BUILDING BRAINS & ECONOMIES

Quality Child Care as an Engine for Economic Development in a 21st Century Texas

November 2018

children at Risk

Speaking Out + Driving Change for Children

Texas's continued economic success depends on a stable workforce today and building the brains of children for a prepared workforce tomorrow.

Texas is beginning to fall behind when it comes to student success and job-readiness. Quality child care can improve both outcomes, yet our state is currently lacking in access to quality child care. This can put the Texas economic miracle in peril. Building on current efforts across the state, Texas can pave the way for success in the 21st century by making strategic investments to:

1. Increase the number of child care providers certified quality through Texas Rising Star.
2. Build a path toward school-readiness.
3. Ensure that child care teachers are adequately trained and compensated.
4. Know the cost for quality child care and reimburse accordingly.
5. Make child care businesses more sustainable.

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GLOSSARY OF TERMS

Assessors for Texas Rising Star
Measure whether child care providers meet Texas Rising Star quality standards. They are typically employees of Local Boards or their contractors.

Child Care and Development Block Grant (CCDBG)
The federal funding source for subsidized child care and Texas Rising Star, which is managed by the Texas Workforce Commission. This also pays for child care administration and direct care costs in states. In its March 2018 omnibus appropriations bill, Congress increased CCDBG funding by $2.3 billion, bringing Texas's annual funding total to over $730 million.

Child Care Licensing (CCL)
A division of the Texas Health and Human Services Commission (HHSC); ensures that child care centers and homes meet basic minimum health and safety standards. Informal care arrangements are not subject to these licensing standards.

Child Care Provider (sometimes referred to as "provider")
Texas has over 15,000 child care providers, also known colloquially "day cares." They are often small businesses, nonprofit organizations, or churches and can operate in a variety of settings including homes and centers. A child care center often has a director, who is in charge of day-to-day operations such as managing staff, which can include lead teachers, assistant teachers, cooks, curriculum development leads, and more. A director can also be the owner of the facility.

Contractor
Some Local Boards—especially the larger ones—contract with entities to carry out various aspects of their child care work, such as helping parents locate child care or managing the Texas Rising Star mentor or assessor programs.

Cost of Quality Study
A cost of quality study seeks to determine how much it costs child care providers to offer quality programming. Child care market rates measure the price that parents are paying for child care. Yet market rates are often used as a proxy for cost of programming. Quality child care is expensive to provide, and market prices typically represent what parents can afford to pay.

Early Childhood Education (ECE)
ECE refers to all birth to age 8 education programs, but this report focuses on birth to age 5 (before all children are eligible for a full day of care and education in the public school system) including child care, Early Head Start, Head Start, and public school Pre-K.

Education Service Centers (ESCs)
While the Texas Education Agency operates at the state level, there are 20 regional ESCs to support teachers and school districts. ESCs provide professional development and other services to school districts to help them improve student performance and operations.

Head Start and Early Head Start
Federally-funded ECE programs that promote school readiness of low-income children birth to age 5. Head Start primarily serves 3- and 4-year-olds, while Early Head Start serves pregnant women, infants, and toddlers. These programs operate as standalone entities or in partnership with providers of other services, such as child care or public Pre-K programs.

K-12
The education children receive from kindergarten through 12th grade. This often takes place in public, private, or home school settings.

Licensing Deficiencies
A violation of the state's licensing requirements, which are regulated by the Child Care Licensing division in the Texas Health and Human Services Commission. These deficiencies range in severity from low to high, and accumulation of licensing deficiencies can impact a provider's licensing status and/or Texas Rising Star quality certification.

Local Workforce Development Boards (also referred to as "Local Boards")
The Texas Workforce Commission (TWC) oversees 28 Local Boards; each varies in terms of size and geography. As the operating entities for both the subsidized child care program and Texas Rising Star, Local Boards have significant local control over the day-to-day functions of the programs. Local Boards also exercise independent policy authority in key areas—within modest state parameters—and implement all programs for which they are responsible. Each Local Board has its own executive leadership staff including a chief elected official, Board members, and an Executive Director.

Low-Income
The income status of individuals and families with annual household earnings below 200% of the Federal Poverty Level (FPL). For a family of 4 in 2018, this equals an annual income of $50,200.

Market Rate Percentiles
In the market rate survey, child care prices are reported according to percentiles. For example, the 75th percentile market rate in a local area indicates that 75% of all child care providers in that region charge less than that rate and 25% charge more. The federal government recommends that states reimburse child care providers at the 75th percentile market rate or higher to ensure that subsidy families have equal access to the same quality of care as other families.

Market Rate Survey
Child care market rates reflect the prices families pay for child care. Every 1-2 years, TWC commissions a market rate survey of child care providers around the state to measure regional prices in each Local Board area.

Mentors for Texas Rising Star
Mentors work with child care providers to help them achieve, improve, and maintain Texas Rising Star certifications. They are typically employees of Local Boards or their contractors.

Public School Pre-Kindergarten (Pre-K)
A state-funded ECE program offered to eligible 3- and 4-year-olds by public school districts. Texas requires that districts offer half-day Pre-K programs for all eligible 4-year-olds in their areas and also open programs up to 3-year-olds once all interested, eligible 4-year-olds have been enrolled. Examples of eligibility requirements include being economically disadvantaged or an English Language Learner. Participation by eligible families is optional. The state pays for a half-day of programming. If a school district offers full-day programming, they must find funds to make up the difference.

Quality Rating and Improvement System (QRIS)
A systematic framework used to measure, improve, and communicate the quality of ECE providers across a range of indicators. Most states have a QRIS, and each one is different. A state can spend their CCDBG funding on building and maintaining their QRIS. A QRIS typically covers topics such as curriculum, staff/teacher qualifications, nutrition, and a program's physical space. Participation in a state's QRIS can be mandatory or voluntary, or some combination depending on program characteristics. Texas's QRIS is called Texas Rising Star (TRS).

Reimbursement Rates
The amounts Local Boards pay to child care providers participating in the child care subsidy program for the care they provide to children receiving subsidies. Reimbursement rates vary by Local Board area, based on local market rates and other factors. Texas reimburses providers at four levels, based on their Texas Rising Star (TRS) certification level: TRS 4-Star providers receive the 75th percentile market rate in their region; TRS 3-Star providers receive 90% of the TRS 4-Star rate; TRS 2-Star providers receive 90% of the TRS 3-Star rate; and all non-TRS providers receive the base reimbursement rate.

Subsidized Child Care Program (also referred to as "subsidies" or "subsidy program")
Financial assistance to low-income parents who are either working or in school and cannot afford child care. The program is targeted to serve approximately 130,000 children in Texas each day (as of August 2018). TWC oversees the program, and it is primarily funded by federal CCDBG money. About half of the state's 15,000 child care providers participate in the subsidy program.

Texas Early Childhood Professional Development System (TECPDS)
An online system that provides valuable resources and tools for ECE professionals, including child care teachers.

Texas Education Agency (TEA)
The state agency that manages the public education system in Texas, from Pre-K through 12th grade.

Texas Health and Human Services Commission (HHSC)
Delivers health and human services to qualified Texans and oversees regulatory functions, including licensing child care providers through the Child Care Licensing division.

Texas Rising Star (TRS)
Texas's QRIS. It is the state's only quality rating system for any ECE program, and it is only open to child care providers who accept families receiving child care subsidy assistance. Participation is voluntary. TRS assesses child care programs across 5 categories covering a range of criteria, including staff qualifications, teacher-student interactions, curriculum, nutrition, and physical space. Participating providers can be quality certified at three levels: 2-, 3-, and 4-Star by meeting progressively rigorous benchmarks.

Texas Workforce Commission (TWC)
The state agency that supports the development of the Texas workforce. Half of their budget is dedicated to the operation and management of the child care subsidy program and Texas Rising Star.

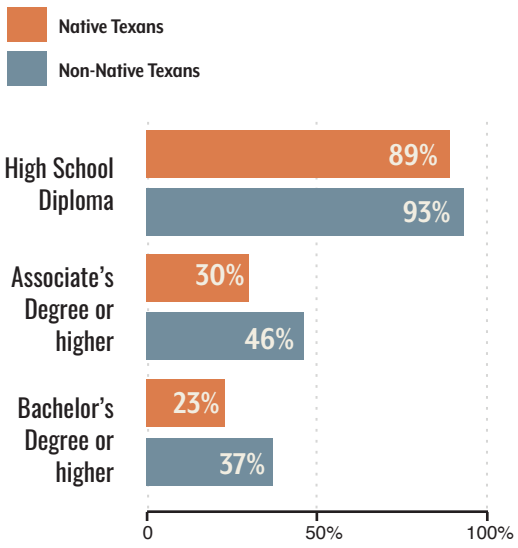
1 Executive Summary

Building Blocks of the Texas Economy

Texas has long been recognized as a business-friendly state and prides itself on low business taxes, regulations, cost of living, and unemployment. **However, Texas's status as a great state for business is under threat.** According to *Forbes*, "one of the only things holding Texas back is the education rate among its labor supply."[1] In fact, adults in Texas who were born in other states have higher levels of education than native-born Texans.[2]

The state recognizes the imperative to increase the educational attainment of native Texans through its 60x30TX initiative, which seeks to ensure that at least 60% of Texans aged 25-34 have a postsecondary certificate or higher by 2030.[3] Unfortunately, we are projected to meet that goal 21 years behind schedule, in 2051.[4] Without significant investments in education, Texas will continue to lag behind and increasingly rely on an imported workforce.

Native Texans Have Lower Educational Attainment than Those Born Elsewhere.[1]



Along with low educational attainment, the current workforce has another big challenge. Working parents struggle to find child care for their babies and toddlers—during years when parents need it the most. But, many Texas families cannot afford the high cost of child care, which often consumes 10-30% of their total income. This is especially critical for female workers, who may choose to stay at home with their child when weighing the cost of child care against potential wages. For working parents who do secure child care, nearly half miss work at least once during a 6 month period due to child care disruptions. This places a considerable burden on both workers and businesses.

Quality child care is the missing component of Texas's economic development agenda

Businesses in Texas will struggle to compete in the 21st century without a supply of affordable, quality child care. Quality child care supports the school- and job-readiness for our next generation workforce, while allowing parents to fully participate in the workforce now.

Improving School- and Job-Readiness by Building Babies' Brains

During the first few years of life, children's brains are forming more than one million neural connections every second, impacting all future learning into adulthood. The greatest brain-building occurs when children are babies and toddlers, and it slows noticeably by the time a child reaches kindergarten.

Children who cannot read on grade level by 3rd grade are four times more likely to drop out of high school. Students falling behind *and* living in poverty are 13 times more likely to drop out of high school than their counterparts.[5] Only 44% of all Texas 3rd graders meet standards on their state reading exam. That number drops to 33% for low-income students.[6]

Solutions to these critical deficits must begin much earlier than 3rd grade—they must begin at birth. While a baby's genetics form the blueprint for his or her brain, environments and interactions carry out the construction.[7] This brain-building is based primarily on quality interactions with caregivers, such as parents and child care teachers.

While parents remain the most important educators children will have, new parents face a learning curve and are often under increased pressure emotionally, physically, and financially. Quality child care can support parents who want or need to work by 1) providing quality educational environments and interactions during the critical brain-building years for babies and toddlers, and 2) engaging and educating parents in their child's development. This helps new parents during a period when they are often stressed and stretched for time and resources.

Babies and toddlers need quality interactions and environments in order to build strong brains, which will lay the foundation for all future learning even well into adulthood. Higher quality programs for children in their earliest years have been shown to improve outcomes for children in the following ways:

- Healthier cognitive development.
- Higher pre-reading and pre-writing skills.
- Lower rates of special education placements later in school.
- Higher high school graduation rates.
- Lower rates of externalizing behaviors among youth, such as aggression and disobedience.

Texas is missing out on economic gains, as only about 11% of child care providers are certified quality by a state or national standard

Quality programs from birth through age 3 can also help children build the foundation and begin to develop skills for three critical executive functions, all of which are key to succeeding later in both school and the workplace:

- **Working memory** helps us hold information for a short period of time.
- **Impulse control** helps us resist temptations and pause to think before we act.
- **Cognitive flexibility** helps us easily adjust to changes in demands or priorities.

The brain's architecture is built during a child's first 1000 days[2]

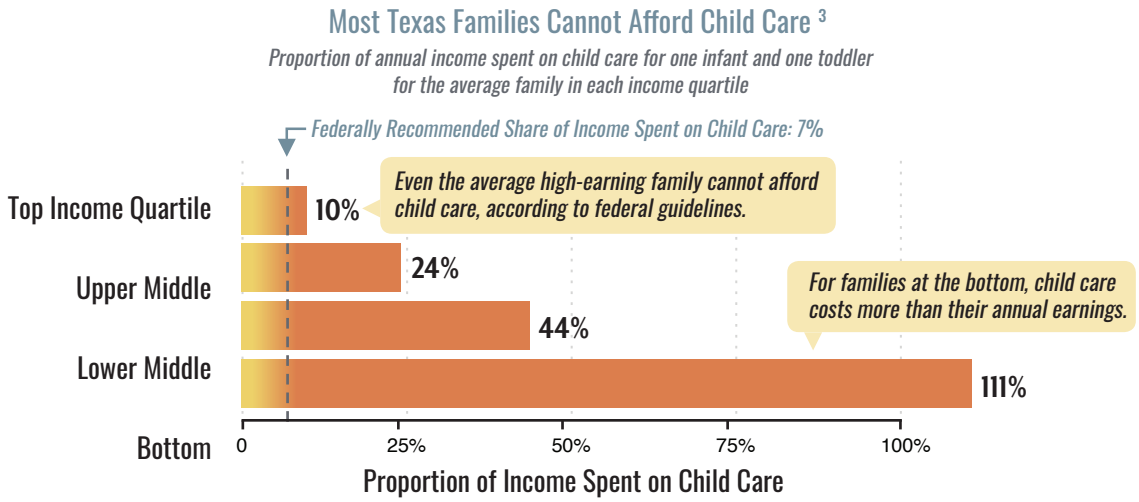
Access to Quality Child Care as a Workforce Support

Quality child care is the pillar of the state's early childhood education system—supporting working families when they need care the most and during the most critical years of child brain development.

Despite the low quality of child care in Texas, we have a strong base to build upon to provide affordable, quality care for families. Child care in Texas is fueled by a network of 15,000 providers—in both center and home settings, and either for-profit businesses or tax-exempt organizations. They must be licensed or registered through Child Care Licensing in the Texas Health and Human Services Department to prove they are meeting minimum health and safety standards.

Even though the quality is low, prices for parents are high. According to federal recommendations, child care should cost no more than 7% of a family's income, but in Texas, caring for an infant and toddler can cost 10-50% of many working families' annual earnings. For quality care for a newborn in Texas to account

In order for Texas to reach its 60x30TX goals of building a competitive workforce, it must invest in quality education experiences and environments beginning at birth



for 7% or less of a family's annual income, a family of three must make at least $140,000 a year. Only 13% of such families meet this criteria.[8]

Access to affordable, quality child care is important to help all Texas families thrive when their child is too young to attend the K-12 school system. But it is especially critical to stabilize and increase participation in the following segments of our state's labor market.

Middle-Skill Workers. Jobs requiring a middle-skill workforce—those with more than a high school diploma but less than a 4-year degree—make up 56% of the state's total positions.[9] These families may have incomes high enough to disqualify them for public assistance programs, but low enough that they struggle to pay for child care. According to a recent study of the Dallas-Fort Worth area, nearly 70% of non-working middle-skill parents said child care was a top five reason for not participating in the workforce.[10]

Female Workers. Only 61% of Texas women ages 20-60 living with children under 5 participate in the workforce, compared to 95% of men with the same criteria.[11] This 34-point gap cannot be explained alone by mothers who choose to stay at home to care for their children. While some may make that choice, mothers in Texas who do not participate in the workforce have lower levels of family income and education than those who do.[12] This suggests that many mothers may stay at home because they cannot find work or because it does not make sense when weighing the cost of child care against wages,[13] with the typical mother potentially losing as much as four times her annual earnings for each year she is not working.[14]

Working Parents. Over a 6-month period across the US, 45% of parents miss work at least once due to child care disruptions. American businesses lose approximately $4.4 billion every year from absenteeism due to child care breakdowns.[15] Lack of affordable child care forces many families to reduce hours or drop out of the workforce, which results in an estimated $8.3 billion annually in lost wages.[16] As employees miss work and leave their jobs entirely, this costs employers valuable time and resources filling gaps and training new talent.

Expanding access to reliable, affordable, quality child care supports both workers and businesses, and will boost Texas's economic strength.

State and Local Support for Child Care

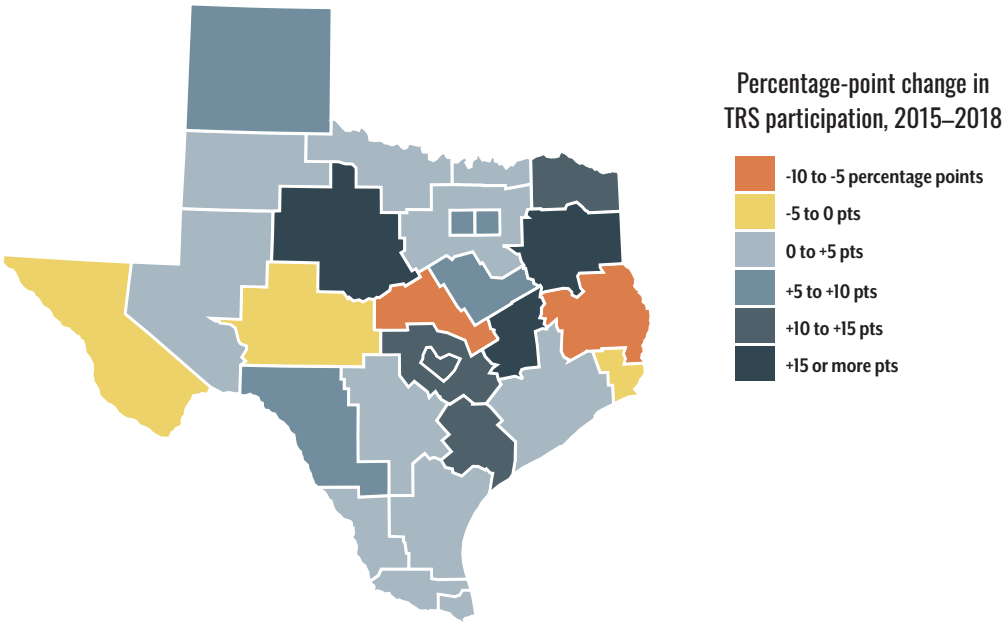
To help low-income parents who are working or going to school, the Texas Workforce Commission (TWC) provides tuition support for child care to about 130,000 children on average each day. At over $800 million per year, this program accounts for half of TWC's budget and serves about 10% of eligible children. TWC also houses our state's only quality rating system for any early childhood education program, Texas Rising Star (TRS), which is open to the 7,500 child care providers accepting TWC's tuition support for children. Unfortunately, only 17% of those providers receiving the TWC funds are certified quality through TRS. Statewide, there are only 87 TRS-certified child care seats for every 1,000 low-income children under 6 with working parents.[17]

TWC has 28 Local Workforce Development Boards (Local Boards) covering different parts of the state. As the operating entities for both the child care tuition support and TRS, Local Boards have considerable control over the day-to-day functions of both programs. Local Boards also exercise independent policy authority in important areas—within modest state parameters—and implement all programs for which they are responsible.

There is a growing interest in TRS from the Texas Education Agency (TEA), which oversees our public education system from Pre-Kindergarten through 12th grade. TEA and TWC have begun partnering on a few initiatives meant to help children be school-ready. There are also some promising state and local initiatives aimed to increase access to affordable, quality child care, but progress has been slow with only a 3% increase in TRS participation since 2015. Some local efforts in parts of the state have seen success and born innovative strategies to improve quality. Yet, efforts—and resources dedicated to them—are unequal across the state, causing wide variation in what is supposed to be a statewide system. Even local innovations often lack support from the state to help scale and replicate their success, and in some cases, initiatives need further improvement.

Texas Rising Star Participation Rose in Some Board Regions, Fell in Others [4]

Statewide from 2015 to 2018, child care providers in TRS increased 3 percentage points, from 14% to 17%



Recommendations for Building on our Strengths

The recent momentum toward improving the quality of child care provides Texas a great opportunity to build a system that works for families and the Texas economy. TWC and other early childhood education stakeholders can align their efforts around five strategic goals that meet the needs of Texas families and invest in our state's economic development.

Goal 1

Increase the number of child care providers in Texas Rising Star

...so that taxpayer dollars are going to quality programs.

STRATEGIES:

- Set clear expectations for TWC and Local Boards, establishing benchmarks and reporting progress.
- Provide Local Boards with best practices, support, and guidelines, so that all parts of the state have equal access to quality.
- Coordinate with Child Care Licensing to work more efficiently and effectively.

Goal 2

Build a path toward school-readiness

... so that every Texas child can succeed in school and life.

STRATEGIES:

- Connect and share data between TWC and TEA to improve quality programs and school-readiness—both agencies use public dollars to educate children.
- Expand partnerships between child care providers and public school Pre-K programs to 1) increase access to quality programming, and 2) blend funding from two sources that, on their own, are not enough to pay for a full day of quality care.
- Offer contract agreements to public-private partnerships to ensure sustainability and quality.
- Combine TRS with other school-ready tools and programs.
- Ensure all subsidized infants and toddlers are in TRS 4-Star settings.

