



To: The Honorable Kate Brown, Governor of Oregon
From: Swati Adarkar, President and CEO, Children's Institute
Cc: Lindsey Capps, Chief Education Officer
Berri Leslie, Deputy Chief of Staff
Miriam Calderon, Early Learning System Director
Pooja Bhatt, Education Policy Advisor
Date: Friday, August 10, 2018
Re: 2019–21 Early Childhood Policy and Legislative Priorities and Recommendations

We greatly appreciate the opportunity to share Children's Institute's perspective about the opportunities to increase investments in the programs, services, and systems elements that will improve the quality of life for young children (prenatal to age 8) and their families in Oregon. The 2019–21 budget presents a great opportunity to build the foundation for an early care, health, and education system that will support the optimal healthy development and school readiness of the 129,000 young children in our state who live at or below 200 percent of the federal poverty level.

Children's Institute's legislative recommendations focus on prenatal to 5 years old, the most profound period of brain development and the area with largest state investment gap. We must invest early so that kids can read at grade level by the end of third grade, a proven predictor of success in school and high school graduation. Our state's kindergarten readiness assessment demonstrates that children who enter kindergarten without strong early literacy, numeracy, and social emotional skills do not perform well on third-grade assessments. Strategies to reduce opportunity and achievement gaps must start before kindergarten.

Every child in Oregon should be healthy, safe, and ready to succeed in school. But right now, Oregon is experiencing an early childhood crisis. We have had three infants die in child care in the past two years. Currently, 42 percent of all children in child welfare are 5 years old or younger, and the entire state was recently named an infant-toddler "child care desert." Only 8 percent of 3-year-olds and 12 percent of 4-year-olds in our state were enrolled in publicly funded preschool last year. More than 29,000 low-income young children lack access to high-quality preschool, and Oregon ranks 48th in the nation for high school graduation. Finally, 75 percent of vulnerable children in Oregon are either not being served or receiving inadequate early childhood services.

If we want Oregon to be the best place to be a kid, we need to keep young children healthy and safe in care and at home, and prepare them to be active, engaged learners in school. To do this, we must invest now in the children who experience institutional/systemic barriers to opportunity—children of color, disabled children, dual language learners (DLLs), children who live in rural areas, and those who experience homelessness and/or food insecurity. These young children do not have consistent access to the proven programs and services that support optimal development in the most critical developmental period of their entire lives.



Our current investment in young children and their families is inadequate to address our early childhood crisis and to close opportunity and achievement gaps. To make significant headway for young children and families, we need meaningful investments that continue to increase over multiple biennia. Early estimates indicate that a comprehensive approach to supporting strong families and the early care, health, and education of young children warrants an additional investment of \$2.5 billion per biennium¹.

Children's Institute is grateful for your leadership on early childhood. Convening the Children's Cabinet demonstrates your continued support for young children, their families, and the workforce who support their development. To improve third-grade outcomes and lay the foundation for high-school graduation and lifelong success, Children's Institute recognizes the fundamental connections between nurturing healthy children and families, safe, quality child care, high-quality early education, and building links to K–12. We appreciate this opportunity to share what we see as key investments for the early care, healthy development, and education of young children, and welcome the opportunity to meet with you, get your input, and lay the groundwork for a close and successful collaboration in the 2019 legislative session.

Preschool and Early Learning Workforce Development

The research is in: preschool matters and it works. If young children who experience barriers to opportunity due to poverty, race, disability, or geographic location do not access high-quality preschool, they are 25 percent more likely to drop out of high school, 50 percent more likely to need special education intervention, and 60 percent less likely to attend college. Additionally, those children who do not attend preschool have fewer job prospects and tend to be less healthy over the course of their lives than those who do. Far too few low-income children have access to high-quality preschool in Oregon.

2019 Opportunities

1) Expand Preschool Promise to serve an additional 10,000 children

2019–21 cost: \$160 million

Oregon currently reaches 15,000 low-income children through state and federally funded preschool. Nearly 30,000 low-income 3- and 4-year olds currently do not have access to publicly funded early education. These children and their families can't wait any longer. Every year, more than 20,000 low-income children enter kindergarten, most without critical school readiness experiences in preschool. We now have a state preschool program in Preschool Promise that can serve significantly more children and families in settings that are responsive to community capacity and family choice. Expansion can take place across multiple community settings including Native American Tribes. Many providers are ready to grow.

