

"I believe that ensuring a good start for our young children from birth to three, including early education and child care, health, and family support, is one of the most important next steps the District can take to address racial, social and economic inequity."

William Alsup, former Senior Managing Director, Hines

"Now due to pandemicrelated financial pressures,

20%

of child care slots could be lost in the District, a city with an already limited child care supply...[M]any child care workers, largely women and people of color in D.C., would be left without jobs."

DC Policy Center<sup>8</sup>



## **Investing in Early Childhood**

# The Case for Investing in the District of Columbia's Current and Future Workforce Through Early Childhood Education and Care

A strong education and workforce pipeline, starting at the earliest ages, is essential to promote the lifelong success of District residents, end racial inequities, and generate a thriving economy. The District is not developing the workforce talent it needs, which could cost jobs now and in the future. Business leaders have a vested interest in public funding for early childhood education and care, health, and other services for children birth to age three that both prepare them for success and enable working parents to focus on their jobs. This brief makes the case for funding those services, which are incorporated in the landmark Birth-to-Three For All DC Act of 2018.

Research shows that the early years are the most important time period for brain development, as it grows to 85% of its adult size in the first three years of life.<sup>2</sup> This neurological structure lays the foundation for building the executive functioning and technical skills and abilities necessary for a successful life. Differences in brain activity show up as early as six to nine months old,<sup>3</sup> and much of the learning gap that exists before kindergarten persists throughout childhood.<sup>4</sup>

As one research center concluded, "Our health and wellbeing prenatally and during the first three years of life affect all future learning, behavior, and health." This learning gap can be especially pronounced for children of color, because of the legacy of racial discrimination and underinvestment in education in communities of color. Unfortunately, the roots of racial and economic inequity begin in children's early years.

Economists have found that investments in quality early education and health programs can generate benefits for employers, families, and children that exceed their costs.

- When children enter preschool ready to thrive, they are more likely to do better in school
  and become the productive adults employers need as employees, customers, and civic
  neighbors.
- Employers rely on quality early education for **working parents** to be fully present and productive on the job, and to attract and keep young families in the District. The District's preschool program boosted women's workforce participation by 10 percentage points<sup>6</sup> it is reasonable to expect another increase from more early education for younger children.
- The early education sector employs more than 470 **small business owners**, mostly women of color. Offering living wages that attract and retain skilled educators boosts the District's economy and its children's success.

#### The Situation Now

In the District, 21% of children under age five, and 37% of Black children, live in families below the poverty line, making it impossible to afford quality early education. And demand for licensed spaces exceeded supply by up to 28,000 slots even before the pandemic.<sup>7</sup>



### Investing in Early Childhood (cont'd)

"Childcare is the foundation of our economy...lt's clear that if we don't find long-term cross-sector solutions to this crisis, the negative impact on our workforce and economy will be felt for years to come."

U.S. Chamber of Commerce Foundation<sup>12</sup>

Under3DC.org

Join the Conversation



"Protecting the child care sector is critical...
[to] make businesses and working parents more productive today, and help ensure that the next generation of Washingtonians will grow up better prepared to leverage their talents and build the future we all want."

Sheila Brooks, CEO, SRB Communications in The DC Line<sup>13</sup>

The District has several elements of the system necessary to support our current and future workforce, including our nation-leading prekindergarten for all 3- and 4-year-olds. But especially for Black and Latinx children and parents, significant gaps remain, which have worsened dramatically during the pandemic. They include:

- There is a lack of good quality, affordable early education for infants and toddlers.<sup>8</sup>
  - The average cost of infant/toddler early education in the District is \$2020/month, the most expensive among the 50 states and DC.9
  - Due to the pandemic, the early education sector is losing \$5.6 million per month; as of February 2021, one-third of licensed providers had not yet re-opened. At least 20% of slots - or 6,600 spaces - could be lost, making it harder for parents to work.<sup>10</sup>
- Wages for early educators are much lower than what other educators earn.
   Average wage in the District is \$15/hour with minimal benefits, far below a livable wage. This makes it hard to attract and retain highly qualified and committed workers, which can undermine the stability and quality of care.
- There is insufficient family support for young and struggling parents. Only a
  fraction of eligible DC parents get a proven mentoring program for new parents,
  called home visiting, or targeted health programs, such as mental health and
  lactation support.

