

FACT SHEET

The Early Educator Workforce Crisis

How Legislators Can Make a Difference for Kids, Families, and Educators

by Annie Dade and Caitlin McLean

Early care and education (ECE) reform is a priority issue for voters across partisan lines. The majority of voters believe it is very important for state governments to improve opportunities for all children and that early childhood educators play a critical role in child development. Yet, underinvestment in early childhood care and education drives teachers from the field, and insufficient child care options force parents out of the workforce.



Understand the Early Educator Workforce Crisis

Five Facts You Should Know

- 1. The ECE system is collapsing in what economists call a market failure. Most programs are unable to charge the true cost of services and instead have to rely on what families can afford. Poor conditions and low pay fuel high turnover, and the educator exodus has only worsened since the pandemic. Faced with difficulty hiring new staff, programs are shutting their doors across the country, and without options for their children many parents, especially women, leave the workforce.
- 2. **Just like K-12 education, early care and education for children under age five benefits everyone.** Starting at birth, early learning opportunities are critical to children's <u>brain development</u> and lead to improved outcomes in school and later in life. The long-term <u>economic gains</u> and efficiencies borne out by a robustly funded, high-quality ECE system would far outpace the costs.
- 3. The United States underinvests in early childhood relative to other high-income industrialized countries. With no universal child care or preschool, the United States lags far behind other Organization for Economic Cooperation and Development (OECD) countries in early learning enrollment and spends less than one half of the OECD average as a percent of GDP.
- 4. Early childhood educators¹ have one of the worst-paid jobs in the United States; 98% of all other jobs are paid higher wages. Early educators are more likely to lack health insurance and shoulder student debt than the national average, and they experience high levels of food insecurity. Poverty rates for early educators are double those of other workers and, on average, eight times higher than those of K-8 teachers. Racial disparities within this low pay make it even harder for Black early educators to make a living. After controlling for educational attainment, Black early educators earned an average of \$0.78 less per hour (\$1,622.40 less per year) than white early educators.
- 5. Even though educators are poorly paid, parents struggle to afford the cost of programs, and the existing subsidy system is insufficient. Nationally, child care costs families an average of \$10,600 per year; in some places, it is more expensive than housing, health care, and public university tuition. Only 36% of eligible children age three to five access federally funded Head Start programs, and less than 20% of eligible children receive subsidized child care through the Child Care Development Block Grant (CCDBG). Check your state to see what fraction of eligible families are reached by current public funding.

^{1.} We use the terms "early childhood workforce" or "early educators" to encompass all those who are paid to work directly with young children prior to kindergarten in group early care and education settings, particularly those in roles focused on teaching and caregiving (McLean et al., 2021).

The solution is sustained, large-scale public investment in the ECE system with dedicated funds for the workforce, especially compensation. The 2021 American Rescue Plan (ARP) provided pandemic relief funds intended to stabilize a system in the midst of collapse. However, these time-limited funds are insufficient to make long-overdue systemwide changes so that families can afford care and educators can afford to stay in their jobs. What can be done?

Get to Know the ECE Workforce in Your State

Five Questions to Ask

- 1. What data does your state have on your ECE workforce?
 - Is there up-to-date information on key demographics, working conditions, pay, and access to benefits like health care and retirement?
 - Can your state estimate how many early educators are working in or have left the field? How
 many of your child care workers are on <u>public assistance themselves</u>? How many have health
 care?
 - There may be a <u>workforce registry or a recent workforce study</u> that can help your state plan ahead to meet educators' and families' needs for early care and education.

Did you know that the legislature can play a key role in understanding COVID-19 impacts on the ECE workforce? The **Nebraska** legislature commissioned a <u>workforce</u> study on this issue in 2020.

- 2. How does your state support educators who face barriers in access to resources, for example, communities of color, low-income communities, and rural communities?
 - The ECE workforce is mostly women, many of them women of color. How does your state support educators and program directors of color and target funds to address <u>racial disparities</u> in compensation?
 - <u>Most providers are home based</u>, operating programs out of their own homes. Often called "family child care," these women-owned businesses are frequently the only services that

- families can access, especially in rural areas. How does your state reach and fund home-based programs?
- Despite infant and toddler care being more expensive, educators who work with <u>infants</u> and toddlers tend to make less than those who work with three- and four-year-olds. And a recent study found that the nation's <u>infant-toddler child care crisis</u> costs \$122 billion every year in lost earnings, productivity, and revenue. How does your state reach and fund programs that work with infants and toddlers?

