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## **FUNDING OUR FUTURE: LA B to 3**

### **Commission Report Addendum**

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January 2020

FUNDING OUR FUTURE: LA B TO 3 COMMISSION REPORT ADDENDUM JANUARY 2020

## **The Commission stands by its initial recommendations:**

- › Expand quality seats in Louisiana to serve 114,000 children in need, prioritizing children birth to three, a substantial increase from the only 22,000 served today.
  - › Invest \$85.8 million of state funds to launch *LA B to 3*, and invest an increase of nearly that amount every year for 10 years.
  - › Expand existing family resources for all families, regardless of need, that support nurturing relationships with young children.

**In addition, the Commission now adds the following recommendations:**

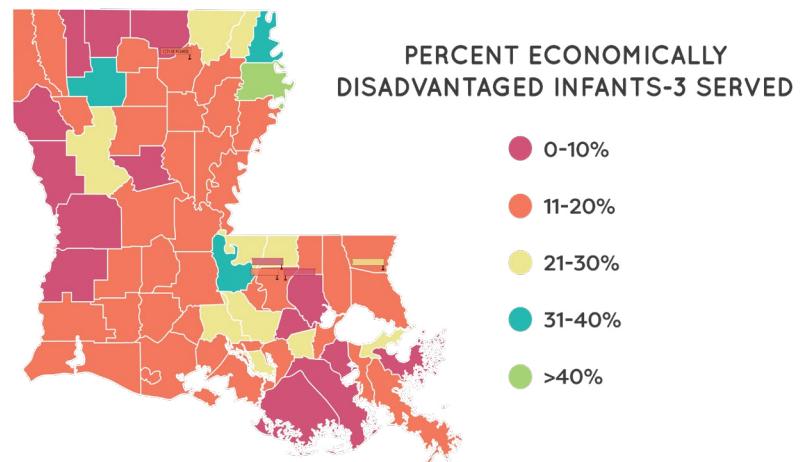
- › Continue to find funding sources for the Louisiana Early Childhood Education Fund to support local government's *LA B to 3*'s efforts.
  - › Study long-term solutions for the continued expansion of *LA B to 3* through local, private, and philanthropic contributions to early care and education in Louisiana.

In order to reach these goals over the next 10 years, we need to make a strong commitment in 2020. By investing \$85.8 million this year, Louisiana can increase the number of children aged birth to three served in state-administered programs by over 30%, as well as increase the rate paid to providers. Incremental increases thereafter could dramatically change the landscape of Louisiana’s early care and education system.

## **EARLY CHILDHOOD CARE AND EDUCATION MUST BE A LOUISIANA PRIORITY**

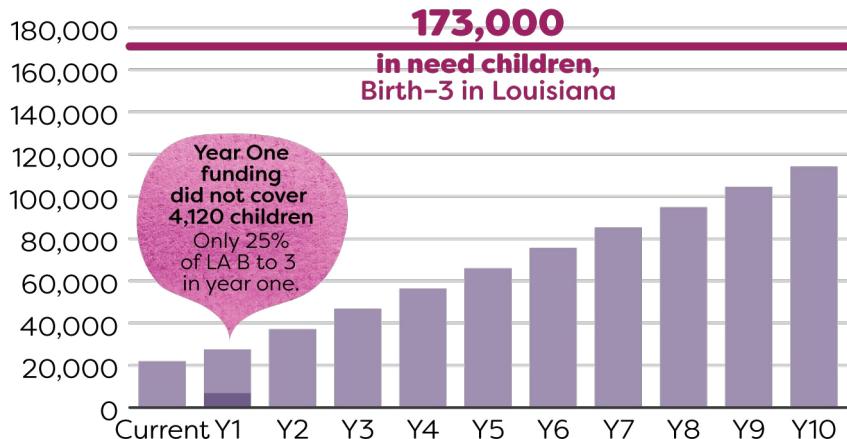
**Louisiana currently serves less than 7% of our children in need ages birth to three in any publicly-funded early care and education program.**

