

## **Great Start for All Minnesota Children Task Force**

Tuesday, June 28, 2022

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

Virtual Meeting: WebEx

Also available by livestream to the public.

**Task Force Members Present:** Representative Peggy Bennett, Janell Bentz, Lydia Boerboom, Shakira Bradshaw, Meghan Caine, Kath Church, Deb Fitzpatrick, Karen Fogg, Kraig Gratke, Senator Karin Housley, Nancy Hafner, Debbie Hewitt, Pat Ives, Brook LaFloe, Adriana Lopez, Jenny Moses, Missy Okeson, Lauryn Schothorst, Rena Schlottach-Ratcliff, Krystal Shatek, Sandy Simar, Michelle Trelsted, Tonia Villegas, Amy Walstien, Jayne Whiteford, Senator Melissa Wiklund, Cindi Yang

**Task Force Members Absent:** Nicole Blissenbach, Representative Liz Boldon, Summer Bursch, Luciana Carballo, Oriane Casale, Cyndi Cunningham, Barb Fabre, Ann McCully, Suzanne Pearl, Clare Sanford

**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:** Erin Bailey, 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 seven formal votes on recommendations in the areas of affordability, workforce compensation, and equitable access. Both Working Groups shared report-outs from their June meetings, and there was a section of the agenda regarding quality and effectiveness.

### **Meeting #7 Minutes**

Members took an informal vote to approve minutes from the May 31 meeting. The minutes were approved with 19 votes.

### **Review of Task Force Charge**

Task Force members reviewed requirements from the Task Force's establishing legislation, including items that need to be included in the final deliverables, considerations for implementation, and timeline and recipients for submitting draft and final materials. Members reviewed various types of recommendations they may include in deliverables, including items for legislative, administrative, local government, or public action.

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. This recommendation will be discussed further at the July 26 meeting.

### **Draft Recommendation:**

- "The legislature should support a comprehensive fiscal analysis of each budget-related recommendation included in the plan and implementation timeline. Considerations should include child and family outcomes, economic impacts including potential savings, and cost to taxpayers."

Discussion themes included:

- A member was not comfortable voting for recommendations without knowing the estimated fiscal impact. Though it is good to have the legislature address the fiscal impact of these recommendations, they asked that other avenues could be used to develop cost estimates before voting on recommendations that would have a fiscal impact.
- A question was raised regarding the budget process in the state legislature – does the process take into account potential savings that would be created? For example, if a program allows parents to go back to work, that may mitigate their need to utilize other programs and will increase tax revenues.
  - Fiscal notes developed during the budget process only include the direct impact of law change, not a full analysis of economic impacts. If the legislature wanted to review those potential impacts, they would have to include a directive to do so.

### Voting Items

#### ***Short-term Recommendations for Family Affordability: Child Care Assistance***

- **Expand eligibility by adjusting income requirements, including by updating** income eligibility guidelines annually for inflation and increasing to the federal allowed eligibility of 85% of State Median Income (SMI).
- **Expand eligibility by increasing eligible activities\***
  - Families with a caregiver in a substance use treatment program, families experiencing domestic violence, families with an incarcerated caregiver, and families with a caregiver in a mental health treatment program should be eligible for child care assistance.
  - Children who are in foster care or who are under CPS supervision should have automatic access to child care assistance programs.
  - Increase hours covered to ensure continuity of care.
  - *\*Authorized activities currently include working, looking for work, or education. In order to qualify for the program, a family must meet income guidelines and authorized activity requirements.*
- **Reduce co-payments to improve affordability for lower- and middle-class families**
- **Other recommendations:**
  - System Improvements
    - Clear policy, process, and training to create even administration of the program across counties.
    - Consider multiple entry points to meet families' needs. This could include PDG Community Hubs or Early Learning Scholarship Area Administrators.
  - Legislative Program Changes
    - Permanent reprioritization of the Basic Sliding Fee waitlist.
    - Remove the eligibility requirement to cooperate with child support requirements, replace the eligibility requirement with education about child support enforcement and information about opting-in.
  - For Further Study
    - Make payments simpler for families: one idea could be creating a debit card linked to a provider ID with a preloaded benefit amount. This would have to be done in a non-stigmatizing way.