Goal 3

Ensure child care teachers are adequately trained and compensated

... so that children receive quality care during their most critical years of brain-building.

STRATEGIES:

- Increase access to scholarship opportunities with wage supports for this largely under-compensated workforce that cannot afford higher education opportunities.
- Coordinate state and local investments in child care teachers so that dollars are being used most effectively.
- Support publicly-funded teacher trainings to also build toward early childhood degrees or certificates, and coordinate at the state level to support this progression for degree-building.
- Continue to develop and improve access to the Career Pathway and Texas Workforce Registry, which are needed for early childhood teachers to build careers.

Goal 4

Know the cost of providing quality child care and reimburse accordingly

... so that the state is paying fairly.

STRATEGIES:

- Conduct a study to understand how much it costs to provide quality child care.
- Reimburse child care providers at rates that reflect the cost of quality, not the price parents pay in the private market.

Goal 5

Make child care businesses more sustainable

... so that they can meet and maintain quality standards.

STRATEGIES:

- Provide child care leaders with skills training in business, pedagogy, and high quality care.
- Help child care providers share resources and services to operate more efficiently and provide higher quality care.
- Provide child care staff with business resources and coaching to help them operate more sustainably and effectively.

1 in 10

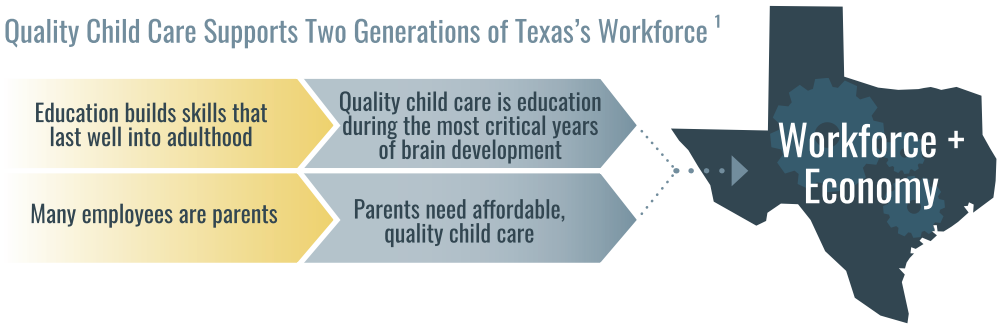
American children are born in Texas. The investments we make in our youngest Texans can impact the future of our nation.

2 Quality Child Care as the Missing Critical Workforce Component

From birth through age 3, a child's brain is forming connections that are building a foundation for that child's future learning, health, and behaviors. A weak foundation can have negative impacts well into adulthood. This foundation is heavily influenced by interactions with that child's caregivers, such as parents or child care teachers.

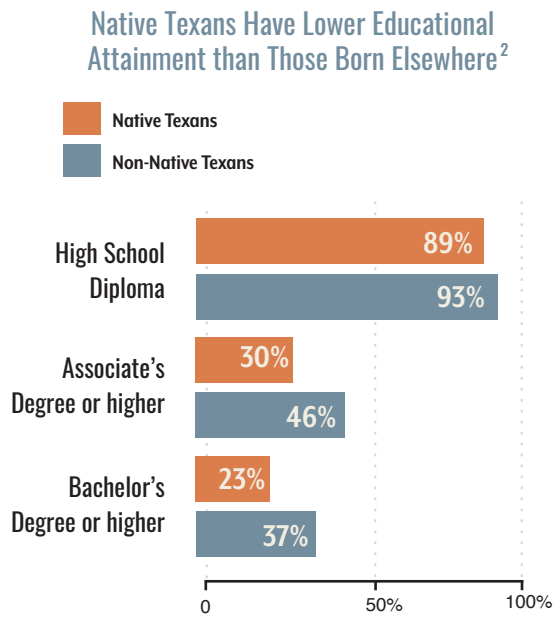
Unfortunately, new parents do not always have the time, resources, or information to support these strong connections. The quality of child care across Texas is extremely low, which limits a child's chances for strong brain development in that setting. While the quality is low, the prices are high for parents. Many of Texas's workers are parents, and businesses struggle when their employees cannot find affordable, stable child care options. Future businesses will struggle if they do not have a skilled workforce, and signs are pointing to a potential shortage in that area. If we want children to have a strong start to life—and if we want our economy to stay strong—Texas must improve access to affordable, quality child care.

This section explains why quality child care is so critical to our state's economic strength:



The Texas Economy

Texas is one the world's leading economies. If it were its own country, Texas would rank 10th globally in gross domestic product, ahead of economic powerhouses such as Canada, Korea, and Russia.[1] Texas has long been recognized as a business-friendly state and prides itself on having low regulations, business taxes, cost of living, and unemployment. In May 2018, Governor Greg Abbott proudly announced that *Chief Executive Magazine* had named Texas the "Best State for Business" for the 14th straight year.[2]

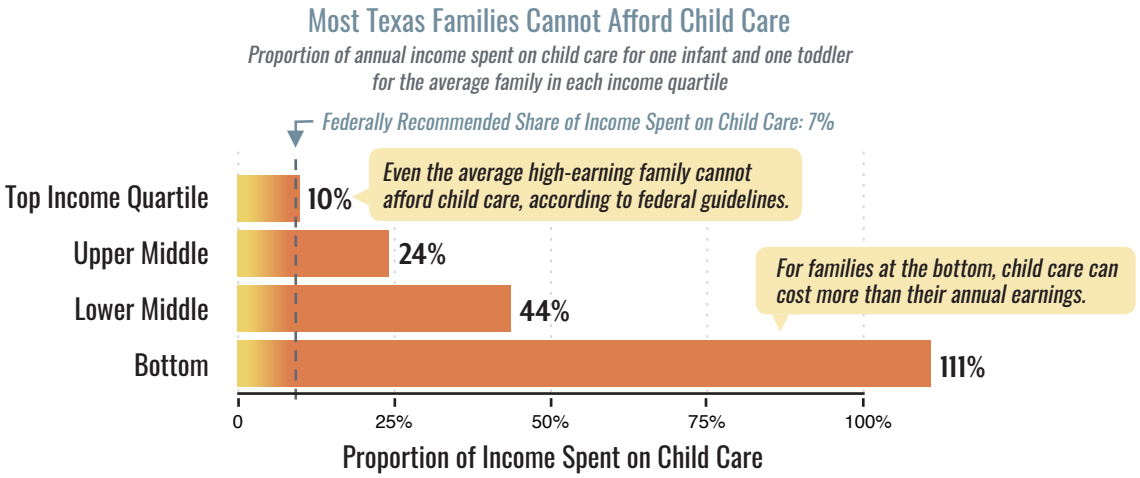


Despite these accolades, barriers remain to Texas's continued status as a great state for business. According to *Forbes*, "one of the only things holding Texas back is the education rate among its labor supply."[3] In fact, adults in Texas who were born in other states have higher levels of education than native-born Texans.[4]

The state recognizes the imperative to increase the educational attainment of native Texans through its 60x30TX initiative, which seeks to ensure that at least 60% of Texans ages 25-34 have a postsecondary certificate or higher degree by 2030.[5] Currently, fewer than 30% of Texas high schoolers earn a degree within six years of graduation.[6] Unless significantly greater investments in education are made, the state will continue to lag behind and will have to increasingly rely on an imported workforce. Without parents who can fully participate in the workforce now and a well-trained, well-educated next generation workforce, businesses in Texas will be unable to compete in the 21st century.

Meeting the Needs of the Low-and Middle-Skill Workforce

High-quality, affordable child care offers a crucial two-generation workforce support to help meet these goals by allowing parents to engage fully in today's workforce while simultaneously building the skills and capacity of the children who will be tomorrow's workers. The Texas Workforce Commission (TWC) recognizes this need, spending nearly half of its annual budget on subsidized child care to offset child care costs for low- and middle-income parents who are working or going to school. Unfortunately, it serves only about 10% of eligible children. Without access to affordable, high-quality child care, many low- and middle-income parents must choose between participating in the workforce and staying home to care for their children.



Texas's child care system does not currently meet families' needs. Child care is expensive for individual families to purchase, and most of it is not meeting quality standards. According to federal recommendations, child care should cost no more than 7% of a family's income, but in Texas, caring for an infant and toddler can cost 10-50% of many working families' annual earnings. For quality care for one newborn in Texas to account for 7% or less of a family's annual income, a family of three must make at least $140,000 a year. Only 13% of Texas families with children under 5 meet this criteria.[7]

This dilemma is especially critical for middle-skill workers, or those with more than a high school diploma but less than a 4-year degree. Workers with these qualifications are needed for 56% of jobs in Texas.[8] These families may have incomes high enough to disqualify them for public assistance programs such as subsidized child care, but they do not have sufficient income to pay for child care.

56% of Texas jobs require a middle-skill workforce, who often make wages too low to reasonabley afford child care and too high to afford public assistance programs

According to a recent study of the Dallas-Fort Worth metro area, nearly 70% of non-working middle-skill parents said child care was a top five reason for not participating in the workforce.[9] Expanding access will allow more parents to participate in the workforce, which would bolster the Texas economy.

Meeting the Needs of Women in the Workforce

Across Texas, only 61% of women ages 20-60 living with children under 5 participate in the workforce, compared to 95% of men with the same criteria.[10] This 34-point gap cannot be explained alone by mothers who choose to stay at home to care for their children. While some may make that choice, mothers in Texas who do not participate in the labor force have lower levels of income and education than those who do.

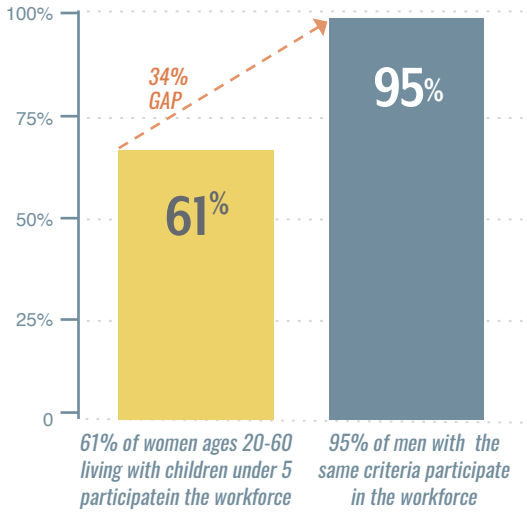
"A financially secure Texas depends on financially successful women." [3]

» Texas Comptroller, Glenn Hegar, discussing his "Good for Texas Tour" about the important role women play in Texas' economy

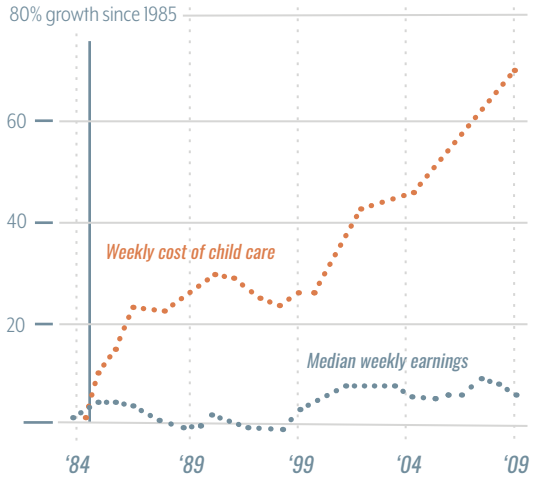
This suggests that many mothers may stay at home because they cannot find work or because it does not make sense when weighing the cost of child care against wages.[11] A mother who leaves the workforce to care for her family may lose potential wage growth and retirement savings—losing as much as four times her annual earnings for each year she is not working.[12]

Half of the working age population is female, so it is in the best interest of Texas and its business community to provide women with the opportunity to productively engage in the workforce. Access to quality child care allows parents more stability in their current job—nearly half of parents across the U.S miss work due to a lack of reliable child care in a six-month period.[13]

Women with Young Children are Less Likely to be Working than Men [4]



Average Child Care Spending has Skyrocketed Compared to Earnings [5]



There are many policies that enable women to participate more fully in the workforce, but studies of family policy across developed countries have found that increased spending on early childhood education (ECE), such as quality child care, is the *only* policy that demonstrates consistent success at both increasing women's employment and closing the wage gap between men and women. Other common policies, such as increased paid parental leave, have mixed results.[14]

Meeting the Needs of All Working Parents

Across Texas, about 60% of children under age 6 have all available parents in the workforce. Lack of access to stable, affordable child care negatively impacts these working parents and their children, and it hurts employers. Over a 6-month period across the U.S., 45% of parents miss work at least once due to child care disruptions. American businesses lose approximately $4.4 billion every year from absenteeism due to child care breakdowns. Lack of affordable child care forces many families to reduce hours or drop out of the workforce, which results in an estimated $8.3 billion annually in lost wages. As employees miss work and leave their jobs entirely, this costs employers valuable time and resources filling gaps and training new talent.

With the rising cost of child care and the lack of information available, a recent study found that it is not easy for working parents to find a child care option that meets their needs:

- Despite a variety of ECE options available to families, many enroll in the first program they seriously consider;
- 68% of parents only visit one place before making their decision; and
- Parents in subsidized child care report searching longer, finding the search process more frustrating, and feeling less satisfied with the eventual outcome.[15]

Investing in the Future Workforce: Brain-Building in Babies and Toddlers

During the first few years of life, children's brains are forming more than one million new neural connections every second, impacting all future learning into adulthood. The time of greatest brain-building occurs in babies and toddlers, and that development slows noticeably by the time a child reaches kindergarten and beyond.

This figure shows a brain-building process sometimes called "blooming and pruning."[16] From birth through age 3, these neural connections bloom, building the architecture of the brain. Toddlers have the most neural connections that they will ever have in their life. As they grow into adolescence, they begin to prune, discarding the weak connections and fine-turning the strong ones. The connections formed from birth to age 3 either provide a strong or weak foundation for the connections that form later. [17]

A Baby's Genetics Form the Blueprint for Their Brain, While Environments and Interactions Carry Out the Construction[6]

Synapse Density Over Time; Source: Corel, JL. The postnatal development of the human cerebral cortex. Cambridge, MA: Harvard University Press; 1975.

While baby's genetics form the blueprint for his or her brain, environments and interactions carry out the construction.[18] This brain-building is based primarily on quality interactions with caregivers, such as parents and child care teachers. Unfortunately, parent understanding of brain-building does not always mirror the facts. A recent national survey of parent perceptions found that parents often underestimate the extent to which meaningful early engagement can benefit young children. Though research shows that children begin benefiting from reading with parents or caregivers at about 6 months old, nearly half of

parents surveyed believed such benefits do not begin until age 2 or older. Similarly, 34% of parents do not believe that speaking to children has any benefit until 1 year of age or older, despite research showing that those benefits begin at birth.[19]

These findings demonstrate the key role that quality child care can play—while parents remain the most important educators that children will have, there is a learning curve for all new parents, and they often have many other important demands on their time. Quality child care can support parents by 1) providing these crucial developmental benefits during the foundational birth through age 3 range, and 2) engaging and educating parents regarding their child's development. This helps parents at a time when they are often stressed and stretched for time and resources.

Interventions to prepare our future workforce should not start in high school, or even in kindergarten. Experts estimate that investing in quality learning programs during a child's earliest years can generate benefits of over $7 for every $1 spent on children birth through age 3 and these effects are especially powerful for disadvantaged children.[20] This high rate of return falls when interventions occur later in a child's life, with fewer gains from interventions that start during high school and post-secondary years.[21] However, most public spending on education in Texas takes place during a child's later years.[22] Focusing investments mostly on older children misses the opportunity to leverage the critical brain-building that occurs during early childhood.

Experts estimate that investing in quality learning programs during a child's earliest years can generate benefits of over $7 for every $1 spent on children birth through age 3 and these effects are especially powerful for disadvantaged children

Public school Pre-K, the largest public ECE investment in Texas, focuses primarily on 4-year-olds, and so misses the critical brain-building years of birth through age 3. Research is clear that quality early learning—whether at home with parents, in a child care program, or elsewhere—must start at birth. The science behind brain development shows that learning from birth to age 3 is as consequential as all of the learning that occurs from Pre-K through 12th grade. Our current focus on public school Pre-K, while incredibly valuable, misses this crucial step. Texas must invest more in children while they are developing the skills that will help them for the rest of their lives.

The Quality of Child Care Matters

Babies and toddlers need quality interactions and environments in order to build strong brains, which lays the foundation for all future learning even well into adulthood. Unfortunately, only about 11% of child care providers in Texas are certified quality by a state or national standard. ECE encompasses a broad range of settings and programs, from child care to public school Pre-K to Head Start.

The quality of these ECE experiences matters, and higher quality birth-through-3 programs have been shown to improve outcomes for children in the following ways:

Only 11% of child care providers in Texas are certified quality

- Healthier cognitive development;
- Higher pre-reading and pre-writing skills;
- Lower rates of special education placements later in school;
- Higher high school graduation rates; and
- Lower rates of externalizing behaviors among youth, such as aggression, disobedience, and cheating.[23]

Quality ECE programs from birth through age 3 are also important to help children build the foundation and begin to develop skills for three critical executive functions, all of which are key to succeeding in both school and the workplace:

- **Working memory** helps us hold information for a short period of time in order to solve problems that require multiple steps, follow multi-step instructions without a reminder, take turns in social interactions, return to tasks after being interrupted, and more.
- **Impulse control** helps us resist temptations and pause to think before we act. This allows children to wait until they are called on when they know the answer in class, stay on task in school, or stop themselves from acting on emotional impulses such as hitting. It helps adults regulate emotions, focus on important tasks, and "bite our tongue" when upset.
- **Cognitive flexibility** helps us easily adjust to changes in demands or priorities in order to have different rules in different settings (public versus private, outdoor versus indoor), catch mistakes and fix them, "think outside the box," try different strategies when faced with interpersonal conflict, and more. [24]

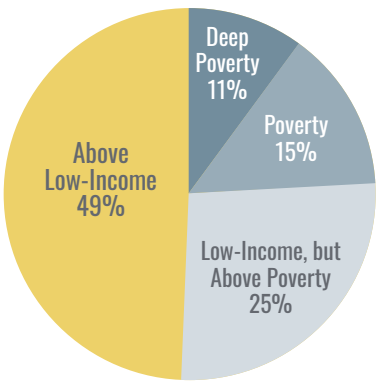
What is Quality Child Care? [7]

- Provides children warm, nurturing interactions with appropriately trained and compensated teachers focusing on school readiness, child development, and health/nutrition.
- Has enough teachers in each classroom so that they have the capacity to interact meaningfully with each child.
- Offers a developmentally appropriate curriculum.
- Engages families in their child's schooling experience.
- Provides nutritious meals and physical activities suitable for the child's age.

Giving Children in Low-Income Households a Strong Start

In Texas, 51% of children under age 6 are in low-income families, ranking our state 17th highest in the country for this low-income child population.[25] Studies have shown that the effects of a quality child care program are especially meaningful for low-income children, and for children who would otherwise stay at home or be in low-quality settings.[26] Unfortunately, low-income children are less likely to be enrolled in care outside the home than their higher income peers, and even those who are enrolled tend to be in lower quality settings.[27]

2.3 Million Children Under the Age of 6 Live in Texas, and Half are in Low-Income Households [8]



Children in Low-Income Households by Level:

- Deep poverty (less than 50% FPL)
- Poverty (50-99% FPL)
- Low-Income, but above poverty (100-199% FPL)

For a two-parent household with one child, annual income for each low-income group in 2016

- Low-Income, but above poverty: below $38, 636
- Poverty: below $19,318
- Deep poverty: below $9,659

Children in low-quality early learning settings are more likely to fall behind in their development. Their outcomes with respect to school readiness, language skills, and verbal comprehension are substantially lower than their peers in higher quality settings.[28] Similarly, toddlers in lower-quality child care settings tend to exhibit significantly lower early cognitive skills than their peers in medium- or higher-quality settings.[29]

Children in poverty and not reading proficiently by 3rd grade are 13 times more likely to drop out of high school than their more advantaged counterparts

Research indicates that these negative effects can be long lasting, with children in low-quality settings more likely to have academic and behavior issues well into their high school years.[30] In fact, children who cannot read on grade level by 3rd grade are four times more likely to drop out of high school. For students living in poverty, this situation is even more dire: students who are living in poverty *and* not reading proficiently by 3rd grade are 13 times more likely to drop out of high school than their more advantaged counterparts.[31] For the 2017-2018 school year, only 44% of all Texas 3rd graders met state standards on their STAAR reading exam. That number drops to 33% for low-income students.[32]

This is a problem that cannot be solved at 3rd grade; it starts much earlier. Children who attend a high quality child care program are more likely to be school-ready in the short-term and more likely to graduate high school in the long-term.[33]

The foundation for developing adult capacities is built in early childhood, and these executive functions affect both academic and social-emotional development later in life. All children do not develop these skills. Consistent exposure to toxic stress—strong, prolonged, or frequent adversity—and other damaging situations can inhibit their development. High-quality programs can be the key to overcoming potential deficits for children growing up in high-stress environments, such as poverty. They can help ensure that every child develops critical executive functions by the time they enter kindergarten, setting them on an early track for success.[34]

"The future of any society depends on its ability to foster the healthy development of the next generation." [9]

» Center on the Developing Child, Harvard University

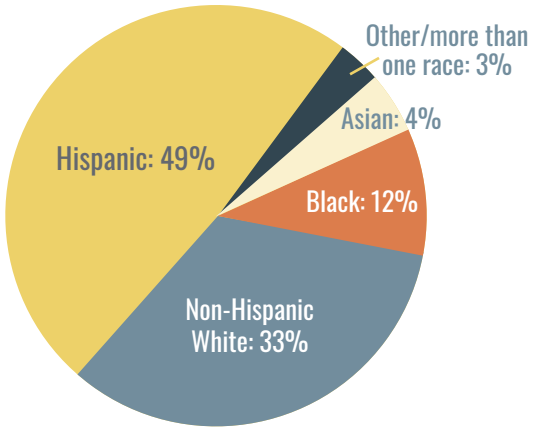
Building the capacity of Texas's youngest learners will contribute to their personal success and the state's economic success. By the year 2020, more than 60% of jobs will require some sort of education beyond high school but currently only 42% of Texas adults meet that threshold.[35] Texas's top three industries by total employment are trade and utilities, professional and business services, and education and health services.[36] Many, if not most, jobs in these sectors require post-secondary training or education, and Texas's workforce currently falls behind in educational attainment. Texas must invest in programs and policies that are proven to work. If Texas wants to ensure that its workforce remains competitive for years to come, it must increase access to quality ECE for babies and toddlers.

