



Introduction

Advocates for Children of New Jersey (ACNJ) appreciates the chance to provide the Department of Human Services with input on this historic opportunity to change New Jersey's child care paradigm now and in the future. More than any other time before, a strong state CCDF plan, coupled with increased federal funding and an extraordinary amount of public interest in child care, can provide a vision for a more comprehensive, equitable system of education and care for children and their families. Such a vision would also include addressing short- and long-term child care staffing issues, as well as long-standing system issues that have led to uneven program access and quality, inadequate and unreliable funding sources and poorly paid staff. This can all be different by developing and implementing a visionary plan.

Through its webinars, town halls and surveys, ACNJ has had the opportunity to hear first-hand from hundreds of New Jersey child care providers and parents on how COVID-19 has affected child care programs and families needing care for their children and what is needed to strengthen the current system. During these many discussions, two overarching themes became clear:

- 1. To view the entire Birth-5 continuum as one system and develop policies that address all aspects of child care, including center-based, fee-paying, family child care and Head Start.** While New Jersey's child care system offers a host of options for the education and care of young children, the policies impacting those options are very different. Equity is central to early childhood success and these differences cause inequities in program and service access for families, funding opportunities for child care programs and educational and compensation opportunities for child care staff; and
- 2. To build a representative, well-compensated, and well-qualified early care and learning workforce.** This essential work is as important as the work of our police, firefighters and public-school teachers. Without the staff to support the child care industry, no parent can work with the peace of mind that comes with knowing their children are safe, cared for and being educated. State priorities must include an intentional focus on investments that welcome and support more people of color to enter or advance within the field, as well as funding to support a larger, well-trained infant-toddler workforce, who often earn less and hold fewer degrees and credentials than those working with preschool-age children.



The participants also made clear that such policy changes are necessary to ensure that our state does not return to the child care system that existed prior to the pandemic. ACNJ's testimony below reflects the views of these hundreds of stakeholders. As our child care system is at a moment in time, thanks to an unprecedented increase in federal funding, policy changes should be made to:

- Stabilize the system;
- Build capacity; and
- Reimagine a stronger Birth-5 child care system for the future

The recently released guidance for the American Rescue Plan (ARP) requires states to "describe their stabilization grant implementation activities in their FY 2022-2024 CCDF plan," ACNJ's testimony will go beyond commenting on the existing proposed CCDF plan and address those issues that fall within the above three categories.

Stabilizing the System

a. Designate funding and compensation supports that provide incentives for all child care staff, regardless of position or program type. Incentives in the form of direct cash payments can include support for increased salaries through higher subsidy reimbursement rates and grants that require a portion of either include employee compensation. Such incentives can be in the form of premium pay or hiring and retention bonuses. Moreover, tax credits, loan and debt forgiveness, substitute networks, paid leave time, child care subsidies for staffs' children and other comprehensive benefits for the child care workforce will provide the interest needed to retain existing staff, hire new staff, and attract more people to the early childhood field.

b. Ensure that early education staff, qualify for an "income disregard" so that they do not lose public assistance as a result of their benefiting from premium pay, retention or recruitment allowances.

c. Make emergency subsidy payment practices permanent that reimburse based on enrollment rather than attendance and develop a timely payment system, as specified in the CCDBG law, that reflect the generally accepted practices of private pay child care providers who do not receive CCDBG assistance. The current system of paying providers retroactively and penalizing for absences acts as a disincentive for participation in the subsidy program and is inequitable.



d. Prioritize an equitable distribution of funding to programs located in communities with most need and that have been impacted most acutely by the pandemic. This would include prioritizing programs in underserved areas that do not typically receive public funds.

e. Develop a stabilization grant process that is easy for applicants to complete. Developing ways to streamline the application process is critical and should include application support services for all child care providers provided by intermediary organizations such as the county child care resource and referral (CCR&R) agencies.

f. If the state chooses to use intermediaries, such as the CCR&R agencies, to families and child care programs, funds should be included for the intermediary's administration, supply building and technical assistance programming.

g. Develop a proactive strategy to broadly communicate information to all providers, parents and the public about this grant and all available federal child care funding opportunities. It is critical that outreach efforts are strengthened with multiple channels of engagement, real-time data, ongoing website analytics to increase visibility and awareness for the website, a social media strategy, a crisis communications process to ensure that information is disseminated timely and the ability to receive feedback from the child care community.

h. Provide COVID-19 related trauma and recovery supports that are accessible and available to child care staff across the system as we continue to emerge from the pandemic.

i. Expand access to Infant/Early Childhood Mental Health Consultants for all child care programs regardless of their status in Grow NJ Kids (GNJK). Having access to such mental health supports for children, parents and providers is essential, and will be even more vital in the aftermath of COVID-19.

j. Support equitable practices for families and providers by expanding the subsidy eligibility requirements and easing the documentation process by extending redetermination timelines and reducing the paperwork required so that subsidized child care services will not be interrupted for parents and providers.



k. Establish essential, yet simple data collection protocols to examine the utilization and impact of ARP funding in order to inform future policies and resource allocations.

l. Ensure that data collection efforts facilitate the equitable allocation of resources, are aligned across all programs and initiatives and investments are made in community and provider-level integrated data systems.