We support the goal of reaching all eligible children by 2025, which would mean expanding preschool to an additional 10,000 children in the next biennium. The implementation plan should

¹ ECONorthwest draft cost-modeling projections, July 2018.

be informed by data from Early Learning Hubs, K–12 districts, and Head Start grantees across the state to understand and assess readiness for expansion.

The cost estimate assumes 1,500 additional children served in 2019–20 school year with the full 10,000 children reached in the 2020–21 school year. This also assumes approximately 15 percent administrative costs to continue to strengthen Early Learning Hubs and the Early Learning Division, which would allow for needed staffing and budget to support quality expansion.

2) Fully fund Oregon Head Start Prekindergarten (Oregon PreK) for children in families facing the greatest barriers to success

2019–21 cost: \$90 million

Oregon’s investment in Head Start has been critical for ensuring young children get what they need to be active, engaged learners when they enter kindergarten. But we have not kept pace with the per child cost needed to serve children in poverty with preschool and critical comprehensive services. Moreover, Head Start teachers and staff earn wages that are so low many qualify for Head Start services themselves. Head Start grantees also face high turnover driven by low wages. Inadequate funding means most Oregon PreK providers offer half-day classes, and many are unable to provide critical transportation services. Without transportation, some Oregon families opt out of Head Start, an issue that is especially apparent in rural areas. Transportation should not be the barrier to high-quality preschool for the kids who already experience opportunity and access gaps. A lack of appropriate investment in Oregon PreK undermines Oregon’s ability to educate its children. We won’t decrease chronic absenteeism and increase our graduation rates if the foundation for success is not set in preschool.

In addition, we must acknowledge that for children in families and communities facing the greatest barriers to opportunity and success, starting Head Start at age 3 is simply too late. Early Head Start is a proven strategy to support healthy development, stable families, and kindergarten readiness before age 3 when brain development is most profound. Oregon PreK providers should have the flexibility with their funds to serve young children and their families from pregnancy through kindergarten entry. Expanding the age range to prenatal to 5 would align Oregon with the federal approach.

Cost estimates assume all salaries reach at least Preschool Promise minimums and that providers have flexibility in increasing hours and/or providing transportation. They also assume a significant expansion of Early Head Start to reach an approximately 3,000 additional children ages 0–3.

3) Strengthen the Early Childhood Workforce

2019–21 cost: \$10 million

To build the early care and education workforce of the future, we need to start now. Educators who have the opportunity to continue their education and grow their qualifications provide higher quality care to children, have the ability to increase their salaries, and improve the stability of the workforce.



Oregon’s Professional Development Consortia are an established model in two regions of the state that have already demonstrated success in creating a pathway for early childhood educators to strengthen their practice and earn college credits. The Consortia have been particularly effective in expanding opportunities for linguistically and racially diverse early childhood educators. Many graduates of the program are now Preschool Promise teachers. Expanding this proven approach statewide is estimated to cost \$7 million.

In addition, the Kindergarten Partnership Fund has a track record of supporting family engagement, kindergarten transition, and professional development for teachers. A modest new investment of \$3 million focused on shared professional development would support meaningful progress on instructional alignment as well as the goals of the Council for Educator Advancement, which will reinforce strong K–12 connections.

Child Care

The cost of child care can be more than the cost of housing for families with young children. Child care is least accessible and affordable for families with infants and toddlers, children with disabilities, those living in rural Oregon, or those needing evening and weekend care. Recent research indicated that the entire state is an infant-toddler “child care desert.” We have all been shocked and heart-broken by recent deaths and abuses of infants in child care. Making progress will require a comprehensive and sustained approach. Children’s Institute strongly supports Oregon moving rapidly to the recommended one licensing staff for every 50 child care providers.

Because a broad coalition of stakeholders is working in close partnership on improving child care, we have not included recommended dollar amount investments at this time. We understand that the Early Learning Division and the Department of Human Services is researching the cost of proposed improvements to child care this month. Children’s Institute is actively engaged in this work and is eager to support the recommendations that emerge to increase access to safe, affordable, quality child care.

2019 Opportunities

1) **Build the supply of quality infant-toddler child care with contracted slots**

To ensure infants and toddlers are in safe, stable, quality child care, we need to launch a new approach to providing care for this age group in particular. The current approach isn’t working. Paying providers at the market rate has been a disaster for children, parents, and providers.

A stakeholder workgroup is underway to collect data from child care providers and national experts on the appropriate cost per child to support quality child care for infants and toddlers. This work has the potential to make Oregon a national leader in funding child care in a way that ensures safety and quality, pays providers fair wages, and provides parents with confidence and the peace of mind they need to be successful in the workforce.