Investing in *Every* Texas Child

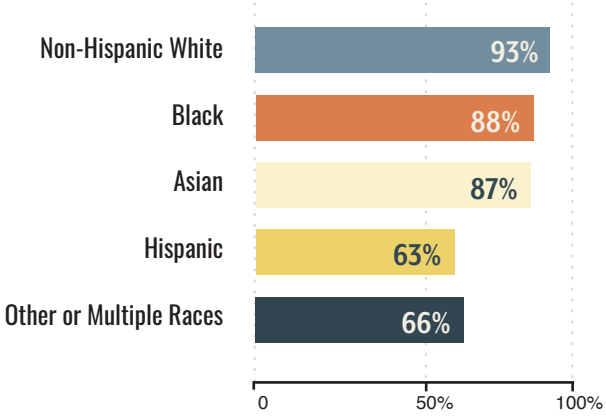
Recent population trends should encourage state leaders to prepare for the Texas of tomorrow. Since 2010, the non-white Texas population has grown more rapidly than the non-Hispanic white population. In particular, the Latino population grew 18%—adding nearly 1.7 million people—from 2010 to 2017, while the non-Hispanic white population grew by only 4%, or about 450,000 people. The Latino population is expected to surpass the non-Hispanic white population as the largest demographic group in Texas by 2022.[37]

The diversity of our state is one of our greatest strengths. With this growth, we need to ensure that all people are prepared to enter the workforce and thrive. However, only 63% of Latino adults over age 25 currently have a high school degree or higher, compared to 88% for black adults and 93% for non-Hispanic white adults.[38]

Black and Latino Children Make up a Majority of the Birth to 18 Population, but Texas is not Preparing Them to Succeed in School and Beyond [10]



Adult Population with High School Degree or More



Unfortunately, children of color are more likely to be in poverty.[39] Quality child care has been shown to have the greatest beneficial effects for low-income and other at-risk children, with programs significantly increasing academic and health outcomes for at-risk children well into adulthood.[4041] Though children across income groups benefit from quality child care, the effects are strongest for low-income and at-risk children.[42]

Opportunity gaps among racial and ethnic groups have real economic consequences, costing the U.S. anywhere from 2% to 4% in potential GDP *every year*.[43] If Texas wants to remain economically competitive and business-friendly, leaders must recognize its changing reality and work to close the gaps among its population groups by giving all children the opportunity to succeed. Texas will do better if we invest in programs known to build the brains of every child, and especially our most at-risk children.

3 The Child Care System in Texas

Child care is one of the largest and most widely utilized early childhood education (ECE) programs in Texas. It meets parents' needs in ways that public Pre-Kindergarten (Pre-K) does not because it often offers longer, more flexible hours, as well as flexibility of location and availability to children starting at birth, whereas public Pre-K is limited to eligible 3- and 4-year-olds and not for a full workday. Child care programs support the critical 0-3 brain-building age range that is not the focus of public Pre-K.

The entities providing child care in Texas are small businesses and tax-exempt organizations, all of which must follow basic licensing standards that attempt to protect children's health and safety. To support working parents who cannot afford child care, the state government offers a "subsidized" program built upon a diverse, privatized system of care. While the subsidized child care program in Texas does not serve all eligible families, it does impact more than 130,000 children each day and half of all child care providers in Texas. It is our state's most viable path to improving the quality of child care for all Texas children.

This section explains the roles of the Texas child care system's key players:

Private Industry's Role in Child Care

The child care landscape has a diverse delivery system. Private, nonprofit, school-based, and church-based programs operate in center or home settings. These various settings represent 15,000 separate small businesses or tax-exempt organizations. Despite the importance of child care as a brain-building program, the current licensing standards do not reflect what is needed to be a quality program.

Primary settings for child care in Texas include:

- **Child care center** – provides early learning opportunities and child care services for children in a non-residential setting for a fee. A child care center often has a director, who is in charge of day-to-day operations such as managing staff, which can include lead teachers, assistant teachers, meal preparers, janitors, curriculum development leads, and more. A director can also be the owner of the facility.
- **Child care home** – provides early learning opportunities and child care services for related or unrelated children in a person's home for a fee. There might be one or two caregivers, depending on the number of children in care.
- **Specialty care** – can be offered in a center or home. Provides early learning opportunities and child care services for children, but with a special focus: for infants and toddlers; before- or after-school care; non-traditional hours of operation; last minute care for mildly ill children; or inclusive care for children with disabilities.[1]

Unlike the kindergarten through 12th grade (K-12) education system, child care is generally provided in standalone entities, and there is no uniform assessment for accountability or to determine whether programs produce intended outcomes for children. However, maintaining this diverse delivery system

does have several advantages. First, it ensures that families have numerous options to meet their needs—different settings work for different families. Child care homes can provide a less intensive transition for young children who may need it, while school-based programs can utilize existing buildings and resources. Second, child care programs are able to effectively blend funding sources to improve quality and maintain stability.[2] Third, being a small business or tax-exempt organization allows child care providers to adapt to diverse geographic and cultural needs of the communities that exist across Texas.

The price for private child care is often very high for parents, sometimes out of reach (more on this in Section 2). The major cost drivers for child care providers are teacher pay, class sizes, and the number of children per teacher in a classroom. Yet, those running child care programs are operating without enough resources.

Typically, the revenue sources—whether from families or the public subsidy program—are inadequate to pay teachers decently. Frequently, wages are so low that teachers qualify for welfare programs.[3] And even though Texas is not following best practices for class sizes and teacher-to-child ratios—meaning very young children are in very large groups, and a lot of children are being supervised and educated by one teacher—programs are not taking in enough revenue to pay teachers higher wages and improve quality. In short, child care businesses find it difficult to be financially sustainable, much less invest in quality improvements. This imbalance of high prices for parents that do not come close to meeting providers' costs for quality care, leaves a huge gap to be filled. As described in Section 5, Texas leaders have opportunities to reduce costs, invest strategically, and improve quality.

As ECE leaders in other states have learned, making use of existing diverse settings and improving their quality is a more reasonable task than attempting to construct new ECE systems from scratch.[4] Texas can take advantage of the integral role that private industry currently plays in the delivery of early childhood programs and work with these entrepreneurs to find quality improvement solutions that will benefit their bottom lines while also improving outcomes for children.

Federal Government's Role in Child Care

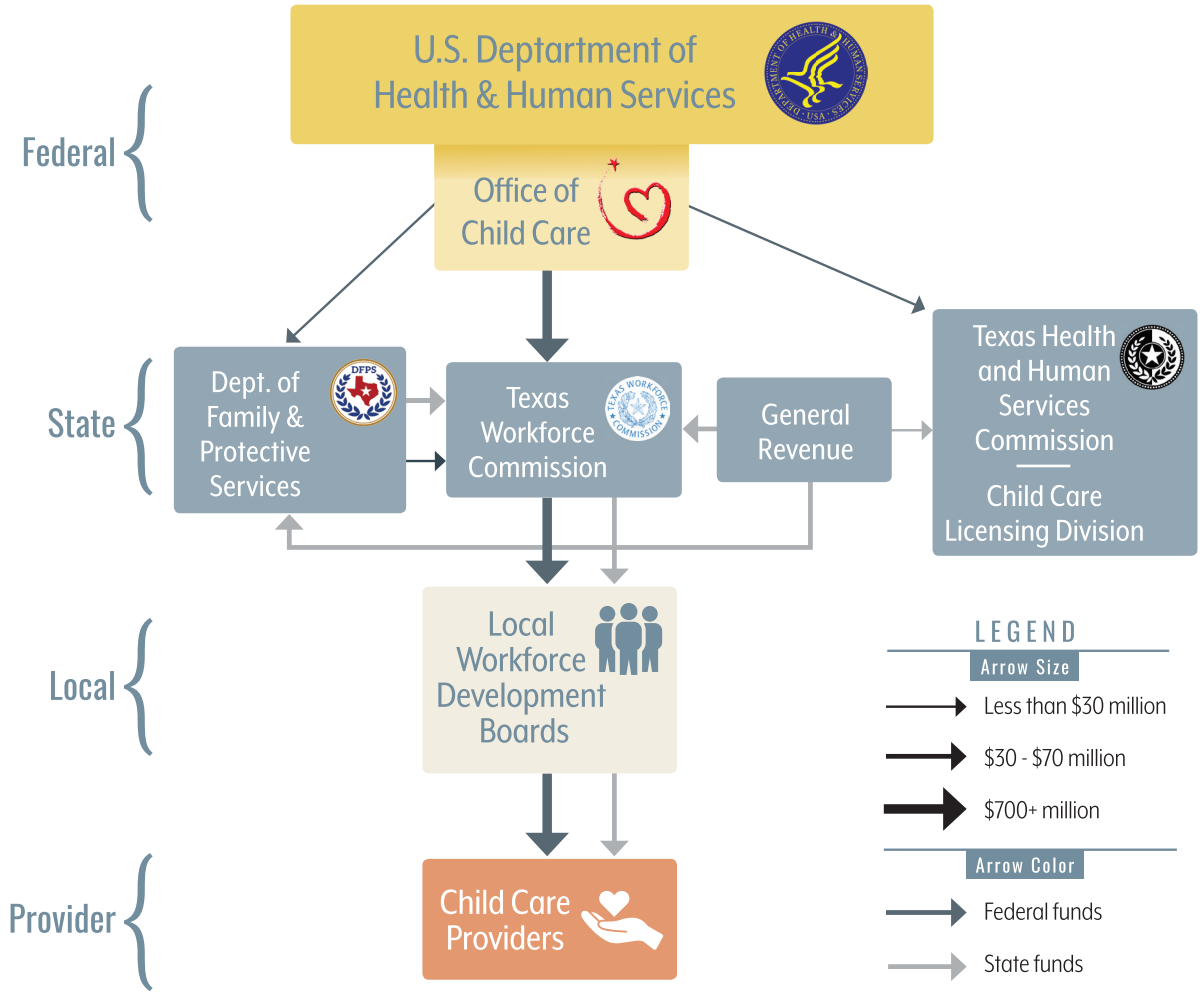
Texas primarily relies on federal funds to pay for subsidized child care. Each year, the federal government provides hundreds of millions of dollars to Texas to provide child care assistance for low-income, working families through the Child Care and Development Block Grant (CCDBG). Created in 1990, CCDBG assists states in increasing access to child care for working parents and provides funds to increase the quality and supply of child care.[5] Many other states augment CCDBG funding with additional funding streams (beyond required match spending), such as direct state spending. However, Texas provides the vast majority of its child care subsidy funding solely from CCDBG dollars.[6]

CCDBG funding flows through state agencies and then to child care providers to reimburse them for care they provide to children on the child care subsidy program. However, it is not the only federally funded ECE program for young children. The federal government also funds Early Head Start and Head Start—ECE programs that promote school readiness of low-income children birth to age 5. Head Start primarily serves 3- and 4-year-olds, while Early Head Start serves pregnant women, infants, and toddlers. Unlike the child care subsidy program, these are comprehensive programs that serve both children and families. They have higher quality standards than Texas's Child Care Licensing or Texas Rising Star, which are explained later in this section.

These Early Head Start and Head Start funds are passed directly to program providers and do not pass through a state agency. In some parts of the state, Early Head Start providers are partnering with child care subsidy providers. This helps child care providers maximize funding sources, improve program quality, and increase access to affordable care for low-income families.[7]

The child care subsidy program is accessible to a greater number of families, is controlled by state and local entities, and has a system to improve the quality of care through Texas Rising Star. While Early Head Start and Head Start programs are very valuable for families, they are not the best mechanism for improving the quality of other ECE programs and, thus, are not the focus of this report.

State & Federal Funding for Subsidized Child Care in Texas Budgeted for FY 2019 [1]



TOTAL STATE SPENDING:	TOTAL FEDERAL SPENDING:	ALL REPORTED SPENDING:	PER CHILD ENROLLED:	TARGET ENROLLMENT ON AVERAGE EACH DAY:
$115 million	$767 million	$884 million	$6,721	131,330

State's Role in Child Care

Child care is the hub of the state's ECE system—supporting working families when they need care the most and during the most critical years of child brain development. Multiple state agencies support the child care system and the transition to the K-12 education system. The agencies include the Texas Workforce Commission (TWC), the Texas Education Agency (TEA), and the Texas Health and Human Services Commission (HHSC). Agency support is sometimes monetary, as shown in the funding graphic. But, often, their support is in the form of policies, programming, and shared responsibilities. These state agencies have four over-arching roles in supporting child care, which are consequential to our economy and to our families:

1. Help eligible families secure child care while going to school or work (TWC);
2. Focus on the quality of child care and help children be school-ready (TWC and TEA);
3. License child care programs, ensuring minimal health and safety standards (HHSC); and
4. Support parental involvement in ECE (TWC, TEA, and HHSC).[8]

The State of Texas impacts hundreds of thousands of families of all income levels through its support for child care. Child Care Licensing in HHSC monitors over 15,000 child care centers and homes in Texas, reaching over 1 million children and their families annually.[9] TWC administers federal CCDBG dollars to provide child care subsidy assistance for over 130,000 children (estimates as of August 2018), spread across approximately 50% of all child care providers in the state.[10]

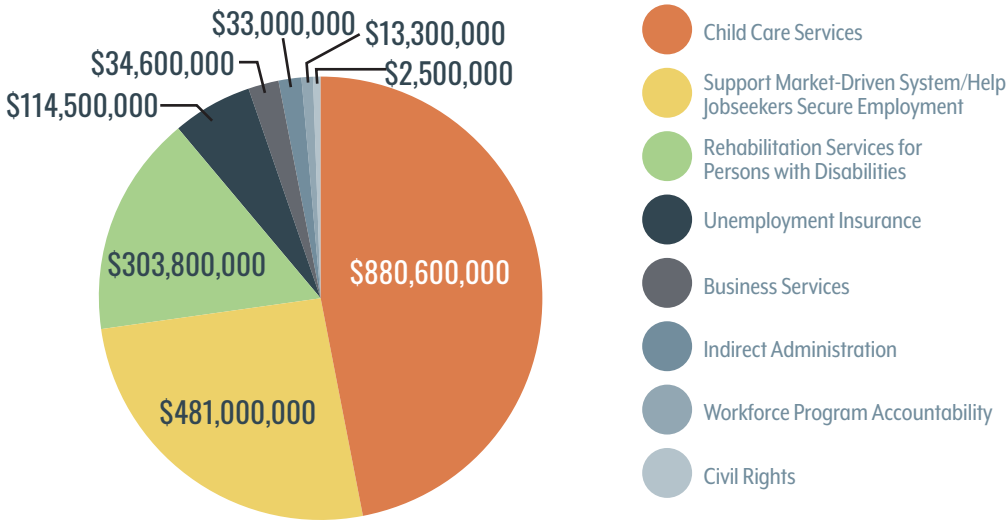
Texas Workforce Commission (TWC) – Subsidized Child Care and Texas Rising Star

In Texas, the subsidized child care system is managed by the TWC and helps low-income parents, who are working or going to school, pay for child care. The goals of this program are twofold:

1. Help low-income parents engage fully in the workforce by preventing them from having to choose between their careers and caring for their children; and
2. Provide children with a high-caliber early education, which can significantly improve short-term outcomes like school readiness and long-term outcomes like high school graduation.[11]

TWC is generally responsible for setting statewide policies. The state agency ensures that Local Boards are operating within their parameters, monitors accountability and enforcement of activities, follows federal guidelines, and provides support to Local Boards when needed.

TWC's Largest Single Expenditure is Child Care [2]



Parents can choose any of the nearly 7,500 child care providers that participate in the subsidized child care program; however, most providers do not meet high-quality standards. Depending on their income and where they live, parents pay a co-pay of $0-$450 per month for one child in care.[12]

Once parents select a participating child care provider and enroll their child, TWC reimburses that provider for the care they provide to that child and other subsidized children. These reimbursement rates have historically been far less than the amount a child care provider would receive from parents who pay on their own, without subsidy assistance.

Reimbursement rates and parent co-pays vary across the 28 Local Workforce Development Boards (Local Boards). Reimbursement rates are based on a survey of market rates—how much people are paying for child care—conducted across all Local Boards, which TWC commissions every 1-2 years. Federal recommendations ask that states set subsidy reimbursement rates at the 75th percentile of local child care market rates. In other words, for a family who enters the child care market through subsidy, the value of that subsidy will be high enough for that family to afford 75% of all child care in their local market. Rates

at this level should increase the likelihood that low-income working families have equal access to the full spectrum of care options available to their higher-income peers who pay privately for child care.[13] (See Section 4 and Appendix 3 for more information on Texas's reimbursement rates.)

TWC is also charged with managing Texas Rising Star (TRS), our state's Quality Rating and Improvement System (QRIS). TRS establishes early care and education standards that are higher quality than the state's minimum licensing standards, which are set by Child Care Licensing and primarily concerned with bare minimum health and safety requirements.[14] TRS is the only statewide set of quality standards for any ECE program, and it is currently only open to child care providers participating in TWC's subsidy program. Unlike most other states, our QRIS is not open to all child care providers, Early Head Start, Head Start, and/or public Pre-K programs.

TRS is a tiered system with increasingly rigorous requirements for child care providers certified at Levels 2, 3, or 4. To become certified at TRS 2-Star, providers only need to meet specified requirements in three areas. For TRS Levels 3- or 4-Star certification, a provider must meet all of the TRS 2-Star requirements, as well as receive sufficient scores in a series of points-based measures, each able to earn scores of 0 to 3 points..[15]

TRS 2-Star is best understood as "approaching quality," as it is just barely above the state's minimum licensing standards. Using TRS 2-Star as an easily attainable entry point, many providers can begin on a path to quality through the TRS tiered system. TRS 3- and 4-Star levels indicate a relatively rigorous program geared toward promoting appropriate child development and school readiness. Child care providers meeting these levels receive an increased subsidy reimbursement rate from TWC, though rates vary across the 28 Local Boards based on local child care market prices.

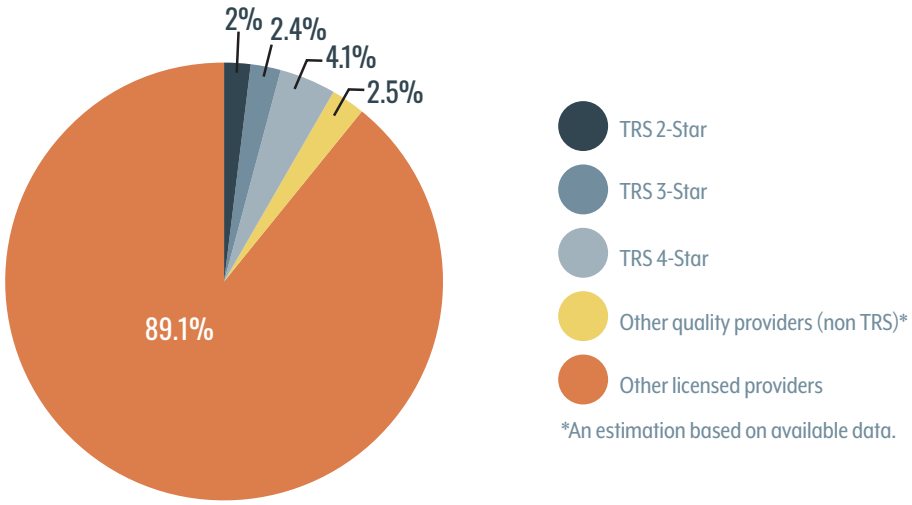
Texas Rising Star Requirements at Tiered Levels [3]

	TRS 2-Star	TRS 3-Star	TRS 4-Star
	Demonstrate compliance with objective yes/no criteria.	Earn points on quality indicators in each category. Must comply with all TRS 2-Star criteria.	
		Must earn 60-79.9% of all possible points across categories.	Must earn 80% or higher of all possible points across categories
Director and Staff Qualifications and Training	x	x	x
Caregiver-Child Interactions		x	x
Curriculum		x	x
Nutrition and Indoor/ Outdoor Activities	x	x	x
Parent Education and Involvement	x	x	x

TRS is a great start for Texas's first statewide quality system. It should continue to evolve toward stronger, more rigorous standards as participation expands to ensure that the "improvement" piece of QRIS is met. In partnership with TWC, the Children's Learning Institute at UTHealth is currently studying TRS to understand methods to strengthen the TRS assessment tool and improve consistency of the program across Texas.