With 12 voting members present, the vote passed with 11 votes in favor, 1 vote against, and no abstentions.

### ***Short-term Recommendations for Family Affordability: Early Learning Scholarships***

- **Increase scholarship funding to cover the full cost of care, while increasing funds appropriated for scholarships**
  - There has been some progress in raising caps in the last few years but even the highest ones for 4-star programs and children with priority status do not cover full-time care. The scholarship cap is too low to cover many providers, especially for infants.
  - Once a child receives a scholarship, they receive it annually until they enter kindergarten. By increasing the scholarship cap, we do not mean to limit the number of children receiving scholarships. Any increase in the scholarship cap should take that into consideration by also increasing total funds allocated.
- **Expand age eligibility to include birth-3**
  - Scholarships are currently focused on 3- and 4-year-olds (and children with priority status aged birth-4, along with younger siblings of scholarship recipients). Given what we know about brain development, scholarships should be eligible for children aged birth to five, because the earliest years are so developmentally important.
  - Once a child receives a scholarship, they receive it annually until they enter kindergarten. By increasing eligibility to children aged birth-3, we do not mean to limit the number of children receiving scholarships. Any increase in the age eligibility should be met with corresponding increases in total funds allocated.
- **Expand the categories included in priority populations**
  - Families with a caregiver in a substance use treatment program, families experiencing domestic violence, families with an incarcerated caregiver, and families with a caregiver in a mental health treatment program should be eligible for priority status.
- **Simplify the administrative system and reduce burden**
  - Scholarships and CCAP have completely different billing and tracking systems, which causes undue burden on families and providers. Having them be in the same system would go a long way. Administrative agencies must determine the appropriate management and oversight structures to allow for this.
  - Income eligibility for scholarships is based on percentage of Federal Poverty Level (FPL), and CCAP income eligibility is based on percentage of State Median Income (SMI). To reduce confusion between eligibility guidelines, income eligibility for scholarships should be translated to be based on percentage of SMI.
  - Effective electronic systems that can be updated to meet the changing needs of families and administrators are needed.

With 12 voting members present, the vote passed with 11 votes in favor, 1 vote against, and no abstentions.

### ***Financial Compensation Recommendations***

- **Develop and adopt a tiered wage scale** that reflects regional variations in the living wage. The ECE I starting wage would serve as the floor and would reflect the local geographies' living wage. Subsequent wage increases would be structured to move towards pay parity with that of elementary school teachers as ECE III status is achieved.
  - The Proposed MN ECE Professional Wage Scale will be used as a starting point, with edits made to:
    - Adjust wages based on current cost of living

- Expand competencies to include additional pathways (*pending discussion and future recommendations on qualified workforce*)
- **The adopted wage scale should be updated on an annual basis** by DLI to reflect cost-of-living adjustments (COLA) and/or other regional fluctuations in the labor market that impact wages.
- **For FCC owners, a wage floor should be established**, with a shared understanding of how this wage may be impacted by variation in enrollment, that reflects their dual responsibilities as directors *and* providers of care and education. Additional staff should be compensated according to the adopted wage scale. This wage floor would reflect what FCC owners should be paid as a wage, not including funds received that they use to run their businesses.
- The adopted wage scale should be **used to estimate staffing costs in any cost modeling study** that may be done to inform provider and program pay.

With 12 voting members present, the vote passed with 11 votes in favor, 1 vote against, and no abstentions.

***Access Factor: Availability (schedule & hours) and accessibility (geography, location) of early care and education that meets the diversity of families' needs***

**Problem to address:** Families do not have readily and consistently available access to early care and education that accommodates their schedule needs and/or is provided in a location that is convenient to their home or work location.

- Specific pain points:
  - Families with variable, fluctuating, and non-traditional work schedules have unmet needs.
  - Child care deserts in rural and tribal county service areas.
  - Lack of infant care availability.

**Long-term goal:** All families, regardless of schedule and geographic location, have readily and consistently available access to early care and education that accommodates their schedule needs and is provided in a location that is convenient to their home or work location.