This impacts our workforce and our communities. In January 2019, the Early Childhood Care and Education Commission made bold recommendations in the Funding Our Future: LA B to 3 plan to improve Louisiana in a single generation: a strategic, 10-year investment in our state's youngest citizens. The state made an initial appropriation during the 2019 legislative session of almost \$20 million to increase access to quality seats, including both pre-K seats for four-year-olds, as well as a small number of birth to three-year-old seats. While that investment is a good start, **Louisiana must do more.**



**This is why the Commission made its recommendation for an investment of \$85.8 million, and an increase of nearly that amount annually over the next decade.** Only with this kind of bold and ambitious agenda can we position Louisiana to shift its economic reality. Children need quality early learning to prepare them for success in school and beyond. Their families need the support to productively participate in the state's workforce. **The investment can dramatically shift the lived experience of our citizens and put Louisiana on track to attract new industries.**

## INCREASE IN EARLY CARE ACCESS OVER TEN YEARS



**BENEFIT TO OUR ECONOMY:** This is not just a benefit for Louisiana's children, but also for the economy, since two-thirds of children age 5 and under have both parents or their single parent in the workforce.<sup>1</sup> Without quality care and education for their children, families cannot participate in the workforce productively and this has an impact. In fact, child care issues cost Louisiana employers over \$800 million annually, and result in a \$1.1 billion loss to Louisiana's economy each year.<sup>2</sup> Nobel laureate economist James Heckman has shown that for every \$1.00 invested in high-quality early learning can deliver a return of up to \$7.30. But to realize the benefits, Louisiana must make the investment.

**BENEFIT TO OUR CHILDREN:** The state is currently missing a critical opportunity for 93% of its in-need children. A child's brain develops at a stunning pace during the first three years of life. In fact, 80% of brain development happens between birth and age three, and 90% by age four.<sup>3</sup> Children who participate in high-quality early learning are more likely to do well in school, graduate on time from high school, are healthier, and less likely to interact with the criminal justice system as adults.<sup>4</sup> The state has already seen evidence of this from its investment in pre-K through LA4. Longitudinal research on Louisiana's pre-K<sup>5</sup> students showed significant positive developmental and educational results.

“Since my son has been in child care, he has flourished tremendously. He is learning pre-literacy skills that I may not have been able to teach him at home. I initially sought child care assistance so that I could go back to school. And now, I just finished nursing school! I’m forever grateful for the opportunities afforded to me and my family because of access to quality child care.”

-Parent, St. Tammany Parish

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- 1 Kids Count. The Annie E. Casey Foundation. (2018) Retrieved from: <https://datacenter.kidscount.org/data/tables/5057-children-under-age-6-with-all-available-parents-in-the-labor-force?loc=20&loct=2#detailed/2/20/false/871,870,573,869,36,868,867,133,38,35/any/11472,11473>
  - 2 Losing Ground: How Child Care Impacts Louisiana's Workforce Productivity and the State's Economy. (2017). Retrieved from: <http://www.brylskicompany.com/press-releases/losing-ground-how-child-care-impacts-louisianas-workforce-productivity-and-the-state-economy>
  - 3 First Things First. Retrieved from: <https://www.firstthingsfirst.org/early-childhood-matters/brain-development/>
  - 4 Quantifying the Life-Cycle Benefits of a Prototypical Early Childhood Program. The National Bureau of Economic Research (NBER) Working Paper (2018). Retrieved from: [www.nber.org/papers/w23479.pdf?sy=479](http://www.nber.org/papers/w23479.pdf?sy=479)
  - 5 Eighth-Grade Outcomes for LA 4 Cohort 1 Students. (2013). University of Louisiana at Lafayette. Technical brief

## EARLY PROGRESS

Since the Commission's initial report, several promising steps have been made.