It is worth noting that there are also other national quality accrediting bodies, such as the National Association for the Education of Young Children (NAEYC) and National Accreditation Commission for Early Child Care and Education Program (NAC), which will automatically qualify a provider as TRS 4-Star if they accept children through TWC's subsidy program.[16] Due in part to their rigor and/or high cost of associated fees, these national accreditations are very uncommon. For example, NAEYC and NAC combined account for only only about 450 of the more than 15,000 child care providers statewide, compared to nearly 1,300 providers accredited through TRS. About half of the NAEYC and NAC providers are also TRS-certified, so there is overlap in these numbers.

The Vast Majority of Child Care in Texas is Not Certified to Meet Quality Standards [4]



Despite its current limitations, there is good reason to support TRS because it:

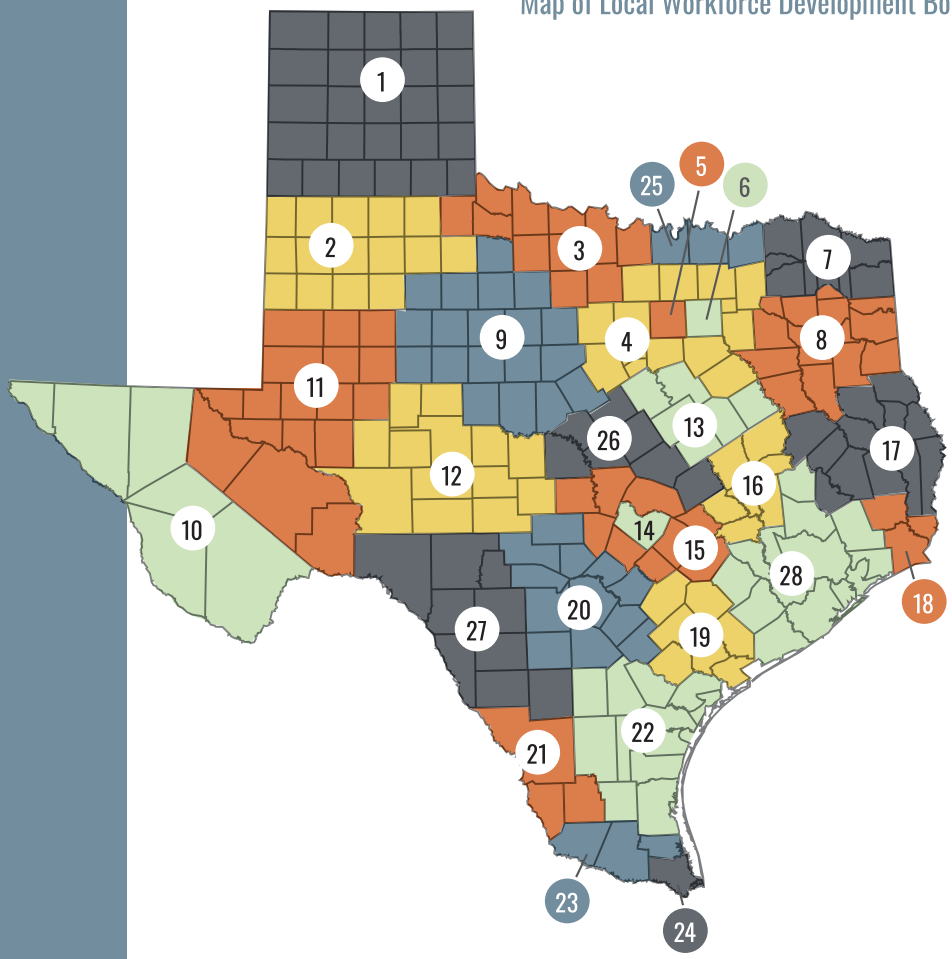
1. Is the only quality certification or accreditation that has publicly-funded support and resources;
2. Is scalable and has the potential to be applied across ECE systems and programs;
3. Is a more reliable alternative to trying to improve child care licensing standards;
4. Facilitates family awareness of and access to high-quality child care;
5. Provides a framework through which providers are mentored to strategically and thoughtfully improve their programs;
6. Ensures that providers focus on school-readiness activities and cultural sensitivity in their programming;
7. Has continuous monitoring to ensure providers meet standards, as it checks TRS compliance annually in-person and regularly monitors licensing deficiencies;
8. Is a quality improvement system, improving both the quality of participating child care providers and the quality of the standards themselves; and
9. Has a uniform system for assessing quality and collecting program data.[17]

Any approach to improving the quality of programs and child outcomes should take into account how poorly Texas families are served by the child care market. Child care is so expensive that many families cannot access it, including families receiving child care subsidies through TWC. First, only half of child care providers statewide participate in the child care subsidy program, so options for families receiving subsidies are limited. Second, the co-pay amounts families must pay in the subsidy program are relatively high in Texas. When adjusted for cost of living, Texas has the 12th highest co-pays in the country. Families that receive a subsidy in Texas pay three times as much as those in some other states. The unrealistic burden that child care currently places on many families should be addressed in any plan to improve the quality of Texas' ECE system.

Local Workforce Development Boards (Local Boards) – Subsidized Child Care and Texas Rising Star

TWC's 28 Local Boards provide job seekers with career counseling, job placement, and financial assistance and help employers find qualified applicants.[18] As part of their financial assistance to job seekers, Local Boards also administer the child care subsidy program, working with local child care providers and families in need of child care. In fact, child care services on average account for more than 60% of their budgets.[19] Local Boards are responsible for helping low-income, working families receive assistance in paying for child care, along with determining and executing child care quality improvement responsibilities.[20]

Map of Local Workforce Development Boards (Local Boards) [5]



1. Workforce Solutions Panhandle
2. Workforce Solutions South Plains
3. Workforce Solutions North Texas
4. Workforce Solutions for North Central Texas
5. Workforce Solutions for Tarrant County
6. Workforce Solutions Greater Dallas
7. Workforce Solutions Northeast Texas
8. Workforce Solutions East Texas
9. Workforce Solutions of West Central Texas
10. Workforce Solutions Borderplex
11. Workforce Solutions Permian Basin
12. Workforce Solutions Concho Valley
13. Workforce Solutions for the Heart of Texas
14. Workforce Solutions Capital Area
15. Workforce Solutions Rural Capital Area
16. Workforce Solutions Brazos Valley
17. Workforce Solutions Deep East Texas
18. Workforce Solutions Southeast Texas
19. Workforce Solutions Golden Crescent
20. Workforce Solutions Alamo
21. Workforce Solutions for South Texas
22. Workforce Solutions of the Coastal Bend
23. Workforce Solutions Lower Rio Grande Valley
24. Workforce Solutions Cameron
25. Workforce Solutions Texoma
26. Workforce Solutions of Central Texas
27. Workforce Solutions Middle Rio Grande
28. Workforce Solutions Gulf Coast

TWC allocates funding to the Local Boards according to a formula that considers several factors, but distribution is primarily based on the population of low-income children under 13 in the region.[21] The Local Board areas were defined under Senate Bill 642 in 1993 as a restructuring of TWC's existing 34 Service Delivery Areas (SDAs), and they vary widely in terms of size and population. They must 1) include at least one county; 2) be consistent with a preexisting SDA, a labor market area, or a metro area; and 3) have sufficient administrative capacity to manage and implement TWC's programs.[22] The largest, the Gulf Coast region, encompasses the entire Houston metro region and a dozen surrounding counties, serving more than 24,000 low-income children each day—growing to 29,000 with the 2018 CCDBG fund increase—through the subsidized child care program. By contrast, several Local Boards cover a single county each. The smallest board area by population, Texoma, serves fewer than 600 low-income children per day.[23]

As the operating entities for both the subsidized child care program and TRS, Local Boards have significant local control over the day-to-day functions of the programs. Local Boards also exercise independent policy authority in key areas—within modest state parameters—and implement all programs for which they are responsible.

Management practices for the child care subsidy program vary greatly from Local Board to Local Board, and this variation impacts the experiences families have across the state. Each Local Board sets its own parent co-pay amounts, child care provider reimbursement rates, rules and practices for wait lists, parent eligibility guidelines, TRS recruitment and incentives, and more. Although local control is valued, this variation for parents and children contributes to unequal access to quality child care and services.

Local Boards are also able to contract with outside organizations to manage some or all of their child care services. This can include helping parents locate child care, determining parent eligibility, issuing payments to child care providers, and/or managing the quality improvement activities. Some of those quality activities can include the TRS mentor and/or assessor positions. TRS mentors help child care providers meet TRS standards, and TRS assessors conduct the provider's final assessment for TRS certification.[24]

Texas Health and Human Services Commission (HHSC) – Child Care Licensing (CCL)

About one-third of Child Care Licensing (CCL) operations in Texas Health and Human Services Commission (HHSC) are funded through CCDBG dollars.[25] CCL inspects and licenses child care center and home providers using the minimum standards that providers must meet. The core purpose of CCL is to protect children's well-being, health, and safety.

Unfortunately, like most other U.S. states, licensing standards in Texas are very poor. In 2015, the federal Administration for Children and Families, the American Academy of Pediatrics, and other national experts released a comprehensive set of minimum benchmarks that states' licensing standards must meet in order to ensure that children are safe and able to thrive across care settings.[26] An analysis comparing Texas's licensing standards to these benchmarks found that Texas only met 6% of all benchmarks for center-based care, and only 3% for home-based care.[27]

Two of the most concerning areas of the CCL standards are child care teacher qualifications and child-teacher ratios.

- ***Child Care Teacher Qualifications.*** Texas has low standards for child care teacher qualifications. A teacher must have a high school diploma and 24 hours of pre-service training to begin teaching—only 8 of those hours must be completed before a teacher is able to supervise children. He or she must also complete 24 hours of training each year. Child care teachers do not have to pass any certification or examination as part of their training.[28] Compare that to barbers who must complete 1500 hours of training and pass a licensing exam, or nail manicurists who must complete 1200 hours of training and pass a licensing exam.[29] And compare that to public school Pre-K teachers who must have a four-year Bachelor's degree, specialized pre-service training, and ongoing professional development.[30]

> ***In Texas, a barber or nail manicurist must complete 1000+ hours of training and an exam, while a child care teacher only completes 24 hours of training***

- ***Child-Teacher Ratios.*** For several age groups, child-to-teacher ratios in Texas are high—meaning a lot of very young children are being supervised and educated by one teacher. This is a problem because high ratios tend to lead to more safety incidences and less time for individual attention that young children need during a time of critical social and emotional growth.[31] Conversely, low ratios are strong predictors that a program offers quality interactions between children and teachers and a developmentally appropriate curriculum.[32]

The Number of Children One Child Care Teacher Is Allowed to Care For by Age in Texas Versus Recommended Standards [6]

Age	Texas	Recommended (depending on group size)
0-11 months	4	3 – 4
12-17 months	5	3 – 4
18-23 months	9	5 – 6
2 years	11	4 – 6
3 years	15	6 – 9
4 years	18	8 – 10
5 years	22	10 – 12

Texas Education Agency (TEA) – Pre-K and School-Readiness

Child care is an important support for parents who need or want to work, but it is also helpful to ensure children are ready for school. However, school-readiness in Texas has long been the responsibility of TEA, particularly through their public school Pre-K program for 3- and 4-year-olds. Public education is funded with a blend of state and federal monies, unlike child care, which is funded almost entirely with federal funds.[33]

TEA has an early childhood team at the state level dedicated to providing resources for young learners, providing access to the public school Pre-K program, and supporting a skilled ECE workforce. TEA has 20 regional Education Service Centers (ESCs), whose primary goals are to help school districts improve student performance, operate efficiently, and implement initiatives assigned by the state legislature or TEA commissioner.[34] While some ESCs have a dedicated ECE staff member, many fold in these responsibilities with other issues like special education or split responsibilities across staff members.

TEA is charged with ensuring all kids are ready to learn when they start kindergarten.[35] However, the agency does not start investing in children's education until after the critical years of brain development of birth through age 3. TEA interacts with only about 64% of students before they reach kindergarten at age 5, serving nearly 14,000 3-year-olds and 224,000 4-year-olds in public school Pre-K. Even then, the state pays for only a half-day of Pre-K and only for eligible children.[36] To serve more children or provide full-day programs, which are more helpful for working parents, school districts must secure funding on their own.

While Pre-K access is limited, its quality is improving. The National Institute for Early Education Research (NIEER) is a leading resource to assess public Pre-K program quality. Texas's program meets 5 of its 10 quality benchmarks, including in areas of lead teacher qualifications and expectations for child learning and development. Texas lags in standards related to quality assurance, quality improvement, appropriate limits on class sizes and number of children in the care of each teacher.[37]

In 2015, the Texas State Legislature passed House Bill 4, which provided $118 million for the biennium for the High Quality Pre-K Grant Program. This program gave additional one-time funding to school districts that met higher quality standards in their Pre-K classrooms. When the legislature met again in 2017, it passed

Rider 78, which mandated that all school districts meet some of these quality standards, but this mandate did not come with additional funding to help school districts meet the new standards. While this improved quality is greatly needed, school districts are already stretched for resources and the impacts of these additional unfunded standards have yet to be seen. Two Texas nonprofits, Texans Care for Children and the Commit Partnership, are studying these impacts and releasing a report with their findings in late 2018.

4 Increased Momentum toward Quality Child Care

Texas families have seen some investments in quality child care at all levels of government over the last few years. Leaders at the federal, state, and local levels are placing a greater focus on building the brains of children receiving publicly-funded or "subsidized" child care, while still supporting parents who are working or going to school. This section outlines recent investments in quality child care, particularly through our state's Quality Rating and Improvement System, Texas Rising Star (TRS). As outlined in Section 3, it is Texas's only quality certification for any early childhood education (ECE) program, and it is available to the 7,500 child care providers participating in Texas Workforce Commission's (TWC) subsidy program—though participation is low at only 17%.

This section outlines the current momentum toward improving the quality of child care in Texas:

Federal Momentum Toward Quality Child Care

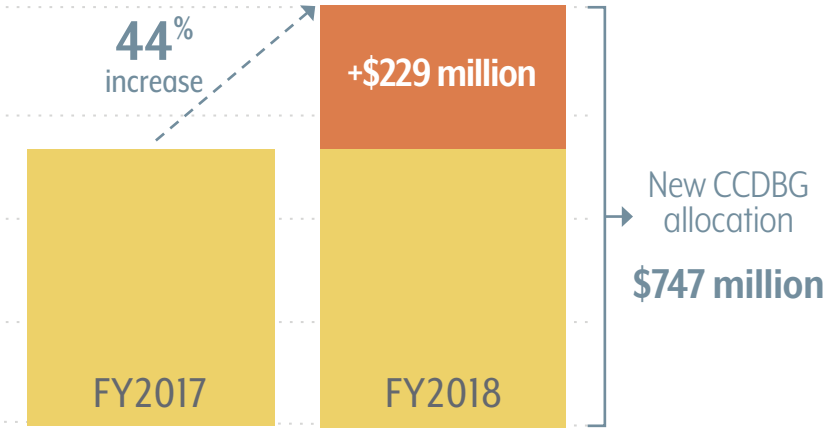
With overwhelming bipartisan support, Congress significantly strengthened the Child Care and Development Block Grant (CCDBG) through its 2014 reauthorization, which included revisions prioritizing the quality of child care and the well-being of the children in care.[1] This shift in focus from workforce support to child well-being aligns with the national trend toward increasing access to high-quality ECE programs that promote healthy child development, educational success, and economic prosperity. This reauthorization increased the number and percentage of low-income children in high-quality child care, maximized the options for working parents, and continued to support strong state control.[2]

In order to fully fund the 2014 reauthorization, Congress passed a historic increase of $2.9 billion in annual CCDBG funds for all states in March 2018.[3] Texas received an increase of nearly 45% or $229 million, bringing the total yearly allocation to $747 million.[4] These funds allow Texas to provide access to child care for more working families and to invest in improving child care quality statewide.[5]

State Momentum Toward Quality Child Care

There is a realization in Texas that child care is a critical support for both the current workforce and for our future workforce. Leaders at state agencies and across the political spectrum have begun to emphasize the importance of providing high quality ECE to more children from birth to age 5.

FY 2018 CCDBG Increase in Texas Provides Huge Opportunity to Improve Access to Quality Child Care[1]



The following practices described in this section contribute to the state's momentum toward higher-quality child care, which supports brain building during the critical first three years of a child's life and assists parents as they pursue their careers by working or going to school:

- Strong leadership,
- Diverse delivery system,
- Greater access to subsidized care,
- Greater participation in TRS,
- More qualified child care workforce, and
- Greater coordination for school readiness.

Strong Leadership

Texas's subsidized child care system benefits from the strong leadership of the governor, the Texas Workforce Commission (TWC), and the Texas Education Agency (TEA). In June 2018, Governor Greg Abbott endorsed spending the new CCDBG funds on quality child care, stating: "[T]his money will be devoted to increasing the quality of our child care system to improve student academic outcomes across the state."[6] Governor Abbot has been a champion for public school Pre-K quality and understands the need for quality ECE programs, especially for Texas's most at-risk children.

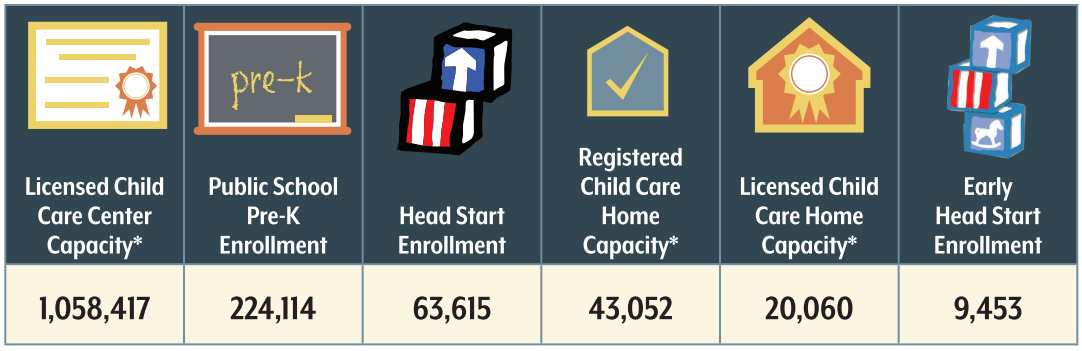
Chairman Andres Alcantar, TWC's leader for 10 years, worked diligently to increase the quality of child care providers in the subsidy system and increase access to TRS.[7] Most recently, he held regional hearings across the state to gather local stakeholder input on various quality-related initiatives. He also created a workgroup of regional stakeholders to focus on improving child care quality, and he built out a team of staff at the state level dedicated to child care quality improvement. When the new CCDBG funding was announced, he spearheaded efforts to ensure the new funds were used meaningfully, with a focus on quality initiatives. In July 2018, Chairman Alcantar stepped down to join the Texas Association of Business, our state's chamber of commerce. ECE stakeholders are hopeful that his emphasis on quality child care will continue in the private sector and that new TWC leadership will maintain the agency's focus on quality programming.

TEA's Commissioner Mike Morath continues to prioritize quality ECE programs and build partnerships with TWC to strengthen school-readiness efforts. Under his leadership, the public school Pre-K department grew from one staff to an entire team. He was vital to the creation of the Pre-K Partnership Planning Grant, which builds partnerships between public school Pre-K programs and TRS Level 4 child care providers. He has also worked to improve ECE resources and supports across our state's 20 Education Service Centers, which exist to help school districts in their region. Even before his tenure at TEA, Commissioner Morath has been a longstanding champion for ECE quality.

Diverse Delivery System

As noted in Section 3, Texas child care is provided in diverse settings, which 1) meet a variety of parent preferences; 2) are able to effectively blend funding sources to improve quality and maintain stability; and 3) adapt to the diverse geographic and cultural needs of communities across Texas. The state recognizes and regulates full-day child care centers, licensed home-based providers, registered home-based providers, as well as before- and after-school programs. Some are for-profit businesses, while others are administered by nonprofit or faith-based organizations. Although the quality of child care is met with several obstacles, Texas is moving in a direction that will increase access to better standards and care in order to improve outcomes for children and families.