3. Who provides oversight and governance to ECE programs in your state?

- Who oversees licensing and regulation?
- Who runs the programs, child care subsidy, and workforce supports in your state?
- How might you work with them to assess how public resources align with workforce needs?

4. What funds are already available for the workforce in your state?

- How has your state used <u>ARP funds</u> to support the ECE workforce?
- How is your state planning to use <u>Preschool through Five Development Grants</u> (PDG B-5) to support the ECE workforce?

Did you know you can use ARP to raise wages for all teachers in child care programs? **New Mexico** did! Using \$77 million of federal funds, New Mexico provides <u>\$3-per-hour pay supplements</u> to between 13,000 and 16,000 workers at licensed early childhood centers.

5. Who are the champions for early education in your state?

• How might you engage educators, parents, and grassroots organizations that understand these constituents' concerns?



Let's Think Boldly to Solve the ECE Workforce Crisis

Four Actions to Get Started

1. Champion and support increased investment for early care and education.

The **Washington, D.C.,** Early Childhood Educator Equitable Compensation Task Force Temporary Amendment Act authorized pay equity funds, developed through a local wealth tax, to support pay parity for early childhood educators following recommendations from the Early Childhood Educator Equitable Compensation Task Force. The recommendations called for immediate, significant one-time payments to the workforce and a long-term plan to implement a salary scale across settings, including for infant-toddler teachers. These recommendations were later expanded to include healthcare benefits for the early childhood workforce.

In **New Mexico**, a newly voted constitutional <u>amendment</u> guarantees a funding stream for early childhood education from an additional 1.25% of revenue from the New Mexico Land Grant Permanent Fund.

2. Enact legislation for compensation reform.

Delaware legislated an <u>annual workforce study</u>, including demographics and the estimated cost to close the gap between current compensation and a target wage scale.

Washington, D.C., passed the <u>Birth-to-Three Act (2018)</u> and the <u>Early Childhood Educator Pay Equity Fund Establishment Act (2021)</u>, which required a salary scale for all early educators (including infant and toddler teachers) to achieve parity with public school elementary teachers and recommendations for implementation.

Vermont H.171 (Act 45), passed in 2021, authorizes funding for immediate workforce development (scholarships, loan repayment), expands funding for the state's subsidy program, and provides funds for updating the IT system. Looking ahead, the bill calls for a system analysis to propose recommendations for its goals: no family should spend more than 10% of annual income on child care, and early educators should be fairly compensated and well supported.

The **Georgia** FY2023 <u>Fiscal Budget</u> appropriates funds for a \$2,000 <u>increase</u> in the base salary of lead and assistant teachers in the state's pre-K program.

Massachusetts enacted legislation for <u>Paid Family Medical Leave</u> (PFML), which specifies that the <u>Department of Early Education and Care</u> (EEC) is the employer of family child care providers caring for subsidized children for the purpose of providing PFML. An additional proposed bill (S.1694 and H.1304) would have ensured a retirement account for family child care providers.

Kentucky ensures that all early childhood professionals working in a regulated licensed center or certified family child care home are automatically eligible for child care subsidy, regardless of household income. Originally established as an emergency measure, this benefit now stands under an ordinary <u>regulation</u>. Other state legislatures are pursuing legislation modeled on this policy.

3. Engage the executive branch as a partner on ECE policy.

In **Illinois**, the governor appointed six state legislators to the Illinois <u>Commission on Equitable Early Childhood Education and Care Funding</u> to make recommendations on funding goals and mechanisms to improve equitable access to high-quality early childhood education and care services for all children birth to age five.

4. Convene and educate others about the need to support the ECE workforce.

North Carolina has a new <u>Bicameral Bipartisan Early Childhood Council</u> co-chaired by Representatives Ashton Clemmons (D) and David Willis (R). This council provides

an opportunity to share resources related to the workforce and gives legislators an opportunity to hear directly from early educators, parents, business leaders, and other stakeholders.

Louisiana has an Early Childhood Care and Education Commission that advocates for increased funding from the legislature and engages a broad range of stakeholders, including business leaders. Making the connection between those advocating for children and families, the workforce, and employers is a powerful strategy as this issue touches so many aspects of the state economy and families' well-being.

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Founded in 1999, the Center for the Study of Child Care Employment (CSCCE) is the national leader in early care and education workforce research and policy. We act on the premise that educators should be valued, respected, and guaranteed economic dignity, and that the provision of early care and education is a public responsibility.