**Improvement Recommendations:**

1. Incentivize non-traditional care hours by offering higher CCAP reimbursement rates for licensed and legally non-licensed care.
2. Understand and systemically support parent choice patterns (e.g.-preference for FFN care over licensed programs for night and weekend coverage) including more systemically supporting FFN providers in understanding and meeting requirements to receive CCAP, and supporting FFN providers in offering non-traditional care hours.
3. Invest ongoing resources, prioritized in areas of largest access gaps, to support new early care and education programs to startup, and existing child care programs to expand. Identify and consider incubation funding opportunities.
4. Invest ongoing funding to recruit, train and support new, qualified early educators to join the field, working in partnership with a statewide resource and referral network, training partners, community colleges and higher education institutions, with prioritization for areas of largest access gaps. *\*connection to workforce compensation working group*
5. Invest ongoing resources to support early care and education programs to improve and expand their facilities. Support local communities to identify infrastructure opportunities through local collaborations.

6. Establish a regional child care facility fund that could receive requests and award funds to eligible, shovel-ready projects in focus communities where need for more child care capacity is most acute.
7. Extend funding for business supports for child care programs to stabilize the sector (currently funded through federal CRRSA and ARPA resources).

**For Further Analysis:**

1. State agencies should review the results of ongoing parent survey efforts to inform policy decisions, including assessing parents' wants and needs – type, location, hours, ages, etc. in partnership with local communities, with a particular focus on historically underserved needs and communities.
2. Use data to understand what capacity exists, service gaps, and determine priorities for investment.
3. Conduct a study of other programs (ECE in other geographies or non-ECE programs) that have successfully invested in incubation, start up, and expansion to identify appropriate infrastructure and funding mechanisms.

With 13 voting members present, the vote passed with 11 votes in favor, 2 votes against, and no abstentions.

***Access Factor: The role local communities should have in both determining access priorities for their communities and how to meet access needs***

**Problem to address:** Decisions made at the state-level impacting availability of and access to early care and education do not systemically consider the needs and preferences of unique local communities across the state, potentially resulting in a mismatch of services available to services required or desired.

**Long-term goal:** Local communities have a meaningful voice in decisions about what services are provided, where and when, in order to ensure early care and education options meet local needs and preferences. Power and resources are shared between the state and local communities to ensure this happens.

**Improvement Recommendations:**

1. Establish a mechanism for local communities to have meaningful voice and the ability to influence state policy.
  - Consider how resources and 'starting points' are different among communities, in order to equitably support communities to identify and advocate for their needs.
  - Study existing structures to avoid duplicative efforts and feedback mechanisms.
  - Form local round tables with providers, school districts, local employers and chambers, and local governments to meet and devise plans that work for their communities.
2. Support and expand the state's efforts around program navigation for families. Community Resource Hubs created by the Preschool Development Grant (PDG) are a pilot that can be used as a framework. This pilot program offers navigation to several supports and services, including early learning and child care.
  - Provide community planning funding and support in all regions.
3. Determine where there is policy flexibility to allow tailoring at the local community level and what must remain consistent across the state.
4. Provide support and facilitation to help communities plan for early care and education needs.

- Continue and expand availability of community planning supports to help localities address supply gaps in ways that meet their unique local needs.
- 5. After further study and validation from employers, offer tax incentives to employers for investments in child care capacity by creating a Child Care Expansion Tax Credit. Provide a refundable credit to private employers that make qualified contributions to increase child care capacity within their communities.
- 6. Use cost modeling data to inform future financing decisions within communities.

#### **For Further Analysis:**

1. Define “communities” in order to determine access priorities and determine how community voice is represented and heard. Consider looking to ongoing preschool development grant (PDG) work for idea generation.
2. Consider ways Minnesota and other states have organized for local voice, and the potential implementation considerations through stakeholder engagement.
3. The state should study and evaluate which Minnesota programs have been successful through a formalized evaluation process, based on data, to determine programs we should invest in.

With 13 voting members present, the vote passed with 11 votes in favor, 2 votes against, and no abstentions.