Texas Children in Common ECE Settings[2]



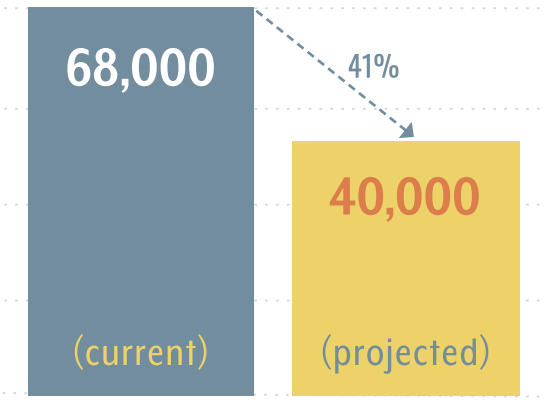
Licensed Child Care Center Capacity*	Public School Pre-K Enrollment	Head Start Enrollment	Registered Child Care Home Capacity*	Licensed Child Care Home Capacity*	Early Head Start Enrollment
1,058,417	224,114	63,615	43,052	20,060	9,453

**Based on licensed capacity, which does not reflect actual enrollment. Enrollment data is not collected by any state agency.*

Greater Access to Subsidized Care

In summer 2018, TWC committed to using its CCDBG increase to bring its service population from 103,000 to more than 130,000 low-income children with parents who are working or going to school.[8] This increase begins to chip away at the 68,000 children who had been on a waitlist for subsidized child care.[9] This effort will help thousands of Texas parents engage fully in the workforce by giving them access to affordable child care.

Projected Reduction for Child Care Subsidy Waitlists[3]



Greater Participation in Texas Rising Star

Serving more children is not enough, especially when the quality of Texas's child care minimum standards are so low. Only 17% of child care providers in the subsidy system are certified quality through TRS, but TWC is working to improve participation in TRS through the following efforts.

» ***Certifying More Providers in Texas Rising Star.*** TWC will use part of the increase in CCDBG funds to:

- Expand the **TRS mentor and assessor** program, which will help providers meet and maintain higher quality standards;
- Recruit providers that were impacted by **Hurricane Harvey** into TRS as they rebuild and recover;
- Build **community partnerships** that focus on strengthening TRS; and
- Invest in a **data system** that helps Local Boards make more informed decisions about quality child care.[10]

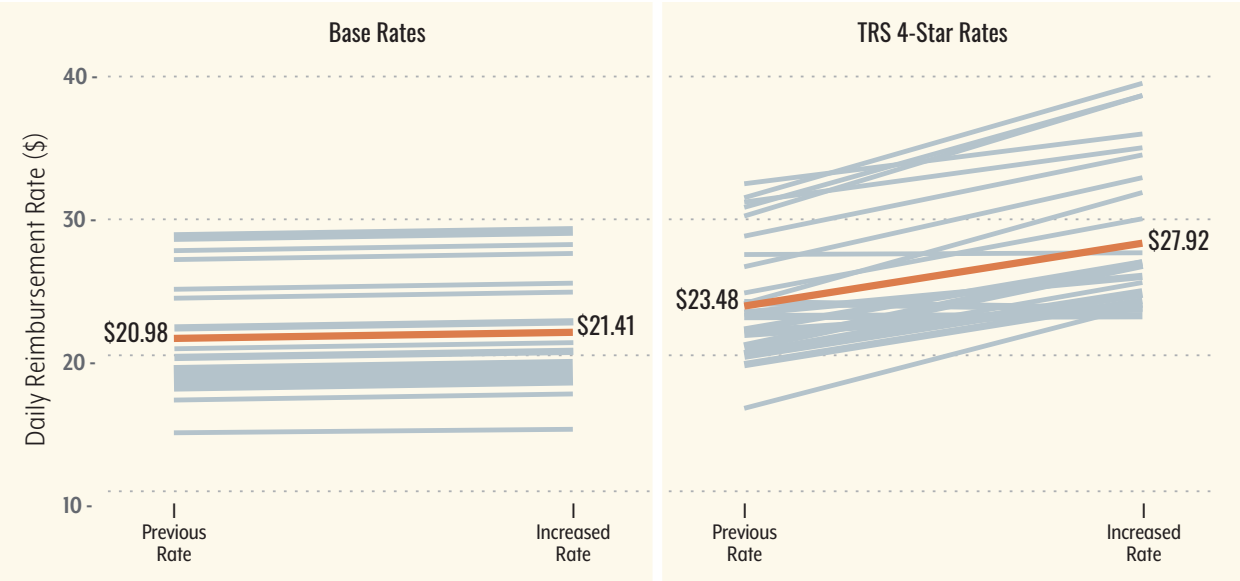
» ***Increased Reimbursement Rates.*** These are the amounts that Local Boards reimburse to child care providers caring for children through the subsidy program. The rates are set at the local level and somewhat based on market rates—or the prices parents in the area are paying. "Base" rates refer to payments made to non-TRS providers. TRS 2-, 3-, and 4-Star providers are paid at increasingly higher amounts above the base rate.

The federal government recommends that states set base reimbursement rates at the 75th percentile of local child care market rates, which means that the base rates would be at what 75% of all child care providers in the market are charging for care. This would help subsidy families.[11]

Historically, Texas's reimbursement rates have fallen far below this recommended level. Prior to the recent CCDBG increase, 19 of the 28 Local Boards reimbursed TRS 4-Star providers—the highest level of quality—below the 50th percentile or median market rate. Such low reimbursements also make participation in the subsidy program or maintenance of TRS quality standards challenging for child care providers, as low rates do not support a sustainable business model.[12]

Reimbursement Rate* Changes with CCDBG Increase[4]

Significant increase for TRS 4-Star rates, but only minimal increase to base rates.



*Calculations shown for toddlers, but trends persist across age groups.

In 2018, TWC made a tremendous step toward paying fairer rates by:

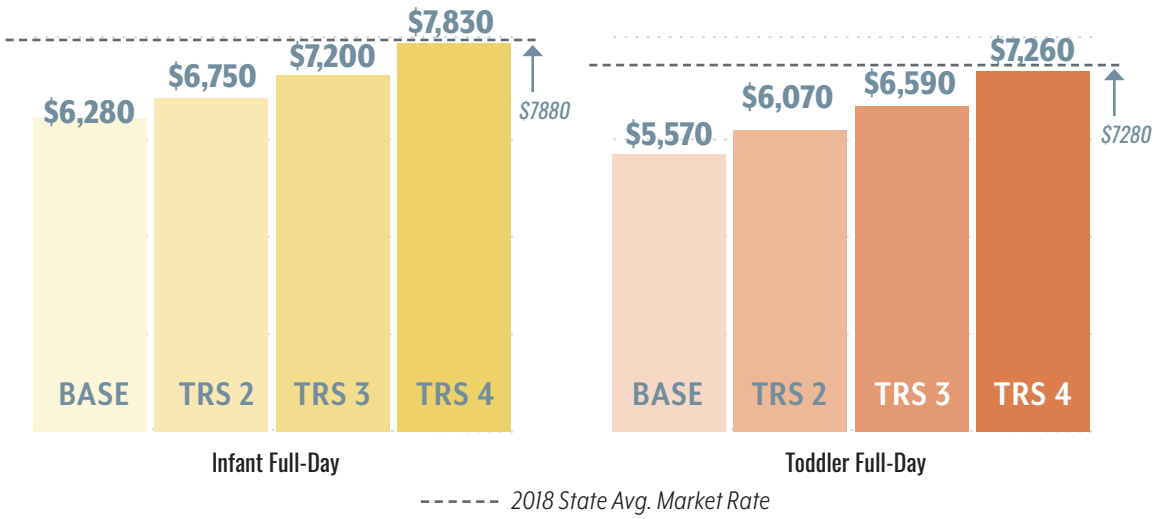
- Increasing TRS 4-Star providers to the **75th percentile** market rate;
- Increasing TRS 3-Star provider rates to **90%** of the TRS 4-Star rate; and
- Increasing TRS 2-Star provider rates to **90%** of the TRS 3-Star rate.[13]

Though Texas's base reimbursement rates for non-TRS remain low with only a 2% increase, these investments represent significant progress as the state explores how to improve access to quality ECE for all children and stabilize child care businesses. (See Appendix 3 for analysis of these new rates.)

This rate increase was especially helpful for child care providers serving infants and toddlers through the subsidy system. It is much more expensive to provide infant and toddler care because each teacher must have fewer children assigned to them, as well as smaller group sizes—even for providers not in TRS. Historically, it was very difficult for these child care providers to improve their quality with such low TRS reimbursement rates, and this rate increase should help offset some of the costs related to providing quality care.

New 2018 Reimbursement Rates in Texas (Annual Calculations) [5]

After recent increases, TRS 3-Star & 4-Star rates are closer to the state average price of care.



This momentum toward increasing payments for TRS-certified child care follows groundwork laid in 2013 when the Texas Legislature passed House Bill 376, which set a tiered payment increase for TRS providers based on their star level and set aside funds for quality initiatives, among other quality-focused charges. Then, in 2015, the Sunset Advisory Commission released recommendations for improvements to TRS, prompting the Texas Legislature and TWC to make further quality improvements to the overall child care subsidy program.[14]

» ***Supports for Child Care Businesses.*** With the new CCDBG funding, TWC will begin to invest in child care businesses to increase "entrepreneurial activity, provide professional development support for administrators, and increase rates of business success leading to TRS 4-Star ratings."[15] While the details of these efforts are unknown, their existence acknowledges the support needed by child care providers—small businesses often operating on their own with very little financial cushion and without many business resources.

» ***Problem-Solving Together.*** Common barriers exist across the state for Local Boards to increase participation in TRS. Child care providers who have certain critical licensing deficiencies or who accumulate too many deficiencies are deemed ineligible for TRS, dropped down in their TRS level, or put on a long probation from TRS. Local Boards identified background check violations as one of the greatest barriers to obtaining or maintaining TRS certification.

To address this, Child Care Licensing (CCL), housed in the Texas Health and Human Services Commission, is planning a fix with the background check system that will eliminate some obstacles and make it easier for child care providers to comply with licensing rules. This type of cross-agency problem-solving is a great example of how state leaders can coordinate to increase access to TRS-certified child care.

» ***Texas Early Learning Council.*** In 2010, the Texas Early Learning Council (TELC) received a 3-year federal grant of $11.4 million through the American Recovery and Reinvestment Act with the goal of developing some key components of Texas's ECE systems. A strong group of ECE stakeholders were part of the Council, but the group's coordinated efforts ended when the grant expired. Children's Learning Institute at UTHealth housed the TELC offices and continues to disseminate the resources TELC developed. TELC's excellent research, recommendations, and work products form the basis for much of the work being done today by individual stakeholders.[16]

More Qualified Child Care Workforce

Child care teachers are charged with educating children during their most critical years of brain development and preparing them for kindergarten, but these teachers are often under-paid and under-educated. Currently, one in four child care educators in Texas has at least an associate's degree, but most are being paid so little that they qualify for government assistance programs such as subsidized child care.[17] These low wages and benefits contribute to high staff turnover in the field—when an educator earns a bachelor's degree, they are likely to leave for higher paying jobs at public Pre-K or Head Start. Low-wage jobs tend to experience high staff turnover, but this trend is particularly troubling for child care. Turnover rates at child care providers are often closely related to a program's indicators of quality, and high turnover makes achieving and maintaining TRS difficult.[18] (For more on the complex problem of child care teacher education and compensation, see Section 5.)

The state has begun to address some of these issues.

» ***Child Care Teacher Scholarships.*** Child care providers cannot meet the highest levels of TRS without having qualified teachers—those who have an ECE certification, some college or a degree in a relevant field, or years of experience in quality settings. One of the most common ECE certifications is the Child Development Associate (CDA) Credential™. To qualify, a teacher must take 120 clock hours of training covering specific competencies, complete 480 hours of experience working with young children, and pass an exam in addition to other requirements. It can be a great gateway to an ECE career, and these training hours sometimes transfer to community colleges depending on partnership agreements in the local community.

Realizing this, TWC invested in the T.E.A.C.H. (Teacher Education and Compensation Helps) Early Childhood® TEXAS scholarship program, which provides financial assistance for those seeking a CDA credential or associate's degree as they progress through their training or coursework. When teachers complete their CDA or associate's degree, they must commit to staying with their employer for period of time, which varies based on the degree type. The T.E.A.C.H. Texas scholarship program is also built to support bachelor's degree attainment, however TWC is not currently funding this bachelor's degree component.

1 in 4 child care teachers in Texas has an Associate's degree or higher

TWC has also invested in other training programs for ECE credentials, including two options for CDA training for TRS and subsidy providers. Through the Children's Learning Institute at UTHealth, eligible ECE professionals—teachers at TRS child care settings, school districts, Head Start, and more—can complete all CDA coursework online for free. Also, the Texas CDA Training Partnership Program with Frog Street, a provider of curriculum and professional development, offers teachers free online coursework with extra coaching and support throughout the process.[19]

» ***Career Pathways.*** The Texas Early Childhood Professional Development System (TECPDS) provides valuable resources and tools for ECE professionals, including child care teachers. None of these tools are mandatory for subsidy or TRS providers, and they are not widely used. However, there are some local efforts underway to support child care staff at TRS providers to use these tools.

TECPDS includes:

- **Core Competencies** – observable skills that an ECE professional must know and demonstrate in order to effectively promote a child's development. These are broken into three buildable levels: beginner, intermediate, and advanced. They are accompanied by online training modules that help ECE professionals improve the quality of care and education they provide.
- **Texas Trainer Registry** – an online platform for trainers who provide ECE training hours. To be approved as a registered trainer, their trainings must meet certain qualifications that are linked to core competencies.
- **Texas Workforce Registry** – a free online platform for ECE professionals to track their training hours, education, and work history. Users of this system can create a professional development profile, view reports, list job openings, and evaluate trainings presented by registered trainers.
- **Early Childhood Career Lattice** – a tool for ECE professionals to designate their training hours, education, work history, and other related items to a series of progressive levels on the Career Lattice. Based on these achievements, users are automatically categorized as beginner, intermediate, or advanced. As they gain more experience, training, and education, they move up in the levels.[20]

The state's investment in these structural items was a great start toward building careers in the ECE field. Now that these basic components exist, TWC and other stakeholders must do more to make meaningful use of these items across the state. Some Local Boards are building on the state's efforts, as discussed later in this section.

» ***Professional Development.*** TWC recognizes the importance of professional development—or specialized training to improve professional knowledge, skills, and effectiveness and has made state-level investments to support Local Boards. Most recently, TWC announced that Local Boards will receive a small portion of the new CCDBG funding in order to provide more professional development resources, but the exact details have not been made public as of September 2018. Other state resources include online courses on a variety of child care topics, an annual statewide summit for ECE professionals, a Professional Development Partnership with TEA to improve ECE teacher preparation, and the Engage platform through Children's Learning Institute at UTHealth that houses progress monitoring and professional development tools.[21]

Greater Coordination for School-Readiness

The different state agencies and departments that coordinate the various pieces of Texas's ECE system—TEA, TWC, and CCL—have traditionally operated in siloes. This lack of coordination has led to inefficiencies, redundancies, inadequate support for parents, and weakened outcomes for children. This contributed to a system that is not serving Texas's children as well as it could. Fortunately, recent efforts have acknowledged this problem and are working toward scalable solutions.

» ***Child Care and Public Pre-K Partnerships – Planning Grant.*** In 2016, TWC and TEA jointly launched the Pre-K Partnership Planning Grant program to build partnerships between public school Pre-K programs and TRS 4-Star child care providers. This can help to provide quality, full-day early learning for eligible 3- and 4-year-olds. Because most children eligible for public Pre-K are also eligible for child care subsidies, such partnerships allow a blending of public funds from both TWC for child care and TEA for public Pre-K. These funds on their own are inadequate for either program to be high quality and full-day, so blending funds helps programs better serve children and families.

In 2016, 21 of the state's 1,205 school districts applied for and received this two-year grant.[22] TWC recently announced that it will renew the grant opportunity to continue supporting school districts and child care providers in building these relationships.[23] The program is a great start to bridging the two important ECE systems, expanding access to quality programs, helping children be school-ready, and supporting working parents who need full-day, affordable options.

» ***Child Care and Public Pre-K Partnerships – SB 1882.*** Senate Bill (SB) 1882 was passed by the Texas Legislature in 2017 and allows for school districts to, among other things, partner with a non-profit organization, an institution of higher education, or a government entity to operate a district campus. In addition to the benefits described above, school districts in SB 1882 partnerships can access other funding sources. In the context of ECE programs, a school district can deploy one of two models for the Pre-K program under SB 1882:

1. Partner with one or more individual ECE programs (as long as they are an eligible entity), such as a non-profit child care provider, to offer public school Pre-K at the partner's site.
2. Partner district-wide with an eligible entity, such as a nonprofit organization or a city government, to manage all ECE partnerships.

While the development of these partnerships is fairly recent, seven school districts are embarking on the process and showing great promise. TEA has partnered with a consulting firm to help shepherd school districts through the process of building these partnerships.[24]

Benefits of Child Care and Public Pre-K Partnerships:

Expanded opportunities for families to find an ECE program that meets their needs.
More open communication between public schools and child care providers, sharing resources and aligning practices so that children have greater continuity in educational approach.
Child care providers can receive increased materials, training, professional development, coaching, or other supports to help increase quality and increase the number of children who are ready for kindergarten.
Public schools can engage more children and families and engage them earlier than they typically would.
Child care providers can access new, sustainable streams of funding.
Easier transition to public school for participating children and families.
Develop a stronger ECE workforce by building relationships and shared understanding across child care and public school teachers and staff.

» ***Early Childhood Education (ECE) Data Tool.*** TWC and TEA have begun to share some data through a partnership with ECDataworks, national experts in early childhood data systems. This project will result in a new analytic tool that allows users to search aggregate data from TRS providers and public school Pre-K programs. This is intended to help Local Boards, school districts, and TEA's regional Education Service Centers make decisions on quality and school readiness.[25] This initiative presents a unique opportunity to more closely align TRS child care and public school Pre-K to promote better outcomes for children in different ECE programs.

» ***Coordinated Teacher Training.*** Texas School Ready is a comprehensive ECE teacher training program implemented across the state through two models, Texas School Ready *Comprehensive* and Texas School Ready *Online*, by the Children's Learning Institute at UTHealth. Jointly funded by TWC and TEA, the goal of Texas School Ready is to help children be better prepared for kindergarten. Research has shown that Texas School Ready improves teacher practice across a variety of domains.[26]

- **Texas School Ready Comprehensive**, the traditional three-year model, combines a research-based, state-adopted curriculum with ongoing professional development, individualized coaching, and progress monitoring tools. This model provides training and mentoring to teachers serving 3- and 4-year-olds in child care, public school Pre-K, Early Head Start, and Head Start settings to improve the school-readiness of the children they serve. A customized version of the program is currently being expanded into infant and toddler classrooms through a pilot study. While Texas School Ready is offered across ECE programs, it is voluntary and its reach is quite small.[27]
- **Texas School Ready Online** offers free, online delivery of professional development, supplemental curriculum, and progress monitoring tools at no cost to thousands of eligible programs across Texas on the CLI Engage platform. All Texas public schools, Head Start programs, TRS providers, and public higher education institutions can access these resources at no cost. Last year, more than 800 of the state's school districts participated in Texas School Ready Online through CLI Engage.

Texas School Ready's resources are housed on the CLI Engage platform, which provides online resources and training materials for educators and families of children ages 0-6 to improve practice in early education settings. Many resources are available to all ECE professionals at no cost through a quick account sign-up process.

TWC also hosts an annual conference for ECE professionals from all settings. The conference is meant to meet professional development needs of ECE professionals and provide them with information, tools, and resources to improve the quality of ECE experiences.

» ***Texas Pre-Kindergarten (Pre-K) Guidelines.*** Created in 2008 and updated in 2015, TEA worked with TWC and other stakeholders to build the Texas Pre-K Guidelines, which are meant to support skill development and child outcomes to get kids school-ready. The Texas Infant, Toddler, and 3-Year-Old Guidelines were released in 2013 and are aligned with the Texas Pre-K Guidelines. To accompany both guidelines, TEA and TWC worked with Children's Learning Institute at UTHealth to develop online professional development courses, which are available at no cost to all ECE professionals.

Both sets of guidelines, however, are voluntary. TRS standards are based on these guidelines, and meeting those standards is also voluntary.[28]

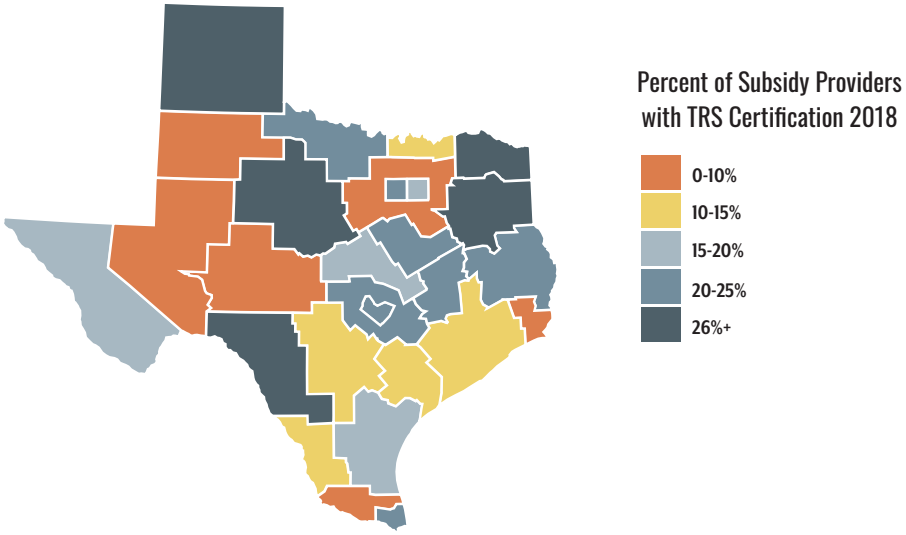
These initiatives show that quality ECE matters to the state and that multiple state agencies are committed to improving Texas's ECE systems.

