

Great Start for All Minnesota Children Task Force

Tuesday, July 26, 2022

6:00p.m. to 8:00p.m.

Virtual Meeting: WebEx

Also available by livestream to the public.

Task Force Members Present: Janell Bentz, Nicole Blissenbach, Lydia Boerboom, Representative Liz Boldon, Shakira Bradshaw, Summer Bursch, Luciana Carballo, Oriane Casale, Kath Church, Cyndi Cunningham, Barb Fabre, Deb Fitzpatrick, Kraig Gratke, Nancy Hafner, Debbie Hewitt, Pat Ives, Ann McCully, Jenny Moses, Missy Okeson, Suzanne Pearl, Clare Sanford, Krystal Shatek, Sandy Simar, Senator Melissa Wiklund

Task Force Members Absent: Representative Peggy Bennett, Meghan Caine, Karen Fogg, Senator Karin Housley, Brook LaFloe, Adriana Lopez, Rena Schlottach-Ratcliff, Lauryn Schothorst, Michelle Trelsted, Tonia Villegas, Amy Walstien, Jayne Whiteford, Cindi Yang

Task Force Consultants Present: Ellen Johnson, Afton Partners; Gerald Liu, Afton Partners; Katie Reed, Afton Partners; Kate Ritter, Children's Funding Project

Children's Cabinet Staff Present: Angela Butel, Hannah Quinn

Welcome and Agenda

Task Force members reviewed virtual meeting protocols, voting protocols, and went over the agenda for the meeting. The agenda included two formal votes on recommendations in the area of workforce compensation, an overview of a roadmap for remaining votes, a discussion around the vision for effectiveness, and draft proposals from both Working Groups.

Meeting #8 Minutes

Members took an informal vote to approve minutes from the June 28 meeting. The minutes were approved with 20 votes.

Voting Items

Financial Relief Strategies Recommendations

Short term financial relief strategies must be adopted alongside longer-term compensation reform as the recommendations of the Task Force are phased in.

To support recruitment of new talent to the ECE field:

1. A one-time incentive/bonus to individuals who enter the field, with awards provided after the first 6 months of employment.
 - Building on the lessons learned from the Workforce Development Grants project, a bonus (starting at \$500, evaluated yearly to account for inflation) for new staff who complete training or CDA credential and start a job in a child care and early education program
 - A bonus (starting at \$1,000, evaluated yearly to account for inflation) for new staff who have earned an AA, BS, and/or BA degree in early care and education, complete initial training and orientation, and start a job in an early care and education program.

To support retention of talent in the ECE field:

1. Pending further study, tax benefits should be put in place to ensure ECE educators across the mixed delivery system are not unfairly penalized by earning increased wages that would disqualify them from government benefits OR a separate eligibility category should be created for the ECE workforce.

2. Expand REETAIN awards so that ECE workforce members from all early care and education settings are eligible to receive one. Revise the application process for REETAIN bonuses to make it easier for eligible staff to take advantage of the opportunity (for example, by increasing the amount of time the application window is open, accepting rolling applications, increasing communications to all members of the workforce, etc.)
3. Based on successes of and lessons learned from the Childcare Stabilization Base Grant program, plan for on-going funding to programs for the stabilization of their ECE workforce. Ensure there is a mechanism in place to enforce the continued requirement that 70% of grant awards be used for increased compensation and/or benefits. **connection to access factor 1 – stabilization grants support supply of services*

With 9 voting members present, the vote passed with 9 votes in favor, no votes against, and no abstentions.

Time Off Recommendations

Time Off

- After further study of specific models, like that in Washington state, regional substitute pools should be created so that ECE staff are able to pursue professional development and utilize paid time off.
- Any cost modeling study completed to estimate the expense of substitute providers should assume a minimum of 5 paid days off per year per full-time ECE worker.
- All ECE Center-based and FCC providers across the mixed delivery system should be provided with and encouraged to use best practice guidance (below) when developing time off policies that are adequate to meet the need of both vacation time and sick time, whether those are separate or one lump sum.
- School-based and Head Start providers should be provided with guidance for determining time off in alignment with best practices for elementary educator time off, accounting for 9- and 12-month schedules. These policies should be adequate to meet the need of both vacation time and sick time, whether those are separate or one lump sum.