2) Strengthen the child care subsidy system

For Oregon to serve young children in safe, high-quality child care, two things must happen simultaneously: expanding the number of contracted slots and strengthening our existing child care subsidy program. According to the [National Women's Law Center](#), Oregon has some of the highest parent co-pays for child care in the nation. At the same time, providers earn poverty wages and children receive care in under-supported environments. Oregon needs a comprehensive approach to reducing co-pays, increasing reimbursement rates, supporting quality, and streamlining processes to make a program that works for children, families, and providers. A first step could be launching improvements in areas of extreme shortage—including infant-toddler care, care for children with disabilities, care for children in rural areas, and evening and weekend care.

3) Create pathways for child care providers to access training and improve program quality

State licensure and local Child Care Resource & Referral (CCR&R) staff are a critical lifeline to child care providers in all corners of Oregon. They can provide group training, individualized coaching and support, and assist child care providers in navigating licensure and quality improvement pathways. Despite the critical support provided by CCR&R staff, many rural counties in Oregon have just one or fewer staff to work with child care providers. Supporting quality across diverse child care settings requires an investment in people to provide the support.

Early Intervention/Early Childhood Special Education (EI/ECSE)

As 90 percent of brain development happens by age 5, it is critical for children with disabilities and delays to get the right dosage of EI/ESCE services as early as possible to develop their skills and increase school readiness. Current service levels are grossly inadequate. Only 29 percent of infants and toddlers enrolled in Early Intervention services received the level of service recommended based on research.

EI/ECSE services are effective. In 2016, 64 percent of all infants and toddlers who participated in EI services demonstrated substantial growth at program exit, meaning they needed fewer ECSE and Special Education services in preschool and K–12.² More than 27 percent of preschool children participating in ECSE enter kindergarten without the need for Special Education.³

1) Increase service levels for children with disabilities and delays

Full cost: \$75.8 million

² Oregon Part C FY2016 State Performance Plan/Annual Performance Report.

³ Oregon Part B FY2016 State Performance Plan/ Annual Performance Report.



Funding EI/ECSE to provide recommended service levels to all eligible children would cost approximately \$75.8 million more per biennium. Meaningful progress toward full funding in 2019–21 would make an immediate difference for the 14,000 children served by EI/ECSE.

Healthy Families

Loving and supportive parent-child relationships are essential for children’s physical, social, and emotional development. When parents are stable and feel capable, they are able to nurture their children. Strengthening families helps reduce child abuse, increase family economic stability, and support kindergarten readiness. Ultimately, Oregon can build a continuum of services that meet diverse family needs so young children are supported to reach their full potential at home and in their communities. Oregon already has a growing infrastructure needed to do what works.

2019 Opportunities

1) Launch universal home visiting to connect families with critical services from birth

2019–21 cost: \$3.5 million

Oregon counties have recently piloted universal home visiting models but have lacked consistent and reliable investment to sustain these approaches. Now is the time for Oregon to commit to a universal home visiting approach modeled after the successful [Family Connects](#) program in North Carolina. The purpose of the approach is to start at birth to ensure families become solidly connected to critical resources in their community.

Universal home visits have been proven to reduce emergency room visits, increase connections with community-based services for families, improve mental health for mothers, and increase positive parenting. Oregon could grow this program statewide through a modest state general fund investment of an estimated \$10 million when fully implemented, combined with state policy to leverage public and private health insurance to fund a significant share of the costs. An initial \$3.5 million in 2019–21 would serve approximately one-third of new births covered by the Oregon Health Plan each year.

2) Create the Early Childhood Equity Fund to prevent opportunity gaps before they open

2019–21 cost: \$20 million

Culturally specific and responsive providers across the state are providing effective, community-driven parent-child services, including parent-child school readiness groups and parenting education services. These services are currently pieced together with grants and local funding and are inadequate to meet the growing need. Children of color face the greatest opportunity gap, yet we lack an investment in the community-based support tailored to family need. A \$20 million investment in an Early Childhood Equity Fund would meaningfully increase the capacity and reach of community-based providers to work with families across Oregon most impacted by opportunity gaps and neglected by current state-funded programs.

3) Invest in programs proven to strengthen parent-child bonds and prevent abuse
2019–21 cost: TBD

Oregon has pockets of effective programming that are ready to reach more families. We understand there is work underway to determine appropriate expansion for programs like Relief Nurseries, Healthy Families Oregon, a state investment in Parenting Education Hubs, and others. We support this work and see it as a critical part of the continuum of services necessary for building partnerships with families to support the healthy and on-track development of children.