Local Momentum Toward Quality Child Care

TWC cedes much control over the day-to-day operation of the subsidized child care program to its 28 Local Boards. As discussed in Section 3, Local Boards vary in terms of size and geography, and they exercise great discretion in how to use their funds. Some Local Boards—especially the larger ones—contract with entities (referred to as "contractors") to carry out various aspects of their child care work.

Many Local Boards and their contractors, along with state agency leadership, are working to improve the quality of Texas's ECE system, though resources are limited and practices vary. Through innovation, collaboration, and creativity, promising efforts are occurring across the state. The recently increased CCDBG funding presents a unique opportunity to expand upon this work by leveraging the best practices highlighted here—and attempting new innovations—to expand access to affordable, high-quality ECE for Texas's children.

Texas Rising Star Participation by Local Workforce Board [6]



The strategies highlighted in this section are not exhaustive of all efforts across the state, but they are some of the most promising and have the potential to be expanded to statewide use. The strategies are organized by the following approaches that are contributing to the local momentum toward higher-quality child care:

- Incentives and resources for TRS;
- More qualified child care workforce;
- Improving school-readiness; and
- Empowering parents to choose quality.

Incentives and Resources for Texas Rising Star (TRS)

Providing quality child care is no easy task for many child care centers and homes, especially when our state's minimum licensing standards and subsidy reimbursement rates are so low. Asking child care directors and owners to take on yet another set of standards is often a hurdle. Some Local Boards have invested in innovative strategies to help child care providers clear this hurdle and reach higher quality standards through TRS certification.

» ***Quality Achievement Awards.*** These can be used as one-time payments to recognize a program for achieving a higher level in TRS, or they can be ongoing annual payments for achieving and maintaining a particular level in TRS. The ongoing awards are meant to support the cost of operating a program at a higher quality level. These awards can also reward TRS child care providers serving high-need communities.

Some Local Boards and contractors including Gulf Coast (Houston area), East Texas (Kilgore and Tyler area), and West Central Texas (Abilene area), provide cash awards when child care providers achieve higher levels of TRS. In the Gulf Coast region, child care programs are provided with suggestions on how best to use the award in order to continue quality improvement, such as investing in teachers' career development.

Houston, Kilgore/Tyler, Abilene, Eagle Pass/Uvalde

- ***Quality Improvement (QI) Grants.*** These are incentives for child care programs to increase their level in TRS.[29] TRS 2-Star level is easily achievable, as it is just barely above minimum licensing standards. To truly be a quality program, providers need to work toward TRS 4-Star requirements. These QI grants can help providers increase their TRS level through incentives that directly relate to various standards in TRS. These can be monetary bonus payments of varying amounts or equipment, materials, curriculum, etc. that help child care providers meet the TRS standards.

  Most Local Boards provide some QI resources, but the type and depth of support varies across the state. The East Texas Local Board (Kilgore and Tyler area), which has one of the highest levels of TRS participation, gives child care providers $1,000 cash assistance to purchase items in preparation for their TRS assessment. Another Local Board with high TRS participation, Middle Rio Grande Valley (Eagle Pass/Uvalde area), gives child care providers equipment and technology to help them improve the quality of their classrooms.

- ***Supports for Child Care Businesses.*** Another opportunity to help child care providers rise in levels of TRS and sustain quality programming is to stabilize and maximize their business operations. This not only has the potential to unlock additional revenue, but it can also save child care directors and owners valuable time that can be invested back into the quality of their programs.

  One such option is Shared Services, a model that allows child care providers to leverage economies of scale by pooling resources with other providers for common needs. These models can be implemented statewide offering a broad set of services and information or, more often, they can be implemented regionally with a deeper, targeted scope of services. Shared Services can take many forms, and it allows child care providers to focus on what is most important: providing the highest quality care possible for children.[30]

  Child Care Associates, the contractor for the Tarrant County Local Board (Fort Worth area), purchased the rights to the online Shared Services platform for Texas, www.TXChildCareTools.com, which is a comprehensive platform containing resources for child care providers to maximize their resources, strengthen their business operations, and increase program quality.[31] Child Care Associates is preparing a launch of the tool now that they have customized the site for Texas, added locally-created resources, and piloted for several months in Tarrant County. The pilot feedback from providers and from TRS mentors has been extremely positive, and Tarrant County has added its first home-based providers to TRS after sharing tools on the platform.

  The potential to expand this platform statewide to all Local Board areas presents an incredible opportunity for Texas to give child care providers access to much-needed resources and to increase quality across the child care system. The current model for expansion requires Local Boards to purchase this on their own, potentially pulling funds away from other priorities. Support from TWC for expansion might make more sense since it addresses needs felt by providers in all parts of Texas and helps them achieve TRS certification. Furthermore, Child Care Associates is supplementing the platform with:

  - Custom-designed marketing materials to promote TRS to providers,
  - Technical assistance and training for local TRS mentors, and
  - An annual convening for TRS mentors to help them better connect with and support child care providers.

Dallas, Fort Worth

ChildCareGroup, the contractor for the Dallas County Local Board, is investing in a Shared Services neighborhood model at the local level through a collaboration with a Dallas-based support company called 501ops. The collaboration is designed to help child care centers move from manual to automated processes and to organize their data, allowing them to free up time to focus more on quality programming. Child care center directors will share staff to 1) implement software; 2) provide ongoing weekly data-entry and training; and 3) help enroll in the Texas Procurement and Support Services Cooperative Purchasing Program, which provides volume purchasing power and pedagogical leadership development. In a pilot version of this project, it was shown that child care center directors could save an average of 30 hours per month with automation if implementation support is provided.

» ***Local Collaborations.*** The Capital Area Local Board (Austin area) has proven adept at leveraging local philanthropic funding and working with other regional partners to improve the quality of its ECE system. Since 2008, the Quality Child Care Collaborative (QC3) has been meeting with the goal of increasing the number of high quality ECE programs within the Travis County region. Participating organizations include Austin Community College, Austin Independent School District, Child Inc. (Early Head Start and Head Start), City of Austin, Travis County, United Way for Greater Austin, and the Capital Area Local Board. By bringing together stakeholders in the child care system at the local level, QC3 has been able to increase quality-rated programs in the Austin area, fund initiatives to recruit and retain quality ECE teachers, and develop an alternative certification program for existing teachers with bachelor's degrees in something other than ECE/Child Development. Through this alternative certification program, child care centers can draw down state funds for eligible public school Pre-K students. This allows administrators to pay child care teachers higher wages and offset costs associated with providing high quality programs.

Austin, Belton

The Central Texas Local Board (Belton area) coordinates with a well-known, intensive national quality accreditation program through the National Association for the Education of Young Children (NAEYC). Becoming NAEYC accredited requires substantial demonstration of quality on the part of the provider, so TWC automatically recognizes providers who achieve this designation as TRS 4-Star. Central Texas is home to Fort Hood, and child care providers on military bases are required to be NAEYC-accredited. The Local Board's executive director approached their child care staff wanting to expand access for non-military families to high-quality care, and in 2010 they began partnering with NAEYC to expand certification in their region. The Local Board's TRS mentors help their providers achieve TRS 4-Star certification, and once that is achieved they provide financial assistance to offset providers' costs of achieving and maintaining NAEYC accreditation. Connecting TRS and NAEYC in this way ensures that care is not only high-quality, but also affordable for low-income families. This partnership has allowed many families to access the highest quality child care, which they would otherwise have been unable to do.

More Qualified Child Care Workforce

Child care teachers are charged with educating children during their most critical years of brain development and preparing them for kindergarten, but they are often under-paid and under-educated. This causes many educators to seek higher paying jobs in the service sector such as grocery stores or fast food restaurants, resulting in high staff turnover. High staff turnover is a significant barrier to achieving TRS 3- and 4-Star levels. Several Local Boards identify this as a problem, and some have found promising strategies to address this complex challenge.

» ***Child Care Teacher Scholarships and Wage Supplements.*** As mentioned earlier in this section, the state invests in CDA scholarships and online training programs. However, at least eight Local Boards and contractors also provide CDA courses in their regions, and many other Local Boards provide scholarships or tuition assistance to child care teachers who wish to pursue CDAs at local community colleges.

The CDA is a useful step toward improving a child care teacher's ECE knowledge and training. However, the CDA must be renewed every few years, and it currently does not easily scaffold into higher degrees, such as an associate's or bachelor's.

But we must do more to ensure the CDA is a start, rather than a finish, in an early childhood teaching career for child care workers across the state. At least one-third of Local Boards in Texas award college tuition scholarships in partnership with local community colleges for child care staff working toward an associate's degree in early childhood, and some even support those pursuing a bachelor's degree.

This work is incredibly valuable, and it can help child care teachers increase their skills and build careers. However, it does not address the low wages that child care teachers are paid even after degree attainment. One promising strategy to address this is tying scholarships and degree attainment to wage and retention awards. This can help child care teachers build a career in ECE and stay in the child care profession, rather than moving on to public Pre-K or Head Start once they receive their degree.

Houston, Austin

Collaborative for Children, the contractor for the Gulf Coast Local Board (Houston area), has built stipends into the scholarships it offers. As child care teachers or directors in TRS complete a degree or credential, they receive stipends, resulting in a more professional workforce and increased TRS ratings for the child care provider.

Only one Local Board, Capital Area (Austin), offers a wage supplement to encourage continuing education for child care teachers. The program began in 2012, and the wage supplements are now tied to college credit and require teachers to be working in quality-rated centers, such as TRS certified providers. Wage awards through this program are paid to the child care teacher as a taxable salary stipend.

In other programs across the U.S., wage and retention awards can be paid directly to the child care teacher in a taxable bonus or non-taxable gift, or paid to the child care provider, who is then responsible for adding them to the employee's wages and taxes are withheld as usual.[32] Financial incentives like this can encourage child care teachers to pursue higher levels of education and to stay with their employer, which improves the number of qualified teachers and helps child care providers meet TRS standards.[33]

» ***Child Care Staff Professional Development.*** Most Local Boards offer professional development opportunities to child care providers in their region. These trainings take a variety of forms and cover dozens of topics—from basic licensing requirements, to conscious discipline training, to the implementation of curriculum in the classroom, and more. The processes for selecting these topics also vary. The two most common ways in which professional development topics are chosen are 1) a survey of child care providers about their needs, and 2) recommendations from TRS mentors and assessors about which topics will have the greatest impact on the providers with whom they work.

Abilene

Many Local Boards provide scholarship and tuition assistance to child care teachers working to achieve CDA, but West Central Texas Local Board (Abilene area) has made these opportunities even more accessible to teachers. This Local Board specifically designs its professional

development package to "stack" into a CDA for interested teachers. Teachers can attend sessions as standalone courses or, once they have completed the entire progression, they can apply for their CDA credential. By making professional development training hours count toward a CDA credential, West Central Texas is maximizing the return on their investment and also helping child care staff build careers.

» ***Career Pathways.*** The state has invested in TECPDS, which provides free resources and tools online for ECE professionals, including the Texas Workforce Registry. In March 2017, Tarrant County Local Board (Fort Worth area) initiated a pilot project with Children's Learning Institute at UTHealth, in partnership with TWC, to develop enhancements for TECPDS and pilot an implementation in Tarrant County. This included key involvement from the Local Board's contractor, Child Care Associates, along with Early Learning Alliance—a coordinated effort of 50 organizations dedicated to helping all children in Tarrant County be school-ready.

In particular, the pilot provided for the following updates to TECPDS, which are now available statewide:

- **Enhancements to the database**, so users can upload their information in a more user-friendly way.
- New processes and features to support voluntary **records validation** for an ECE professional's education, professional development, and work history. Both TECPDS staff and approved Local Board staff have opportunities to review and validate records uploaded by users; user reports show how records were validated (either state- or locally-validated).
- The new **Find My Career Lattice Tool**, which is optional, produces reports based on the individual's work history, education, and professional development records uploaded into the system. The tool provides users with a customized Career Lattice Report that details the Career Lattice level, as well as resources to guide future career development in education and training.
- The **Professional Development Report**, which details all information that a user has uploaded into the Texas Workforce Registry, including education, professional development, and employment records, as well as the validation status of each record. Users may download their individual report, and it is also available to the user's employer if they have voluntarily linked their account to their place of employment on TECPDS. The Professional Development Report is valuable for future system efficiency opportunities and could could be used by TRS Assessors and Child Care Licensing staff to prevent repeated manual review of records.
- Tarrant County now has a data source for **understanding ECE professionals** and their credentials/degrees as the Early Learning Alliance helped to manage a campaign that has successfully entered over 1,800 early education professionals onto the online system.

Once more child care staff across the state enter their information into the system, these enhancements will enable Local Boards and their contractors to better understand and address the needs of their local ECE workforce.

Improving School Readiness

Local Boards have to be creative when they are working to improve school readiness. It often requires having the right community partners, leaders, and resources available and willing to coordinate efforts. Some Local Boards—typically ones in larger Texas cities—have had great success coordinating across ECE programs to improve school-readiness. With the right supports and guidance around best practices or lessons learned, these successes could be replicated in other parts of the state.

» ***Research-Based Teacher Training, Assessment, and Coaching.*** One component missing from TRS is a standardized, research-based tool that meaningfully gauges how teachers promote students' academic and social-emotional development with the goal of providing actionable feedback to improve practice. Though TRS does attempt to measure these elements, it does not address them as robustly as other tools. It also lacks a concrete mechanism for continuous quality improvement for teachers based on assessment results.

Some Local Boards are implementing quality teacher training and assessment programs, in addition to TRS. Two that are used in various regions of the state are Texas School Ready and the Classroom Assessment Scoring System (CLASS). Both of these programs assess teachers and use assessment results to support trainings, in order to give targeted interventions to individual teachers. These programs are different from TRS: the TRS assessment is less robust; there is no guarantee that TRS assessment results are fully and meaningfully integrated into mentoring; and providers at the TRS 2-Star level are not assessed for some of these more rigorous standards.

The state has invested in Texas School Ready—a comprehensive training program for teachers of 3- and 4-year-olds (more on page 41). Texas School Ready complements the quality goals of TRS and is accompanied by Children Learning Institute's CLI Engage platform, which provides online resources and training materials for educators and families of children ages 0-6 to improve practice in early education settings. Child care staff in about half of Local Boards are familiar with Texas School Ready, and at least nine of those Local Boards actively promote Texas School Ready with their child care providers. At least five Local Boards or their contractors—Tarrant County (Fort Worth area), Panhandle (Amarillo area), Cameron County (Brownsville/Harlingen area), Capital Area (Austin area), and North Texas (Wichita Falls area)—cross-train and/or cross-promote both Texas School Ready and TRS, seeing that the programs work well together.

Fort Worth, Amarillo, Brownsville, Austin, Wichita falls

At least two Local Board contractors–Child Care Associates in Tarrant County and ChildCareGroup in Dallas County–have incorporated CLASS in their assessments of TRS providers. Results of rigorous research by experts in diverse classrooms settings show that students with high CLASS scores consistently demonstrate stronger social, emotional, and academic outcomes. The CLASS methodology has been broadly adopted at the state and federal levels in the US and by leading education systems.

1. Early Learning Alliance in Tarrant County worked closely with Child Care Associates to contract with Southern Methodist University to assess classroom quality using CLASS for Head Start/ Early Head Start, school districts, TRS providers, and other child care providers. Early Learning Alliance also augmented these efforts by developing a Professional Learning Community (PLC) with their teacher coaches and TRS mentors so that these professionals could learn from each other and work together to develop best practices. Targeted support helped teachers make significant gains from one assessment period to the next. Partners are looking to expand to additional public-school Pre-K classrooms next year to better align ECE programs across organizational boundaries.
2. A neighboring collective impact coalition, Early Matters Dallas, aimed at building a solid early learning foundation for children from birth to 3rd grade, has been contracting with Southern Methodist University to implement CLASS assessment in Dallas ISD Pre-K classrooms since the 2015-2016 school year. DISD's teacher coaches then use the results of these assessments to provide targeted, individualized coaching to its Pre-K teachers. The results from SMU's assessments were impressive: Dallas ISD students in higher scoring classrooms were more kindergarten-ready than their peers in lower-scoring classrooms. Early Matters Dallas is expanding this pilot to include five other school districts, as well as TRS child care providers in Dallas County.

ChildCareGroup, the contractor for the Dallas County Local Board, will support the expansion for TRS providers. The pilot includes training, individual coaching, and support for TRS mentors and classroom teachers.

» ***Child Care and Public Pre-K Partnerships.*** A few regions in Texas have established partnerships between child care providers and public Pre-K programs run by local school districts, but only some Local Boards or contractors have actively supported these partnerships (more on page 40). TEA and TWC's Pre-K Partnership Planning Grant has supported some existing partnerships and is likely to build more across the state. These partnerships allow both school districts and child care providers to draw down state funding for qualifying 3- and 4-year-olds. It also allows school districts to offer extended hours and after-school care for enrolled children, since child care providers often stay open later than public school Pre-K programs.

ChildCareGroup has a particularly rich and successful partnership with Dallas ISD. In addition to the CLASS program, they also align curriculum in TRS child care providers with their local elementary schools. Through close collaboration with school district personnel, ChildCareGroup assisted in creating a child care-Pre-K partnership program in which public Pre-K is offered in child care classrooms. This partnership was in discussion prior to the establishment of the state's Pre-K Partnership Planning Grant, and when those funds became available, the district utilized them to maintain and augment that positive momentum.

Dallas, Fort Worth

Dallas ISD calculated that Pre-K offered in partner sites, rather than taking classroom space in existing schools or building new facilities, saved about $20,000 per year, and it sends that full amount directly to its partner child care centers. The centers must use $5,000 of these additional funds to stipend their teachers, with the difference being available to purchase supplies and offset the other overhead costs of the facility. Factoring in anticipated growth in enrollment for partner child care providers, these partnerships have a net positive economic impact of over $18,000 for providers.[34] This robust partnership was intentionally established to be beneficial for all parties involved, with the ultimate goal of improving outcomes for children.

Child Care Associates in Tarrant County also operates Early Head Start and Head Start programs in that community. For over 15 years, they have been coordinating Head Start partnerships with public school Pre-K programs and are now in partnerships with six school districts. For about a decade, Fort Worth ISD has been partnering with local child care providers to help provide their public school Pre-K program. Child Care Associates is currently part of a Pre-K Partnership Task Force, convened by Fort Worth ISD to improve partnership models and move toward a more integrated model of delivery.

» ***Coordinated Teacher Training and Curriculum.*** Teachers in all ECE settings—including child care, public school Pre-K, and Head Start programs—need training, both prior to teaching and as ongoing professional development. Interactions between teachers and children are incredibly important for supporting child development and helping children be school-ready. Combining training across multiple ECE programs can provide some real benefits.

1. Different ECE programs can **maximize resources and share costs** for teacher training. With such limited public funding and a huge need for quality early learning environments, coordination helps programs operate more efficiently and improve teacher quality.
2. Programs across ECE settings often share the same goal—to provide children with a quality early learning experience to help them succeed in school and life. Children in subsidized child care, public school Pre-K, Early Head Start, and Head Start are likely to attend the public K-12 school system. By coordinating efforts earlier, **all programs can help children be ready to learn when they enter kindergarten**.

3. There can be gaps in teacher training across ECE settings. For example, public elementary school teachers and principals might not have access to child development trainings, while child care teachers may not be offered classroom management and curriculum training. By offering trainings across multiple settings, all **teachers serving children birth through age 5 can expand their knowledge base.**

Wichita Falls

One Local Board, North Texas (Wichita Falls area), offers three annual conferences in collaboration with their local Region 9 Education Service Center and the United Way. The conferences trains providers on specific topics, such as implementing curriculum in a classroom. The events include multiple sessions, guest speakers, and door prizes.

Over half of Local Boards indicate that they have purchased curriculum materials for their TRS providers to help them improve their quality, but this alone is not enough to prepare children for school after they leave the child care setting. Like teacher training, shared curriculum across child care and public school settings has its benefits. This can help improve student transition into the K-12 school system, and also help ensure that gains achieved from quality early learning programs are sustained through kindergarten and beyond.[35]

Some Local Boards have coordinated curriculum across their TRS providers and local school district(s), including Heart of Texas (Waco area) and Coastal Bend (Corpus Christi area). By sharing curriculums, Local Boards and school districts better support student success in their transition to K-12. This can also reduce costs by coordinating group trainings and purchasing agreements.

Waco, Coastal Bend

Empowering Parents to Choose Quality

The majority of parents served through TWC's subsidized child care program must be low-income and either working or going to school. By definition, these families are facing different constraints and choices than their higher-income counterparts. They often have to choose child care based on cost, location, and hours of operation. While parents want the best for their children, families struggling to make ends meet can often be too over-burdened to have the luxury of prioritizing quality programming when making child care choices. Without parents demanding quality care, the supply side of the market carries great responsibility in improving access to quality. However, some Local Boards are finding success in helping families prioritize quality.