Best Practice Guidance | From “Model Work Standards” report produced by the Center for the Study of Child Care Employment

Centers

- Full time employees accrue paid vacation time based on longevity in their program: minimally five days per year during the first year of employment; 10 days per year during years two through four; and 15 days per year with five or more years of employment. Part-time employees earn paid time off on a prorated basis.
- A minimum of eight holidays are paid each year for FTEs.
- Full time employees receive at least 5 paid sick/personal days per year, which can be taken to care for sick family members, as well.

FCC

- The provider sets aside between five and 10 vacation days per year, which are paid in full by families enrolled in the program. Additional unpaid vacation leave may be negotiated with parents in the contract.
- The provider receives a minimum of eight holidays per year, which are paid in full by families whose contracted hours fall on these days.
- The provider sets aside a minimum of two paid sick/personal days per year, which can be taken to care for sick family members, as well.

With 9 voting members present, the vote passed with 9 votes in favor, no votes against, and no abstentions.

Fiscal Impact

Task Force co-chairs acknowledged that though the establishing legislation for the Task Force does not specifically address the fiscal impact stemming from the recommendations created, the recommendations, if implemented, would have significant fiscal implications. In order to address these implications, a recommendation for consideration was brought forward during the June 28 meeting. This recommendation was revised, and the updated version was presented for discussion.

Draft Recommendation:

- “The legislature should support and make funding available for 1) a fiscal study of each budget-related recommendation included in the plan and implementation timeline, and 2) a comprehensive economic impact assessment of the full package of recommendations, which should consider child and family outcomes, economic impacts including potential savings, and cost to taxpayers. In addition, the legislature should support and make funding available for 3) a strategic financing study to identify and assess the impact of revenue options available to cover the costs of the plan.”

Discussion themes included:

- It is good to ask the legislature to consider both costs and savings, as that will give a clearer picture for decision making.
- This recommendation is important to the work, and should be prioritized in the implementation plan, as we should not delay other recommendations based on this work. The fiscal study shouldn't hold up other work and recommended changes. Could we identify initial steps that can be taken that we are revenue neutral, so there can be momentum while longer and more exhaustive cost studies are undertaken?
- Who will do this study? The Task Force is not set up to do the study, and does not need to assign this work. The language can go to the legislature, who can be specific about who will carry out this work.

This recommendation will be revised based on Task Force feedback and brought for a vote in the August Task Force meeting.

Anticipated Vote Sequencing

Co-chairs presented slides 16 and 17, which include a timeline of anticipated future votes for the Task Force through January 2023. This schedule may change as different needs arise or additional votes are brought forward by members.

What will it take to meet our vision for effectiveness (including quality) within each setting?

Slides 19-21 include a summary of previous work by this Task Force around effectiveness and quality. After the June Task Force meeting, members had the opportunity to fill out a survey on what it will take for providers to offer an effective experience. Slides 22-25 include a summary of survey results. Members reviewed these results and then participated in breakout sessions to discuss. Each group was asked to discuss the following questions:

- What are the gaps to our vision for effectiveness today? Does this differ by provider/program type?

- What supports or resources need to be provided and/or what barriers need to be removed? Does this differ by provider/program type?
- What are the next action steps? Who must do what?

Group one discussion themes:

- Low wages are an impediment to continuity of care for children. Consistency is important for these early years.
- There are regional and geographic differences to consider.
- Quality standards are measured differently across settings.
- Upfront investment will have downstream effects for children, parents, and the workforce.

Group two discussion themes:

- Much of the vision depends on stable and consistent resources, including investment to get there.
- Programs are coming from different starting points when working toward quality. There are not equal levels of funding across programs.
- Standards are important for all settings, while honoring differences and business operation realities.

Group three discussion themes:

- Availability of trainings at times that work for the workforce is important (evening availability, online options).
- Family child care providers should be compensated for their time during trainings, and trainings should be free.
- One gap in this vision may be how to account for quality settings providing non-standard hour care.

Group four discussion themes:

- Funding opportunities, including grants, vary for different types of settings. These various resource levels affect goals and the ability to reach them.
- Providers should have the opportunity to decide what they need.
- Parents and providers need to be aware of supports and resources.