#### ***Access Factor: Resources and ability of providers and programs to offer culturally responsive programming and environments***

**Problem to address:** Children and families want and need culturally and linguistically responsive programming and environments, but the early care and education system at large does not have a clear and consistent approach to prioritizing and providing this.

**Long-term goal:** Minnesota’s early care and education system has a unified vision and approach to prioritize and provide culturally responsive programming and environments. This is developed and implemented in an inclusive manner.

#### **Improvement Recommendations:**

1. To address that recruiting for culturally and linguistically responsive staff is especially difficult in rural areas, develop ECE workforce recruitment and retention programs that prioritize cultural and linguistic diversity across the ECE system. Include pathways to leadership positions and business supports for BIPOC communities. *\*connection to workforce working group*
2. Include anti-bias and implicit-bias training in required workforce trainings. *\*connection to workforce working group*
3. Promote and provide readily available access to affordable, low-barrier cultural competency training across the mixed delivery system of programs and providers, including resources for members of the ECE workforce to learn about various cultures.
4. Current strategies to explore may include: continually refining and encouraging use of Knowledge and Competency Frameworks, short- and long-term strategies presented in the Parent Aware Racial Equity Report and Racial Equity Action Plan.
5. Providers must be funded to create culturally responsive programming and families must be supported in identifying care options that meet their needs and preferences. *\*connection to affordability working group*
6. Leverage connections between the One Stop Assistance Network and economic development programs by ensuring two-way information sharing between staff of the One Stop Assistance

Network and workforce development programs to provide resources in training and technical assistance.

**For Further Analysis:**

1. Substantiate or survey families regarding demand for culturally responsive programming to validate our understanding of family demand.
2. Improve data systems' ability to capture and analyze staff data on race, ethnicity, and language spoken, as well as census data to identify care and education programs serving racially, ethnically, and linguistically diverse communities so that supports and outreach can be customized to meet local needs.
3. Study other states' ability to recruit and retain diverse staff.

With 13 voting members present, the vote passed with 8 votes in favor, 5 votes against, and no abstentions.

***Access Factor: Transportation and other barriers, such as language barriers, affecting access to families' programs of choice***

**Problem to address:** Even when early care and education options exist, families still face systemic challenges accessing those options, such as transportation, disability, and language barriers, which limits family participation.

**Long-term goal:** Minnesota's ECE system, in partnership with local communities, identifies, understands, and addresses family participation barriers at both the system and individual level. All families, regardless of their transportation, disability, or language barriers, can access early care and education that meets their needs.

**Improvement Recommendations:**

1. We must better understand the systemic challenges families face in accessing ECE, and how those differ across communities. There must be a process to continually understand, assess, and address systemic barriers.
2. Create a consistent process to meet families where they are and help them navigate the system through a state-provided navigator function. Help families overcome individual barriers to participation and link them with resources. Navigation could include translation services, direction to the right resources, providing forms in their home language, etc.
3. Increase benefit programs for family access to early care and education, ensuring funds are flexible to cover a variety of costs, such as transportation; consider adding transportation vouchers to existing benefit programs. *\*connection to family affordability working group*
4. Leverage partnerships between public school pre-k programs and child care programs providing before- and after-school care. Having on-site care at school sites can address transportation needs, as well as provide workforce development opportunities for older students. *\*connection to both working groups*

**For Further Analysis:**

1. Study 'Help Me Connect' model and other state examples of Navigator programs (within ECE or other initiatives) to understand which programs are effective and worth investing in further.
2. Examine how school districts and Head Start provide transportation to enrolled families. Look to a co-op model that could include additional providers or further coordination.

3. Leverage lessons learned through the Inclusive Child Care Pilot Grant Program, which is seeking to expand access to early care and education for children with disabilities.
4. Conduct family focus groups to better understand some of the specific systemic barriers they face, by community. This could start through existing networks of advocates and support organizations. Some potential additional barriers:
  - Ensuring language barriers are inclusive of ASL or hearing impairments
  - Accessing care if you are undocumented
  - Accessing care if you don't have access to health care (e.g., immunizations for children are required in many settings)
  - Caregivers who are not legal guardians; how can they access and advocate for kids in their care

With 13 voting members present, the vote passed with 11 votes in favor, 2 votes against, and no abstentions.