» ***Reduced Parent Co-Pays.*** Parents in the subsidy program pay a certain co-pay for subsidized child care based on their income, number of their children in care, and the Local Board in which they reside. Co-pays range from $0 to $450 per month for one child in care.[36] Parents who are low-income are often constrained by their family's practical needs and circumstances when choosing a child care provider, which can mean they are unable to prioritize program quality. This issue is magnified by the low supply of TRS providers—ranging from 6% to 37% of eligible child care providers in each Local Board.

A few Local Boards reduce or are working to reduce the co-pay when a parent chooses a TRS-certified provider in order to minimize the cost burden and empower parents to prioritize quality. For the Tarrant County Local Board (Fort Worth area), this effort that began in 2015 led parents to start asking whether potential child care providers were TRS, which boosted child care provider participation in TRS by more than 50%, impacting over 10,600 children from 0 to 13 years of age. This excludes the nearly 50 facilities that have since requested and are beginning the process of TRS certification.[37] This example illustrates that quality improvements to the ECE system need not focus exclusively on child care providers, who represent

Fort Worth, Austin, Houston

the supply side of the equation. Here, increased demand for quality among parents led to an increased supply in quality options.

Since 2015, Capital Area Local Board (Austin area) has also reduced parent co-pays for choosing a TRS-certified provider. However, they have not experienced the same obvious impact as Tarrant County. It is worth noting that Capital Area does have 49% of their subsidy children in TRS settings–one of the highest in the state–though they only have 24% of their providers in TRS, which indicates some movement of children toward quality settings. It is unclear why the two Local Boards experienced different results, and any of the following factors could have contributed:

- Is there an **income difference in the type of families served**, which could affect families' overall savings from the co-pay change?
- Was there a **difference in the number of families served**, freezes in enrollment, waitlist numbers, or openings available at TRS providers?
- What are the **co-pay reduction amounts** in the two Local Boards?
- How have the reduced co-pay opportunities been **marketed** to parents?
- Is there a difference in **geographic distribution of TRS providers** versus parent need in the two Local Boards?

This is a truly promising strategy, and we must better understand these differences since the Tarrant County results were so powerful. It is likely that other Local Boards and the families they serve could benefit from this promising practice.

» ***Resources for Parents.*** Some Local Boards have invested in online search systems for parents. Collaborative for Children, the contractor for the Gulf Coast Local Board (Houston area), has the most robust searchable platform in Texas for families to use in order to compare child care options, including information and searchable filters for TRS-certified TRS settings, at www.findchildcarenow.org.

Houston

Other Local Boards and their contractors such as Tarrant County, Dallas County, Capital Area (Travis County), and South Plains (Lubbock area) have also created helpful maps for parents to find child care providers, with a few including filters to seek out TRS care.[38] While this is great for parents in those areas, it leaves many others across Texas with disparate access to information.

» ***Coordinated Enrollment Efforts.*** To help parents better navigate their options, other states and cities across the U.S. have started to combine applications or enrollment efforts across publicly-funded ECE programs, including subsidized child care, public school Pre-K, Early Head Start, and Head Start. In Travis County, the Austin Prenatal to Age 3 Team (a partnership of the United Way for Greater Austin, Austin Public Health, and the National League of Cities) is leading the coordinated enrollment initiative across all publicly-funded ECE programs. Their vision is to maximize participation in free public school Pre-K, which may provide opportunities to re-direct limited funds to serve more infants and toddlers in subsidized child care and Early Head Start. This effort was inspired by innovations in other states: Louisiana's single application for EC programs, Chicago's Early Learning application process, and Cleveland's Pre4Cle. At the same time, United Way for Greater Austin is building out a new Resource and Referral program for Early Childhood in conjunction with their 2-1-1 program. This will help better support families in navigating access and eligibility for programs, as well as maximize public funds to meet needs.

Austin

5 Recommendations: Building on our Strengths

The recent momentum toward improving the quality of child care gives Texas a great opportunity to build a system that works for families and the Texas economy. In June 2018 Governor Abbott and the Texas Workforce Commission (TWC) made a firm commitment to improving the quality of child care. Their joint statement demonstrates their recognition that quality child care is needed in order to improve student outcomes, promote school readiness, and help parents gain stable employment or advance in a career. To achieve those objectives, TWC will invest the agency's recent increase of $229 million in federal Child Care and Development Block Grant (CCDBG) funds (more on this in Section 4) in:

- Substantially increasing **Texas Rising Star (TRS) reimbursement rates**.
- Substantially increasing the **number of children served** in subsidized child care.
- Expanding TWC and TEA's **partnerships between TRS 4-Star child care providers and public school Pre-K** programs.
- Increasing the number of **TRS mentors and assessors**, who are needed to certify more child care providers in TRS..
- Providing more funds to Local Boards to spend on quality initiatives, with a special focus on **quality infant/toddler care and child care teacher professional development**.
- Supporting child care providers in some of their **business needs**.
- Improving the quality of child care providers impacted by **Hurricane Harvey**.
- Building **partnerships with community-based organizations** focused on strengthening TRS.
- Enhancing **data systems** to help Local Boards make more informed decisions about quality child care.[1]

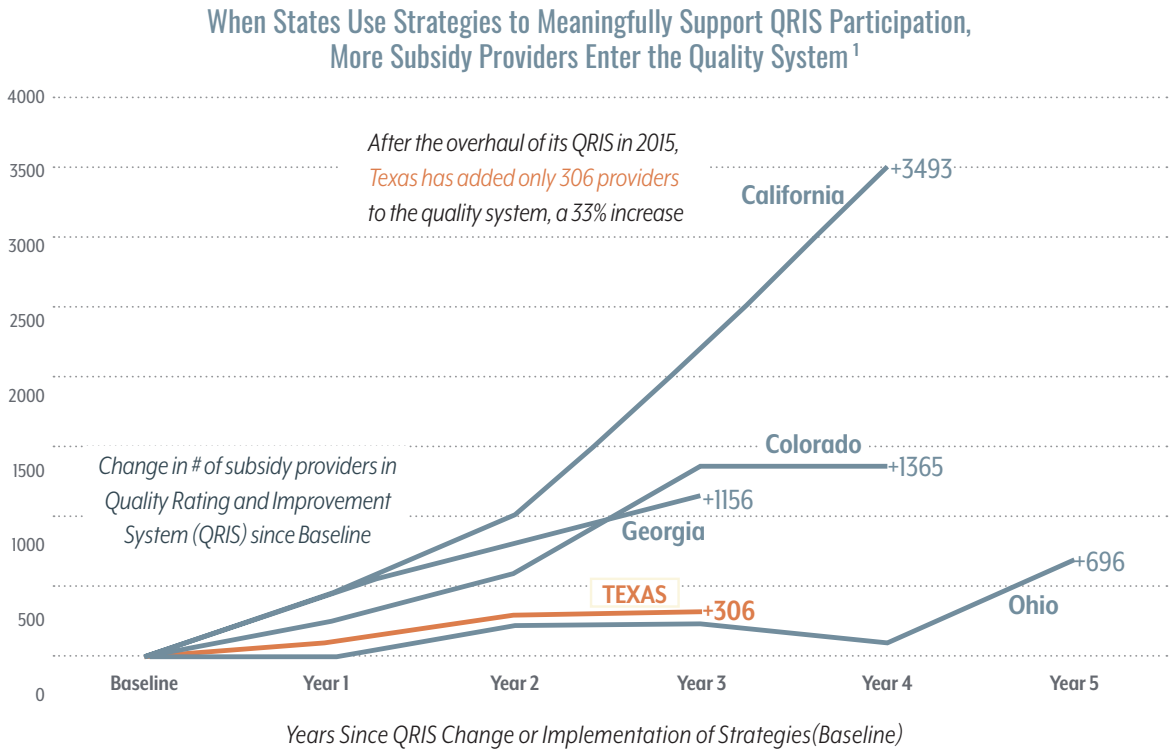
While the specifics of many of these investments are not yet known, the overall interest in increasing quality child care in Texas is evident. TWC is making meaningful and necessary investments with these funds to strengthen basic structures of our quality child care program. These investments can be of even greater value by positioning them in a way that builds toward a strong system that delivers high quality child care.

To truly make the most out of these investments, TWC and other early childhood education (ECE) stakeholders can align their efforts to better meet the needs of the agency and the families it serves.

This section outlines five strategic goals for TWC and other ECE stakeholders:

To achieve these five goals, this section includes major systems challenges and corresponding Texas-tested strategies that, if implemented together in a strategic manner, could increase participation in TRS. This does not mean that every Local Board must implement all strategies. However, other states saw results that align with TWC's current priorities by using multiple strategies simultaneously and statewide.[2] This is different from Texas's current approach of 28 different strategies across 28 Local Boards with little state guidance.

Various states have used a combination of strategies listed in this section to sustainably and substantially increase subsidy participation in their versions of TRS, also known as a state's Quality Rating and Improvement System (QRIS), which establishes early care and education standards that are higher quality than the state's minimum licensing standards.[3] Not all states used all strategies, and these are not the only strategies the states used. However, these are the most common strategies and are supported by other research to meaningfully increase QRIS participation. The states included in this chart have seen substantial growth over the course of 3- to 5-year periods.



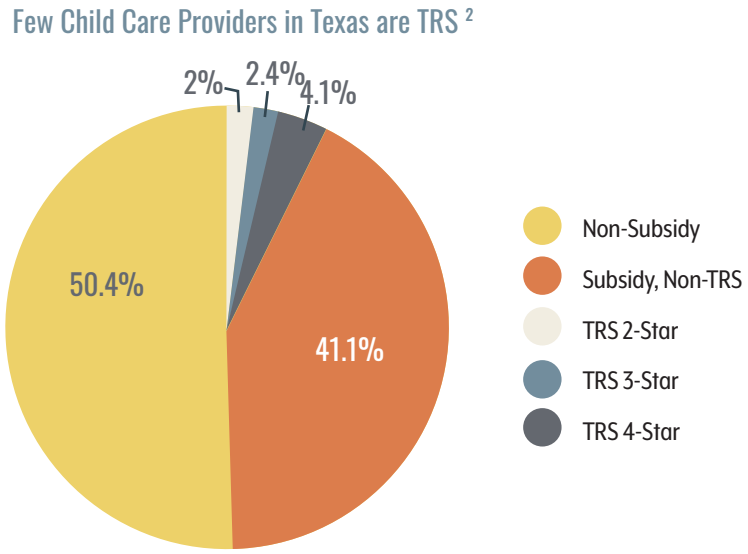
Goal 1: Increase the Number of Child Care Providers in Texas Rising Star (TRS)

CHALLENGES	STRATEGIES
Quality initiatives and access are disparate	Set clear expectations for TRS growth.
Local Boards are solving state problems.	Provide Local Boards with best practices, support, and guidelines.
Misaligned and duplicative efforts exist across child care subsidy, licensing, and TRS programs.	Coordinate with Child Care Licensing.
	Increase participation, then improve the standards.

Challenges

Increasing participation in TRS is a goal championed by TWC, though the path toward progress is still being shaped. Unfortunately, TWC has a difficult task ahead given the persistently low participation in TRS. At the time of collecting data for this report, only 17% of the nearly 7,500 child care providers in the subsidy program are certified TRS with 8% at the highest quality tier, TRS 4-Star. Participation has been fairly stagnant, growing by only 3% since TRS standards were strengthened and every provider was reassessed under new standards in 2015.

Such low participation in TRS means families served by TWC have very little access to quality care. More than 300,000 low-income children under age 6 with working parents—accounting for two-thirds of children currently in TWC's subsidized child care—do not have access to a TRS-certified seat. Nearly 75% of low-income children under 6 in Texas with working parents live in a subsidized child care desert, or a region with insufficient access to affordable child care. Fully 95% of these children live in a TRS desert, lacking adequate access to care that is affordable *and* quality. These trends are seen across all race/ethnic groups.[4]



Given Texas's changing demographics, supporting these families is vital to ensuring that our workforce remains competitive for years to come. Most of the families served through our subsidy system are not enrolled in TRS-certified care. In fact, only 6% of children receive care at TRS 2-Star providers, 8% at TRS 3-Star providers, and 14% at TRS 4-Star Providers.[5] This means that 72% of our most at-risk children who are receiving subsidized child care are not in quality-certified programs. Just as troubling, TWC is only serving about 10% of potentially eligible children, leaving even more children without access to quality care.

Babies and toddlers in the subsidized child care program, during some of their most critical brain-building years, are mostly in non-TRS settings. Low quality settings for children birth to age 3 can be harmful to their development.[6] For new parents who need to want to work, infant and toddler child care can be incredibly expensive and difficult to find. Only 1% of all eligible infants and toddlers in Texas are currently enrolled in TRS-certified child care providers. Only 11% of all eligible infants and toddlers are currently served by the subsidy system.

For those infants and toddlers currently in the subsidy system, 70% are not in TRS-certified care. Only two Local Boards, Capital Area (Austin region) and Northeast Texas (Texarkana region), enroll more than half of their subsidized infants and toddlers at TRS-certified child care providers. At the lower end, seven Local Boards enroll less than 20% of their infants and toddlers in TRS-certified providers.

72 % of our most at-risk children who are receiving subsidized child care are not in quality-certified programs

» ***Quality Initiatives and Access are Disparate.***
Across TWC's 28 Local Boards, TRS participation varies from 6% to 37% of eligible child care providers certified in the quality program. This system is not equitable for families—the Local Board in which a parent lives and works determines their access to what is supposed to be a statewide resource. TWC's recent investment in reimbursement rates and TRS mentors and assessors is certain to help increase TRS participation across the state. However, the agency's overall approach to increasing the quality of child care paid for with public dollars primarily relies on Local Boards. This gives Local Boards broad discretion on how they pursue and increase TRS participation.

TWC's 28 Local Boards have different resources, expertise, supports, and goals when it comes to TRS quality child care

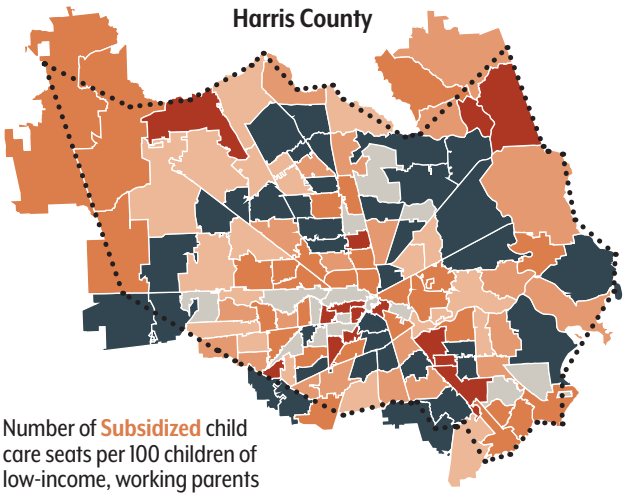
The state's 28 Local Boards are using 28 different strategies to increase participation in TRS, such as purchasing curriculum and materials for providers; providing financial incentives for achieving, increasing, and maintaining quality certifications; and/or providing a variety of professional development opportunities. These programs and incentives have had varying success across the state, and there are many examples of promising strategies to increase the quality of our child care system overall.

Most Low-Income Children in Texas Lack Access to Affordable Child Care in Their Neighborhood; Fewer Have Access to Quality Care

*Across Texas, **74%** of low-income children with working parents live in a subsidized child care desert, where the availability of subsidized child care meets less than a third of the demand*

Subsidized Child Care Deserts

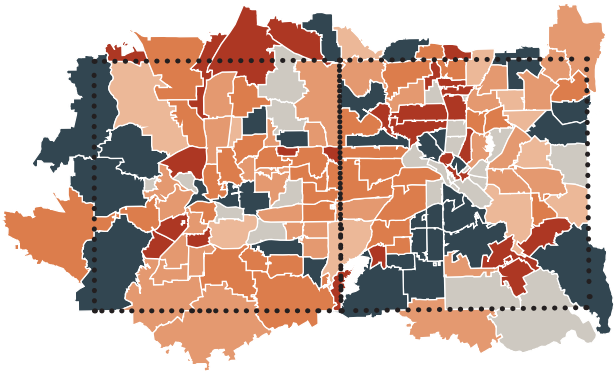
Harris County



Number of **Subsidized** child care seats per 100 children of low-income, working parents

0-4	5-9	10-24	25-33	Not a Desert	Too few children
14 zip codes	29	22	21	37	18

Tarrant & Dallas County



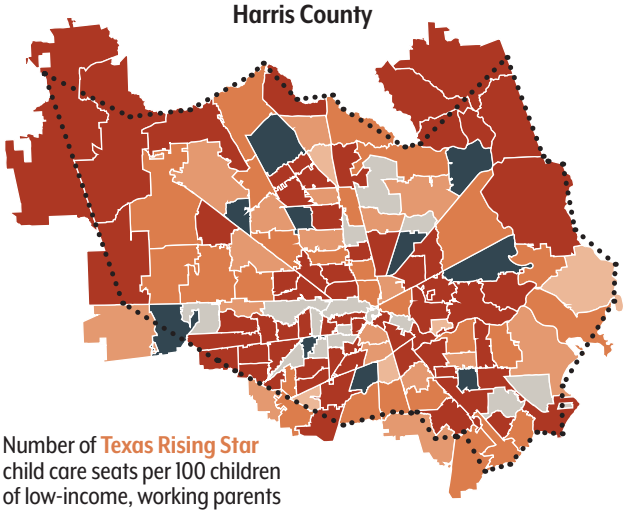
Number of **Subsidized** child care seats per 100 children of low-income, working parents

0-4	5-9	10-24	25-33	Not a Desert	Too few children
28 zip codes	34	35	12	33	26

*When it comes to **quality** care, over **95%** of low-income Texas children with working parents live in a Texas Rising Star child care desert.*

Texas Rising Star Child Care Deserts

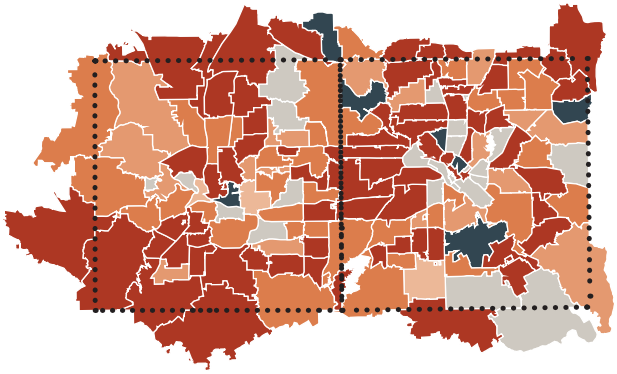
Harris County



Number of **Texas Rising Star** child care seats per 100 children of low-income, working parents

0-4	5-9	10-24	25-33	Not a Desert	Too few children
64 zip codes	27	18	4	10	18

Tarrant & Dallas County

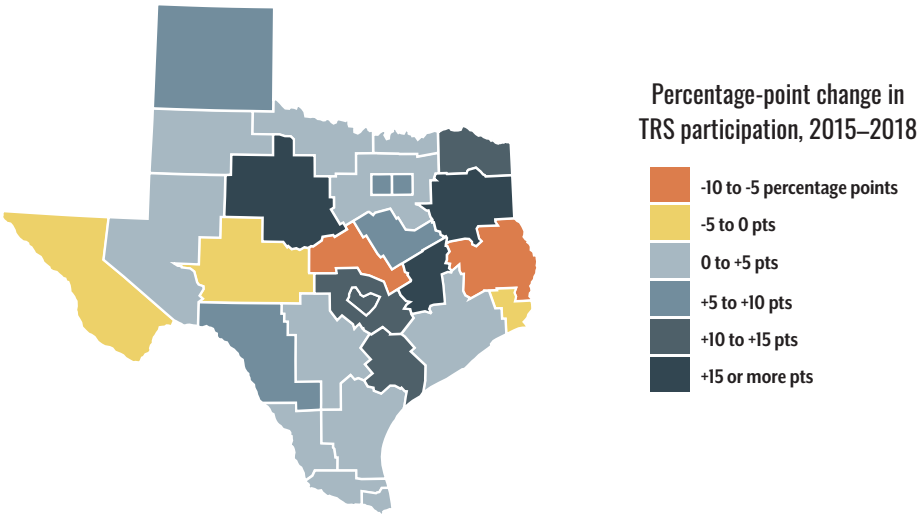


Number of **Texas Rising Star** child care seats per 100 children of low-income, working parents

0-4	5-9	10-24	25-33	Not a Desert	Too few children
76 zip codes	38	18	3	7	26

Texas Rising Star Participation Rose in Some Board Regions, Fell in Others [3]

Statewide from 2015 to 2018, child care providers in TRS increased 3 percentage points, from 14% to 17%



Further, Local Boards' commitment to expanding access to affordable, quality child care varies across the state with at least 11 Local Boards having no specific, measurable goals around increasing TRS participation. This inconsistency demonstrates an absence of direction on the importance of quality.

Finally, Local Boards have vastly different quality resources available to them. Many of the smallest Local Boards have quality set-aside funds of less than $100,000, compared to more than $2 million in the most populous regions. Many of the larger Local Boards contract with large organizations that have staffs with extensive ECE expertise to manage their quality programs, such as Collaborative for Children in the Gulf Coast region (Houston area) and Child Care Group in Dallas County. Smaller Local Boards may not have this opportunity. Despite this, several of the smaller Local Boards, such as East Texas (Tyler/Kilgore area), Northeast Texas (Texarkana region), and West Central Texas (Abilene area), have been successful at recruiting and maintaining providers in the TRS system.