#### The Solution

Fully funding the Birth-to-Three For All DC Act of 2018 would address these gaps by:

- Supporting two generations of workers by ensuring **no family paid more than 10%** of income for quality early education for infants and toddlers
- Ensuring **early educators are paid on par** with DCPS teachers, commensurate with their skills and abilities
- Giving families access to other proven services, such as home visiting and behavioral health support

The campaign for full funding over 10 years is led by <u>Under 3 DC</u>, a coalition of more than 50 organizations. For more information, contact Kimberly Perry, executive director of DC Action, which coordinates the campaign, at <u>kperry@dckids.org</u>. For information about a related business leadership network, contact Dr. Sara Watson, consultant to DC Action, at <u>swatson.office@gmail.com</u>.



- <sup>1</sup> "Early childhood education and care" includes early education and child care, which both involve trained adults nurturing children's development, and is shortened here to early education. Fully footnoted version is at <a href="https://www.under3dc.org">www.under3dc.org</a>.
- <sup>2</sup> Lally, Ron. (February 22, 2012). The Human Brain from Birth to Age 3. <a href="https://www.forourbabies.org/2012/02/the-human-brain-from-birth-to-age-3-">https://www.forourbabies.org/2012/02/the-human-brain-from-birth-to-age-3-</a>
- <sup>3</sup> Tomalski, Przemyslaw., et al. (September 2013). Socioeconomic Status and Functional Brain Development Associations in Early Infancy. Current Neurology and Neuroscience Reports. <a href="https://www.ncbi.nlm.nih.gov/pubmed/24033573/">https://www.ncbi.nlm.nih.gov/pubmed/24033573/</a>
- <sup>4</sup> Garcia, Emma. (June 2015). Inequalities at the Starting Gate. Economic Policy Institute. https://www.epi.org/publication/inequalities-at-the-starting-gate-cognitive-and-non-cognitive-gaps-in-the-2010-2011-kindergarten-class/
- <sup>5</sup> Prenatal-to-3 Policy Impact Center. (2021). Why Do We Focus on the Prenatal-to-3 Age Period? Understanding the Importance of the Earliest Years. Child and Family Research Partnership, Lyndon B. Johnson School of Public Affairs, University of Texas at Austin. B.001.0121. <a href="https://pn3policy.org/resources/why-do-we-focus-on-the-prenatal-to-3-age-period-understanding-the-importance-of-the-earliest-years">https://pn3policy.org/resources/why-do-we-focus-on-the-prenatal-to-3-age-period-understanding-the-importance-of-the-earliest-years</a>
- <sup>6</sup> Malik, Rasheed. (2018). The Effects of Universal Preschool in Washington, D.C. Center for American Progress. <a href="https://www.americanprogress.org/issues/early-childhood/re-ports/2018/09/26/458208/effects-universal-preschool-washington-d-c/">https://www.americanprogress.org/issues/early-childhood/re-ports/2018/09/26/458208/effects-universal-preschool-washington-d-c/</a>
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- <sup>8</sup> Coffin, Chelsea and Amanda Chu. (July 15, 2020). D.C. Voices: Sustainability of D.C. child care facilities during the pandemic. DC Policy Center. <a href="https://www.dcpolicycenter.org/publications/child-care-facilities/">https://www.dcpolicycenter.org/publications/child-care-facilities/</a>
- <sup>9</sup> Economic Policy Institute. (October 2020). The cost of child care in Washington, D.C.. https://www.epi.org/child-care-costs-in-the-united-states/#/DC
- DCAEYC and Under 3 DC. (May 2020). D.C. Can't Have Economic Recovery Without Child Care Investments. <a href="https://www.under3dc.org/wp-content/uploads/2020/05/DC-Child-Care-Investments\_May2020.pdf">https://www.under3dc.org/wp-content/uploads/2020/05/DC-Child-Care-Investments\_May2020.pdf</a>
- <sup>11</sup> Ibid, The cost of child care in Washington, D.C.
- <sup>12</sup> U.S. Chamber of Commerce Foundation press release. (December 15, 2020). The Importance of Childcare to U.S. Families and Businesses. <a href="https://www.uschamber-foundation.org/press-release/importance-childcare-us-families-and-businesses">https://www.uschamber-foundation.org/press-release/importance-childcare-us-families-and-businesses</a>
- <sup>13</sup> Brooks, Sheila. (July 1, 2020). We can't allow the public health emergency to worsen D.C.'s child care crisis. The DC Line. <a href="https://thedcline.org/2020/07/01/sheila-brooks-we-cant-allow-the-public-health-emergency-to-worsen-dcs-child-care-crisis/">https://thedcline.org/2020/07/01/sheila-brooks-we-cant-allow-the-public-health-emergency-to-worsen-dcs-child-care-crisis/</a>