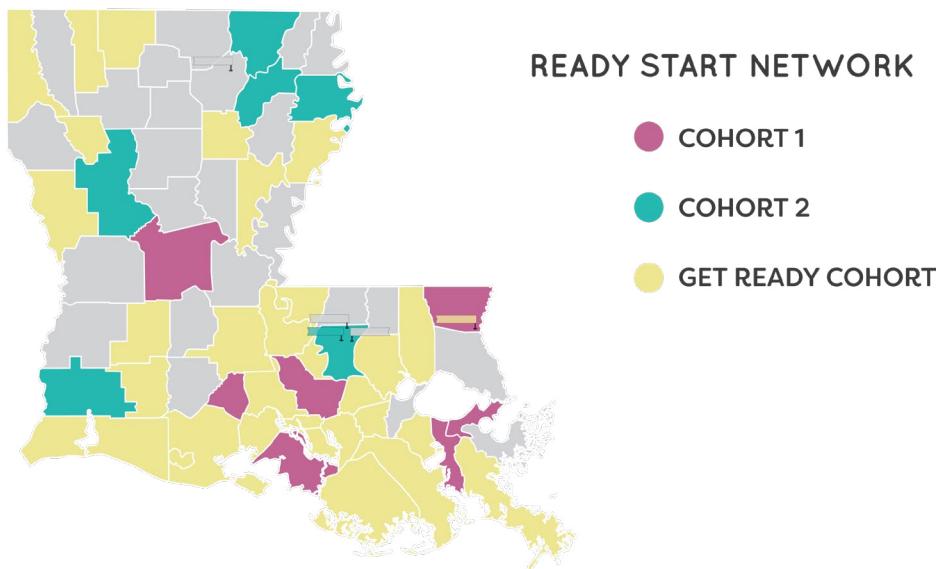
- ✓ **Preliminary investment.** The report prompted conversations that led to almost \$20 million in new state funding from the Louisiana legislature in 2019. However, those funds were used to address two time-sensitive issues. First, a grant program was ending, and would have resulted in a loss of 800 pre-K seats without new funds. Secondly, a modest increase in the subsidy rate for the Child Care Assistance Program was required by the federal block grant and supported by these funds. Finally, these dollars funded child care placements for some families on the waiting list. This investment was a good start, but larger, longer-term investment is needed, especially for children birth to age three and their working parents, to reap the full long-term benefits of early care and education as set forth in the *LA B to 3 Report*.
- ✓ **Local leadership.** Thirteen local communities ([Ready Start Networks](#)) in Louisiana are developing local governance while sustaining and improving early care and education quality and access. In addition, 27 communities, known as Get Ready networks, have applied to learn more about how they might approach local planning and governance. They have created blueprints and are preparing to apply. Part of this work has included exploring options of unique ways communities might approach local early childhood funding.
- ✓ **Public and political will.** Polling data from April 2019 (commissioned by the Louisiana Policy Institute for Children) showed that 86% of likely voters in Louisiana said that quality, affordable child care and education is an important issue in their communities and 6 in 10 support increasing state funding for quality early care and education that would benefit working families. Related questions were asked of gubernatorial candidates during their September 2019 debate, and all gubernatorial candidates said that they will prioritize early childhood education. Governor John Bel Edwards, who won the election, has consistently confirmed that early care and education will be a top priority in his second term.

## HOW BUILDING EFFICIENCIES AND LEVERAGING SUPPORT HAS BEGUN

In the [Funding Our Future: LA B-3 report](#), the Commission recommended three primary areas for investment that will work together to create an efficient, community driven system for early care and education, using evidence-based approaches and creating sustainable funding streams.

1. **Ready Start Networks (RSNs).** Currently, Louisiana's families with young children are competing for limited services. RSNs are working to improve access to quality early learning and family supports by collaborating with local leaders to plan for meeting the communities needs. These local coalitions of community leaders include businesspeople, policy makers, law enforcement, faith leaders, nonprofit executives, and others, all committed to increasing local dollars to expand early learning by leveraging federal, state, and local dollars. Every community in Louisiana is different, and RSNs are positioned to understand their communities' needs for early learning and leverage local expertise to address them. Currently, 13 RSNs participate as pilot cohorts, and another 27 are "getting ready," creating plans for future action with community leaders. Ultimately, all RSNs will use local data and context to develop plans, secure funding from multiple sources, and implement creative solutions that will expand early learning access and improve quality for their communities. Here are several examples of how RSNs are creating solutions tailored to their local needs.
  - a. **Securing Local Funding.** Ready Start Orleans continually engages policymakers and community members from various sectors in conversations about the importance of early learning and the great need for publicly-funded quality seats for infants and toddlers in that community. As a result, the City Council has approved over \$2 million in investment over the past two years for an infant-toddler city seats program and recently committed an additional \$3 million for the coming year.
  - b. **Improving Quality and Raising Community Awareness.** Ready Start Rapides continues to support quality improvement in their child care centers with great results, growing the number of high-quality centers in their community over the last three years. In 2018-2019, all but three of their 61 publicly-funded early childhood sites (or 5%) were not yet rated Proficient or higher, and five sites were recognized as Excellent. This is up from 31 sites scoring poorly in 2016. Rapides is bringing information about these centers and other family supports to the public through a new website that is a hub for all early childhood resources and family programs in the parish.
  - c. **Partnering to Expand Access.** Ready Start Washington recognized a need for more child care options for three-year-olds and an opportunity to strengthen partnerships. As a result, Regina Coeli Head Start and Washington Parish Schools used available data and resources to open a classroom for three-year-olds on an elementary school campus in an underserved area of the parish.