Building Capacity

a. Increase the supply of child care. The state can use a portion of the 10 percent set-aside from the stabilization funds to ensure that all families have equitable access to a variety of high-quality child care options, particularly for infants and toddlers. This funding would provide the opportunity to address the overall supply as well as address the more specific issues, such as nontraditional and flexible hours, child care in underserved areas, and child care that meets the needs of children with disabilities.

b. Develop incentives across the continuum to increase the number of infant/toddler slots particularly in identified child care deserts. The availability of licensed/regulated infant-toddler child care space in New Jersey continues to be in short supply. While accurate data is not yet available, it is expected that the pandemic will negatively impact the availability of child care for babies, making this type of care even more scarce. Since the state's Infant-Toddler Quality Expansion Initiative did not result in the anticipated number of new infant-toddler slots and has since ended, new strategies to expand the availability of high-quality infant-toddler child care will be needed in order to ensure equitable access to high quality infant-toddler care throughout the state. The development of such strategies could be informed by a review of what worked and what did not work with the Infant-Toddler Quality Expansion Initiative as well as provider input.

c. Invest in the professionalization of the workforce by providing scholarship and apprenticeship opportunities, tuition-reimbursement, completion bonuses and fee waivers for the entire child care workforce and not just those who are enrolled in GNJK, which include built-in wage increases.



d. Provide generous stipends to individual providers that support staff members in attaining a credential or degree.

e. Develop incentives to expand and strengthen the role of family child care (FCC) within the child care system. The current tiered reimbursement model offered to center-based child care programs is not available to FCC homes who can participate in the GNJK process, but there is no incentive for them to do so. This policy is fundamentally inequitable, particularly since many of these homes are owned and operated by women, many of whom are women of color. In addition, registered FCC subsidy reimbursement rates have not been raised since 2014 and the weekly maximum subsidy reimbursement rate for an infant is \$154.80, nearly 32.59% below that of an unrated, licensed child care center. This has significantly accelerated the decline of the total number of providers statewide, approximately a 34% decrease over the last five years. Providing funding incentives would help retain existing providers as well as incentivize new providers choosing to care for and educate children in their homes. Moreover, additional funding should be used to support family child care networks to assist in both delivering their care and providing them with skills needed for business success

Reimagining a System for the Future

The key to a strong, comprehensive Birth-5 system is ensuring a stable, well-educated and professional workforce. Reimagining such a child care system will make attaining that end a top priority.

a. Create a pipeline of early childhood teachers by:

1. Partnering with community colleges and higher education institutions to work collaboratively to increase opportunities and reduce barriers towards increased access to higher education and credentials for child care staff.
2. Developing more credit-bearing Child Development Associate (CDA) programs that are easily accessible to the workforce.
3. Providing educational supports to assist prospective teachers in passing the early childhood PRAXIS exam.
4. Expanding access to professional development advisors for activities that will lead prospective early childhood staff to their next credential or degree, including:



- Transcript reviews
 - Navigation of higher education options and financial supports (financial aid applications and the Free Application for Federal Student Aid [FAFSA])
5. Collaborating with high schools and vocational schools to develop a program that is an educational and experiential pipeline for high school students interested in an early childhood education career.
 6. Developing a statewide early childhood educational mapping system to assist potential early childhood employees in finding specific coursework and programs.
 7. Developing a wage scale and providing adequate funding to support that scale which provides staff who complete credential and/or degreed programs to earn a comparable salary as their K-12 counterparts.
- b. Create tuition free or sliding-scale opportunities for families to pay for child care. This could be accomplished by using the state-funded preschool model for making quality child care available for infants and toddlers, such as the Early Head Start model, using all components of the B-5 continuum.
- c. Provide resources through subsidized funding to assist child care staff pay for health insurance premiums.

Conclusion

Our child care system is at a moment-in-time in which our state has been afforded the opportunity to not only address existing issues but to plan for and begin to address long-standing problems that have plagued this essential service for far too long. The Biden administration has called upon each state to seize this opportunity and think big and plan for the future. We need to embrace this message and plan accordingly for the children and families of New Jersey and for our economy.