,000



In addition, prior to the pandemic, state policymakers implemented several policy changes that would have impacted both the supply of, and access to, high-quality ECE programs including: 1) increasing the cap on Early Learning Scholarship amounts for priority populations; 2) increasing incentives for attaining four-star Parent Aware ratings; and 3) allowing four-star rated programs to receive quality grants, increasing the incentive to both participate in Parent Aware and achieve the highest rating. Given COVID's unprecedented disruption of the lives of providers and families, it's too early to discern the impact of those policy changes.

It is important for policymakers to understand that, unfortunately, when it came to the deployment of over \$850 million in federal relief dollars to stabilize Minnesota's supply of child care in light of COVID, none of those investments incentivized quality improvement, unlike in other states such as Iowa and Colorado. This was a huge missed opportunity to support providers and children. Research from the National Institute of Child Health and Human Development² finds that children in low-quality programs can be set back with worse problem behaviors, cognitive development, language skills, and kindergarten-readiness scores. Investing in supply building without simultaneously incenting and rewarding use of kindergarten readiness best practices misses the opportunity to address Minnesota's achievement gap crisis.

There is much anticipation and uncertainty swirling around whether or how the federal Build Back Better Act could change the early learning landscape in Minnesota and across the nation. Those debates are critical, and this Work Group recommends that federal and state policymakers continue to focus on the criteria research tells us are essential in any policy and funding plans to support young children:

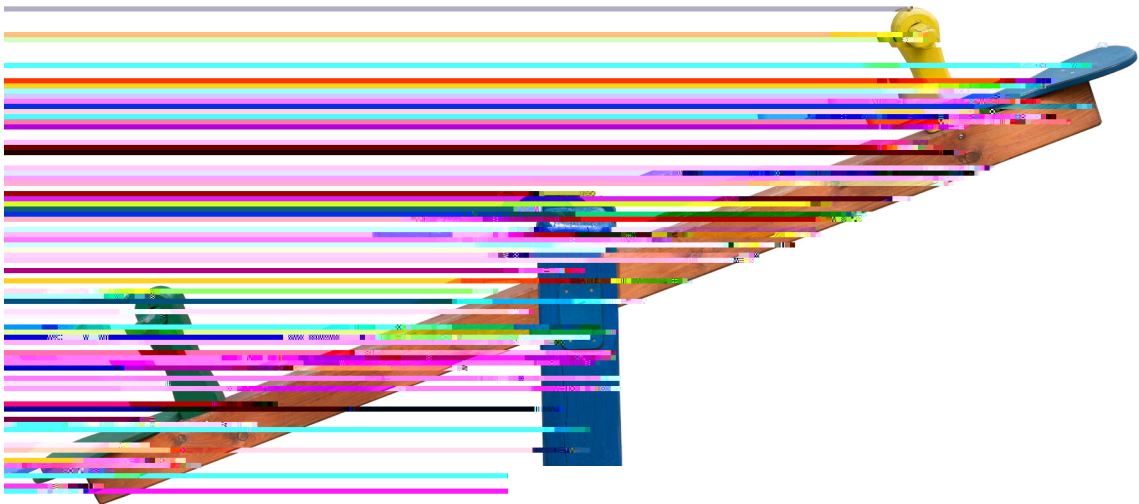
- Intervening early in life to address gaps before they get more difficult to close, especially given that 80% of brain development happens before children reach age 3 and achievement gaps can be measured as early as age 1;
- Focusing on equity by targeting limited funds to the most vulnerable children first;

- Requiring that vulnerable children benefit from the use of evidence-based early learning best practices; and
- Providing help that is flexible and portable to serve each child's needs;

- Scholarships were designed to be quality-linked and child-centric, so few reforms are needed. However, parents are facing difficulty finding available child care, and this challenge is expected to continue. As we've repeatedly seen in market economies, supply of services grows when consumer demand increases. Therefore, to increase the supply of quality programs, we need to stimulate new consumer demand. A powerful way to do this would be to give Early Learning Scholarships to the 31,000 Minnesota children under age 5 who can't afford high-quality programs. This would help address our shortage and our achievement gap problem.
- Maximize available federal resources to the state and supplement those resources to expand and reform CCAP for Minnesota's children and families. Now that reimbursement rates are at or above the 30th percentile, the CCAP program should be reformed to assure that supports are linked to quality via the Parent Aware Ratings and that children receive continuous access to quality care from birth to kindergarten entry.
- Demand can be further increased as resources allow (and after the full need of lower income families is met) with expansion of CCAP and/or Scholarship eligibility to include families earning up to 300% of the Federal Poverty Guidelines (FPG).

CREATE DEMAND AND SUPPLY IMPROVES

of
quality early care and education
programs, now and into the future.



INCREASE SUPPLY OF QUALITY ECE PROGRAMS. While the recent investments have been critical to stabilizing the supply of ECE programs across the state, a huge gap remains between the number of slots

LEVERAGE DATA FOR CONTINUOUS IMPROVEMENT OF PROGRAMS/POLICIES. Strengthen