The Commission learned how innovative communities around the country are raising funding through local and state initiatives. The Commission recommends that the Louisiana Department of Education continue to study alternate funding opportunities to increase access to quality as RSNs continue to scale and grow.



2. **Supports for All Families.** Every parent wants to be great. The *LA B to 3* report recommended supports to help families access support to help their children successfully navigate the early years. These supports include knowledge about early brain development and parenting techniques, resources and activities to support young children and families, as well as guidance on how to find, enroll in, and afford a quality early childhood care and education program. While several kinds of family programs exist in Louisiana—including home visiting, early intervention support, and parent leadership programs—many families are unaware of them.

State agencies are continuously collaborating to create more seamless systems that reduce the burden of participating in programs on families. RSNs can serve as critical hubs for raising awareness of the opportunities available to all families, but that won't happen without funding. Included in the annual funds is a modest investment of \$1 million from the state, so Louisiana can expand existing family supports and create new ones, including a comprehensive website that would provide all families with greater awareness of and start access to resources in their area or from the state. Regionally based coaching, classes, or text-based outreach to families on child development or interactions could guide a healthy start in life. By streamlining resources and engaging Ready Start Networks, Louisiana can meet the unique needs of our diverse communities and the families that live and work within them.

3. **Shared Services.** As independent small businesses operating on slim margins, child care centers could benefit from realizing efficiencies through innovative business partnerships. The state is working with centers in communities across Louisiana to identify and implement ways to work more efficiently, saving time and money so that every dollar invested in early care and education goes as far as possible. Pilot projects range from shared purchasing for supplies and furnishings, to increased automation for early learning center operations and fee collections, to building a stronger network of substitute teachers. By strengthening centers that service children birth to three, more children can be served in quality settings.

"Child care funding has allowed me to enroll my son in a high-quality early childhood program that I could not have afforded without this help. My son is an only child, and enrolling him in a diverse classroom of other kids his age has given him an opportunity to develop important social skills, like how to be kind to others. Through this program, he has the opportunity to go on field trips that have really enriched his life. This program has also allowed me to focus on my career as a social worker during the day while knowing he is receiving a quality education."

-Parent, Orleans Parish

## GENERATING SUPPORT FOR TRANSFORMATION

Transforming Louisiana in one generation will take public will, investment, and thoughtful implementation. These must occur simultaneously at the state and local levels. The state system is strong and nationally well-regarded. Communities, through RSNs, are already demonstrating leadership to create solutions to the child care and education access problem. Guidance on innovative funding opportunities from local and regional experts could further those efforts. However, it is critical that **the state must lead the way**.

If quality early care and education is to be accessible to all families, then Louisiana must build public awareness and the public will to support it. Stakeholders at the state and local level are working to consistently expand support among their connections and networks, generating media awareness and educating candidates for office about the importance of early learning and the many returns on investment. There have been countless individual champions throughout the state. Louisianians must continue to build on this work, helping more people understand the critical importance of early care and education for the state's future.

Transforming Louisiana by providing access to quality early care and education is going to take all of us, but in doing so, we will secure the future for everyone. The Commission proposes that subject matter experts study long-term solutions for the continued expansion of *LA B to 3* through local, private, and philanthropic contributions to early care and education in Louisiana and make recommendations to best leverage *LA B to 3* funding from all sources. Finally, the Commission strongly reaffirms its January 2019 recommendation on state investment: Dedicate \$85.8 million to create *LA B to 3* and an increase by that amount annually over the next decade.