### **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 \(MMB\) \(mn.gov\)](#).*

### **Workforce Compensation and Supports Working Group**

The Workforce Compensation and Supports Working Group meeting on June 8 focused on:

- Developing recommendations on short term financial relief and benefits
- Determining the best way to account for experience gained from alternative pathways (e.g. years of service, apprenticeship, job-training programs, and professional development)
- Understanding how to make these pathway options more affordable, accessible, and aligned.

Draft recommendations for financial relief strategies, benefits, and time off are on slides 46-48. After a period of review, these recommendations will be brought forward for a vote during the July 26 Task Force meeting.

Discussion themes included:

- When considering a bonus for staff who have earned a degree in early care and education, a Bachelor of Science (BA) degree should be added to the list of qualifying degrees.
- Would staff other than direct educators be eligible for these financial relief strategies? For example, nurses or childhood mental health professionals. There may be a connection to the ongoing licensing modernization work.
- When considering recommendations around time off, a member raised that the Child Care Assistance Program will pay providers for federal holidays if the provider is closed but charging tuition for those days.

The next Workforce Compensation and Supports Working Group meeting will be on Wednesday, July 13 from 6pm-8pm.

### **Family and Provider Affordability Working Group**

The Family and Provider Affordability Working Group meeting on June 9 focused on:

- Revising short-term recommendations based on feedback from the full Task Force

- Charting a path forward for further discussion and revision of long-term affordability recommendations based on feedback from the full Task Force
- Discussing how providers currently receive funding, including challenges and opportunities

In the coming month, the group will spend more time discussing and revising the draft long-term family affordability recommendations based on Task Force feedback. Slides 52-55 include reflection questions and data visualization based on the current draft recommendations. Revised draft recommendations will be brought to the full Task Force at the July 26 meeting.

The Working Group has begun to discuss program funding, focusing on funding level and mechanisms in Minnesota, ongoing cost modeling work, and current pain points in the system.

The next Family and Provider Affordability Working Group meeting will be on Thursday, July 14 from 1pm-3pm.

### **Effectiveness and Quality**

In the April Task Force meeting, voting members approved a vision for effective early care and education services:

In addition to being affordable and accessible, an effective ECE experience centers child and family well-being through a system of choice. It does this by:

- Ensuring offerings address and advance the social, emotional, psychological, cultural, physical, and intellectual needs of each child, in a trauma-informed manner
- Providing safe, healthy, stable, secure, consistent, nurturing, and enriching environments for each child.
- Building trusting relationships founded on mutual respect between each family and their caregivers.
- Promoting linguistically responsive and culturally relevant environments with diverse staff that reflect the families they serve and the whole state.
- Connecting families to resources and supports *they* have identified will increase their family well-being

The ongoing work of the Task Force includes defining the experience members want for children and families in Minnesota. The vision for “effectiveness” is supported by recognized “high quality” standards and practices. Debbie Hewitt, Task Force member representing the Minnesota Department of Education (MDE) and Cindi Yang, Task Force member representing the Minnesota Department of Human Services (DHS), presented an overview of current quality standards in Minnesota. Slides 63-77 include this information. Members were asked to reflect on what it will take to offer an effective experience per the vision of effective services, including how quality standards support this vision. This topic will be revisited at the July Task Force meeting.

### **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](mailto:GreatStart.TaskForce.MMB@state.mn.us).

Draft timeline of work:

- Task Force Launch: November 30, 2021
- Work Groups begin meeting: February 2022
- Today’s Meeting: June 28, 2022

- Research & Analysis in Work Groups with Task Force guidance: March – September 2022
- Draft recommendations and report completed: December 15, 2022
- FINAL Report submitted: February 1, 2023

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

- Workforce Financial Relief Strategies Recommendations Package
- Workforce Benefits Recommendations Package
- Workforce Time Off Recommendations Package

**Next Task Force Meeting: July 26, 2022, 6:00-8:00 p.m.**

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