Group five discussion themes:

- Providers need opportunities to access mental health supports, and there should be no licensing or other implications for seeking support. Mental health must be supported from birth through adulthood.
- Programs that are thriving and offering high-quality and effective experiences should be recognized and learned from.

Working Group Share-Outs

Working group meeting dates, notes and live viewing information is available on the Task Force webpage: [Great Start for All Minnesota Children Task Force / Minnesota Management and Budget \(MMB\) \(mn.gov\)](https://mn.gov/greatstart).

Family and Provider Affordability Working Group

After receiving and reviewing feedback from the full Task Force, the Family and Provider Affordability Working Group brought these revised draft recommendations forward for discussion during this meeting:

- Long-term family benefits plan: the plan/process through which families will access financial assistance for ECE (slides 34-35)

- Affordability standard (within the long-term family benefits plan): the maximum percentage of income that families must pay for ECE (slides 38 and 40)

Discussion themes included:

- It is good to be looking at a broader new system rather than being stuck in the frame of current benefits structures. The attributes presented are the right things to focus on.
 - The priority to maximize federal funds first is important.
- Expanding access to benefits more broadly is a good goal, but must be done in a way that prioritizes families who need the resources most. This would need to be phased in and executed in a way that does not prioritize higher earners over low-income families.
- When developing and discussing these recommendations, it is hard to weigh being realistic and being idealistic and presenting a broad vision.
- Would these new draft eligibility levels (150% of SMI, revised from earlier drafts at 250% of SMI) reach enough families to make ECE truly affordable? This group does not need to limit recommendations based on what they may cost, as the legislature will need to assess financial implications.
 - K-12 education is not limited in access based on income, why should early care and education be limited by income?
- Will lowering the SMI eligibility level in this recommendation from 250% to 150% achieve more acceptance or consensus around these recommendations? That was one of the rationales for going to 150% of SMI in this revised version.
 - Could an eligibility level of 200% of SMI be a solution that more Task Force members support?
- All children deserve to have care and education that they need, regardless of financial circumstances. Current rates are not affordable to middle income families, and the vision for affordability should be expanded to include those in the middle class.

Working Group members also brought forward one new draft recommendation for discussion:

- Process to determine provider pay: How provider payment rates for childcare will be determined and updated (slide 42)

Discussion themes included:

- New Mexico just moved to implement cost modeling.
- Cost modeling would help to build the system based on what people need instead of what they are able to pay.
- More information about this approach would be helpful in evaluating the draft recommendation.

Members have an opportunity to weigh in with further feedback on these draft recommendations. After a period of review, these recommendations will be brought forward for a vote during the August 30 Task Force meeting.

The next Family and Provider Affordability Working Group meeting will be on Thursday, August 11 from 1pm-3pm.

Workforce Compensation and Supports Working Group

Due to meeting timing, the Workforce Compensation and Supports Working Group was not able to present slides 45-48, which include an overview of their brainstorm around workforce qualifications during their July 13 meeting.

They brought forward draft recommendations regarding a qualified workforce, including a package of recommendations to support individuals (slide 49) and a package of recommendations to support the higher education system and training infrastructure (slides 50-51). After a period of review, these recommendations will be brought forward for a vote during the August 30 Task Force meeting.

The next Workforce Compensation and Supports Working Group meeting will be on Wednesday, August 10 from 6pm-8pm.

Timeline and next steps

As Task Force staff maintains and updates records of potential recommendations to include in Task Force deliverables, members of the public and members of the Task Force are asked to provide written input. Input can be emailed to GreatStart.TaskForce.MMB@state.mn.us.

At the next meeting, Task Force co-chairs anticipate bringing six forward draft recommendations for a formal vote:

- Long-term family benefits plan
- Affordability standard (within the long-term family benefits plan)
- Process to determine provider pay
- Workforce – Benefits
- Qualified Workforce – Individuals
- Qualified Workforce – Higher Education and Training System

Task Force co-chairs will hold the third virtual listening session on Thursday, August 25 from 6-7 PM. The link to join is available on the Great Start Task Force webpage: [Great Start for All Minnesota Children Task Force / Minnesota Management and Budget \(MMB\) \(mn.gov\)](#).

Next Task Force Meeting: August 30, 2022, 6:00-8:00 p.m.