These disparities demonstrate the different realities in which Local Boards operate. The advantages and resources available to certain regions are not available to others. Without greater communication and collaboration across Local Board areas, system-wide quality improvements remain difficult to attain.

» ***Local Boards are Solving State Problems.*** This substantial local discretion is accompanied by increased responsibility at the local level. Local Boards are left to solve or work around big problems that exist across most Local Board areas. This suggests that the problems exist as part of a state systems level issue, rather than a localized problem requiring localized solutions.

> ***Local control is important and helpful until it places too great a burden on local communities***

One example of this is related to licensing deficiencies—these occur when child care centers or homes break rules set forth by Child Care Licensing (CCL) in the Texas Health and Human Services Commission (HHSC). Child care providers who have certain critical licensing deficiencies or who accumulate too many deficiencies are deemed ineligible for TRS, dropped down in their TRS level, or put on a long probation.

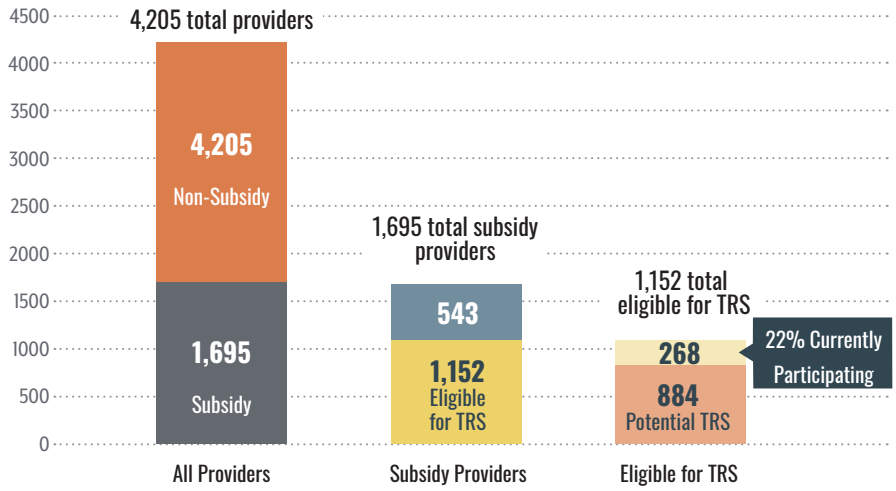
Local Boards identified this as one of the greatest barriers to obtaining or maintaining TRS certification. Of course, in order to meet quality standards it makes good sense that a child care provider should at least meet the state's minimum licensing standards. But this widespread prevalence of such issues indicates that some of the most common licensing deficiencies may

be a problem with the state system, rather than epidemic child health and safety issues at these programs. Put simply, when a large portion of programs are violating the same standard(s), it is likely that the standard, process, practice, or corrective support needs to be tweaked at a system level.

For years, Local Boards have been scrambling to solve this problem on their own with limited success. Recently, TWC and CCL have begun to address some of the problems with licensing deficiencies.

The licensing deficiencies also make it difficult for Local Boards to understand which providers are truly eligible for TRS, meaning the provider accepts children through the subsidy and does not have the disqualifying licensing deficiencies. Collaborative for Children, the contractor in charge of TRS for the Gulf Coast Local Board (Houston area), commissioned the development of software that combs CCL data, which is housed separately from TWC data, to understand their "true" eligible population. This type of local innovation is solving a problem that exists across much of the state, and TWC could help make it available to other Local Boards.

An Analysis of Subsidized Child Care Providers Eligible for TRS Based on Licensing Deficiencies
An Example from the Gulf Coast Local Board (June 2018)



» ***Misaligned and Duplicative Efforts.*** Child care providers across regions, quality levels, and sizes report concerns with inconsistencies across various CCL inspectors. For example, an inspector may cite for something that previous inspectors have ignored, making it difficult to properly prepare for licensing visits and remain in consistent compliance. Providers find that frequent turnover among CCL staff magnifies this issue. Providers also report that some licensing representatives seem to be there to police providers, rather than attempting to help them correct issues and better serve children. With such pervasive problems across the state, Local Boards could benefit from greater support from TWC and CCL—particularly since federal CCDBG dollars account for about 30% of CCL's child care regulation activities.[7]

To address these issues, some Local Boards have been struggling with whether they should help providers stay on track with the licensing standards since it impacts TRS status. But this is really the responsibility of Texas's CCL division, as Local Board staff is not trained in all of the CCL standards. This is made even more complex because TRS mentors under TWC help child care providers meet quality standards, while CCL Inspectors under HHSC check for violations of basic health and safety standards. The two different roles, intentions, and oversight agencies create a conflicting and complex situation.

Additionally, there is some redundancy and duplication of efforts from CCL inspection staff and TRS staff. Both CCL and TRS check for some of the same items, such as licensing violations, teacher professional development/qualifications, group sizes in classrooms, and more.

Strategies

TWC can maximize their recent investments in quality by strengthening support at the state level. Texas is a diverse state, and each Local Board has unique characteristics. However, many of them face the same challenges. Addressing these challenges and implementing best practices at the local level is tricky because Local Boards have different budgets, resources, access to expertise, and additional variations.

By investing in the following key strategies, TWC can help more at-risk children access quality care, which puts them on a path to success in school and later in the workforce. It will also help parents contribute to the Texas economy right now.

» ***Set Clear Expectations.*** TWC can identify statewide goals for TRS and report on progress toward meeting those goals. This adds a level of transparency and accountability to the use of these government funds. It also helps Local Boards understand the state's expectations and identify where they might need state support. Some important goals and processes include:

- Identify specific **TRS improvements on an upward trajectory over time**, such as annual benchmarks over a 5-year period.
- Establish a **uniform process for reporting and goal-setting** across Local Boards.
- Determine **goals** related to:
  - The portion of **child care providers participating in the subsidy** program, thus eligible for TRS.
  - The portion of **subsidized children in TRS programs**, so Local Boards can look to improve the quality of children's current settings.
  - The portion of **subsidized infants and toddlers served in TRS settings**, which helps ensure quality care in the critical first few years of life.

To help stakeholders, public officials, and families understand the current baseline and future progress, TWC should also report the following:

- List of how the state and each Local Board are **spending quality set-aside funds** (both 2% required by Texas code and the federally required set-asides for quality and infant/toddler).
- Number of **child care providers in TRS** with designation of center or home setting.
- Number of **children receiving care at different TRS levels** (with designation of center or home setting).
- Number of **providers who dropped out of TRS and why**.
- Number of **infants and toddlers** served in the subsidy system and in TRS.

With 28 Local Boards using different methods—some with goals to increase TRS participation and others without—the state will continue to see minimal increases in TRS. Providing shared goals and information can be the first step in a true statewide strategy to improve access to quality.

» ***Provide Local Boards with Best Practices, Support, and Guidelines.*** TWC must strengthen its support for Local Boards and arm Local Boards with greater expertise. TWC relies on Local Boards to carry out the child care subsidy and TRS programs, yet the success, efficiency, innovation, and capacity of Local Boards varies widely across Texas. This strategy will help increase TRS access for families—and ensure that all subsidy families across the state, no matter where they live, have equal access and opportunity. This can be achieved through statewide initiatives that help Local Boards set and work toward more uniform goals. The state could also share best practices for professional development, and provide training and supports for capacity building. While respecting local control and differences across communities, Local Boards can benefit from additional support—not directives—from TWC.

Setting TRS goals and reporting progress can improve transparency and accountability for this critical government program

TWC can also adopt and fund a statewide strategy to increase participation in TRS. Some Local Boards fund various innovative strategies to increase TRS participation, but overall it is an uneven approach that lacks support to share and scale statewide. To remedy this, TWC could try one or both of the following:

1. Explore methods that other states and some of our Local Boards have used to increase TRS participation, and then incentivize or encourage Local Boards across the state to adopt a strategy that includes some of these key methods.
2. Incentivize Local Boards to identify methods that increase TRS participation through Innovation Pilot Grants. This can spark innovation and discovery of solutions that could be implemented statewide. An evaluation component should be part of these grants in order to understand the process and effectiveness of the local efforts.

Ensure that all Local Boards have equal opportunity to thrive

Lastly, TWC, the governor's office, and other state agencies could revive the Texas Early Learning Council with updated members and goals. While the Texas Early Learning Council was founded with a large budget, it does not necessarily need one to sustain progress, consolidate and share resources, leverage stakeholder expertise, and coordinate efforts across state agencies. However, to be successful, it does need dedicated staff.[8]

» ***Coordinate with Child Care Licensing.*** Aligning efforts between CCL and TWC makes good sense, and it can help strengthen the quality of the overall child care system. After all, TRS is built on top of minimum licensing standards, which is why TRS begins at Level 2—minimum standards are considered to be Level 1. TWC and CCL can work together to:

- **Reduce TRS turnover.** When a provider gets licensing deficiencies and becomes ineligible for TRS or dropped down in a star level, they may be too discouraged to come back into the TRS system. All across Texas this is resulting in turnover amongst TRS providers and requires Local Board staff to spend time reinstating providers who do choose to continue with TRS. In other states, like Georgia for example, a provider might be removed from externally-facing websites and ineligible to receive certain benefits until the licensing issue is resolved. The goal is to immediately address those licensing deficiencies, while keeping the provider focused on continuous quality improvement. TWC can implement a similar policy and work with CCL to streamline communication about licensing deficiencies.
- **Identify areas where agencies can help each other.** CCL inspectors could provide information about TRS when they conduct a licensing inspection. They might also refer a provider to the Local Board if that provider seems to be meeting basic TRS 2-Star requirements.

- **Invest in online systems to reduce duplication of efforts.** Currently, both CCL staff and TRS mentors/assessors check on credentials, often by hand. There is currently an online system to track child care staff credentials and training online (described in greater detail in Section 4), but it is not widely used and does not connect to CCL. It is currently available to Local Boards and their TRS staff. State agencies can invest in this and other tools to operate more efficiently in the 21st century.
- **Make it easier for parents to get quality information.** CCL has a robust searchable database—one of the most comprehensive in the U.S.—for finding information on individual child care providers. Yet, there is no information on TRS-certification; that is housed in a separate website managed by TWC and is available in a non-searchable list form. CCL's website does include whether a provider is in TWC's subsidy program, but the information is often out of date. The information collected by each agency can be combined in one searchable system to make it easier for parents to understand their options.
- **Communicate across agencies at the local and state levels.** While this happens occasionally at the top levels and ad hoc in a few local regions, no formalized system exists to address shared issues and coordinate solutions across TWC, CCL, and Local Boards.

While it might not be easy, coordination should ultimately save the agencies time and money, making better use of taxpayer dollars. It might make sense for TWC to start with a Coordination Committee made up of local stakeholders, state agency staff, and CCL staff to fully understand barriers and opportunities, and to develop a plan to solve these issues.

» ***Increase Participation, then Improve the Standards.*** TRS as it stands is a great start, but it is not the gold standard for quality. Child care providers who are at minimum licensing standards are so far from meeting the gold standard for quality that it makes sense for TRS to be introduced as a realistically achievable tiered system to help providers make incremental steps. Remember, TRS is our state's Quality Rating and *Improvement* System. The improvement piece is that the program standards, as well as providers who participate, have continuous quality improvement—always believing there is room for progress. Once more providers are in TRS, then it makes sense to improve the quality of TRS or add in a Level 5. While this is a long-term strategy, it is important to acknowledge that improving TRS standards is the North Star.

Goal 2: Build a Path Toward School Readiness

CHALLENGES	STRATEGIES
Lack of data transparency and coordination.	Connect publicly-funded data systems.
Optional school-ready programs.	Expand quality child care and Pre-K partnerships.
Market competition across ECE providers.	Allow contract agreements with partnership providers.
Poor quality settings during brain building years.	Combine TRS with other school-ready tools and programs.
	Ensure all infants and toddlers are in TRS 4-Star settings.

Challenges

Children who cannot read on grade level by 3rd grade are four times more likely to drop out of high school. Even more alarming, students who are living in poverty *and* not reading proficiently by 3rd grade are 13 times more likely to drop out of high school than their more advantaged counterparts.[9] For the 2017-2018 school year, only 44% of all Texas 3rd graders met state standards on their STAAR reading exam. That number drops to 33% for low-income students.[10]

This is a problem that cannot be solved at 3rd grade; it starts much earlier. Children who attend a high quality child care program are more likely to be school-ready in the short-term and more likely to graduate high school in the long-term.[11] (For more information on the impact of quality child care, see Section 2.)

The transition for 5-year-olds into the formal kindergarten through 12th grade (K-12) school system is generally fragmented and does not set students up for success.

- ***Lack of Data Transparency and Coordination.*** Though many of the 130,000 Texas children in subsidized child care will likely attend public elementary schools, there is little to no coordination between those programs and the public school system. This results in separate, disconnected student data systems for every program. Despite these systems being funded by taxpayers, our elementary schools have little information or understanding of incoming students as they prepare elementary school classrooms, teachers, services, and curriculum. Similarly, child care providers who invest a lot of time and energy into their programs have no way of knowing any future outcomes for the children who were in their care.

  Many children who are eligible for public school Pre-K are also eligible for child care subsidy. However, these disconnected systems can make it very difficult for parents to understand their options and make the best choice for their families.

- ***Optional School-Ready Programs***. There is no formal system to ensure that children in subsidized child care are taught the necessary skills or competencies needed to succeed in school. This could be remedied with greater continuity around curriculum standards, teacher professional development, and teacher assessments and coaching spanning all education systems from birth to age 8. Some Local Boards are aligning these educational components across TRS providers and local public elementary schools, though this best practice is not widespread across Texas.

  TWC and TEA have also invested in a quality program called Texas School Ready, a classroom-based program proven to get kids school-ready (described in Section 4). This is a great supplement to TRS, yet at least 16 Local Boards indicated that they are either mostly unfamiliar with Texas School Ready or do not actively promote it with their providers. Only 9 Local Boards indicated that they actively work to recruit child care providers into Texas School Ready or connect them with the resources to get started in the program.[12]

  At least two Local Board contractors have incorporated the Classroom Assessment Scoring System (CLASS) with TRS providers in their areas. CLASS is another teacher training and assessment program that helps teachers foster school-readiness in children (described in Section 4).

- ***Market Competition.*** Working parents need access to affordable, quality, full-day care for their children often starting in a child's infancy. Most existing public school Pre-K programs do not meet this need because they are only available for some 3- and 4-year-olds. In Texas, 41% of schools only offer half-day Pre-K programs, leaving many families on their own to find alternate arrangements for their children for the rest of the workday.

  Even if Texas were to expand their public school Pre-K programs to offer full-day care to all 3- and 4-year-olds, this could have unintended consequences if the system were expanded in its current form as a mostly school-based model. Many child care providers are nervous that expansions of public Pre-K programs would cause them to serve fewer children, employ fewer teachers, or cripple their business model. Babies and toddlers are more expensive and resource-intensive to care for, and child care providers often rely on the more cost-effective older children to offset losses incurred from caring for babies and toddlers.[13]

Empirical studies of this effect are limited since these consequences are often unintended and impacts are difficult to pinpoint after-the-fact. However, those that exist suggest that the design of a public Pre-K system influences its impact on local child care providers.

- In Oklahoma, where the state provides Pre-K primarily in school-based settings, the state saw a **substantial shift of its ECE personnel from private child care into public Pre-K** after it implemented a universal Pre-K model for 4-year-olds.[14]
- Georgia, by contrast, intentionally designed its public Pre-K program to leverage existing child care providers, offering its expanded Pre-K programming in both private child care and public school settings—also known as "mixed-delivery." Unlike Oklahoma, Georgia saw a **dramatic increase in the number of child care staff and providers as Pre-K enrollment increased.** This expansion points to increased revenue flowing into existing child care centers from serving these additional children.[15]
- Florida, similarly, actually experienced an **expansion of its child care market** following the implementation of a mixed-delivery universal Pre-K program focused primarily on 4-year-olds. The program also led to a dramatic increase in enrollment in Pre-K among 4-year-olds, but researchers found some evidence of a slight contraction in 3-year-old enrollment.[16]

Lessons learned from these models indicate that public-private partnerships between public school Pre-K programs, TRS-certified child care providers, and other ECE providers, such as Head Start and Early Head Start, could be an ideal model for Texas. Mixed-delivery systems have the potential to increase access to care for low-income, working families and improve child care quality.[17]

In line with this best practice, TWC and TEA have worked together since 2016 on the Pre-K Partnership Program, partnering public school districts with TRS 4-Star child care providers to expand Pre-K capacity and increase the number of school-ready children (as discussed in Section 4). The first two-year grant included 21 out of Texas's 1,205 school districts, but there is expected to be greater participation and coordination at the local levels for the second offering of this grant opportunity.[18] In addition, the Texas Legislature passed Senate Bill 1882 in 2017, which also provides supports to grow mixed-delivery Pre-K models.

This is a great start for Texas, though the reach is currently too small to show much of an impact. Building these partnerships is often complex, requiring a lot of time and commitment from both parties. The state agencies and their local extensions have an opportunity to better support growth of these partnerships, which can ultimately give families greater access to affordable, high quality care by sharing classrooms, teachers, students, and funding sources.

» ***Poor Quality Settings During Critical Brain-Building Years.*** As discussed in Section 2, low quality settings during the critical brain-building years of birth through age 3 can have lasting negative impacts on children, especially when it comes to school-readiness. High quality early learning settings, coupled with a strong transition to the K-12 school system, can set children up for success that they likely would not see otherwise

Across Texas, approximately 70% of infants and toddlers currently in the subsidy program are not in TRS-certified settings, and only 14% are in TRS 4-Star settings. Some Local Boards are doing particularly well to ensure infants and toddlers are enrolled in the highest level of TRS. Capital Area (Austin area), Borderplex (El Paso area), and Northeast Texas (Texarkana area) have 39%, 32%, and 30% of their infants and toddlers enrolled in TRS 4-Star child care providers, respectively. Conversely, 13 Local Boards are 9% or lower for infant/toddler enrollment in TRS 4-Star providers, with two as low as 1%.

Admittedly, the state can do more to ensure that TRS providers are proven to help children be ready for kindergarten, such as coupling TRS with Texas School Ready or CLASS. Even still, the substantial brain development of babies and toddlers, which is heavily influenced by their environments and interactions, cannot be ignored.

TRS 4-Star standards are much higher than minimum child care licensing standards in a few key ways that benefit babies' and toddlers' brain development:

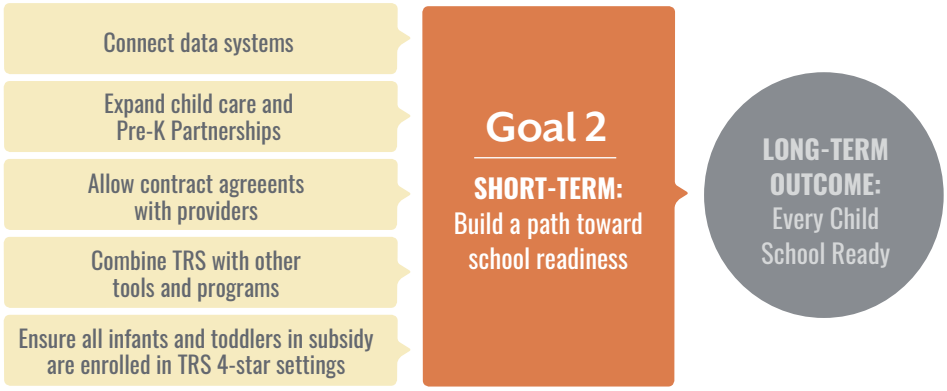
- Child care teachers with **more ECE training, degrees, and experience** help improve the way children are taught.
- **Warm, nurturing interactions** between teachers and children help facilitate language and cognitive skill development, while also building the emotional capacity of children.
- More **stringent nutrition and indoor/outdoor environment requirements** help children begin to develop healthy habits, while nourishing their growing bodies.
- **Stronger parent engagement practices** help parents be involved in their child's learning from the earliest years and provide parents with information on how to support their child's development at home.
- **Developmentally appropriate lesson plans and curriculum** helps guide the daily learning and growth for children birth through age 3.

The benefits of TRS 4-Star over minimum licensing standards cannot be overstated. All of these components can help prepare children, and their parents, for success in kindergarten and beyond. More infants and toddlers in TRS 4-Star settings, coupled with the child care and public school Pre-K partnerships, can help set children up for a positive transition to K-12.

Strategies

To form a system that prioritizes school-readiness, TWC can build on the great investments the agency has already made. These strategies will help prepare at-risk children for school, which puts them on a solid path toward graduating high school and meaningfully contributing to the Texas economy.

Strategies & Goals



» ***Connecting Data Systems.*** There are several state agencies, programs, and funding streams that are meant to help children be school-ready. Texas should invest appropriately in the infrastructure of a coordinated database that will maximize existing resources, coordinate school-readiness efforts, more efficiently use state funds, and implement strategies that build on TWC's priorities.

The age and nature of TWC's current data system is unable to operate efficiently and effectively in the 21st century.[19] In the next few years, TWC will have an opportunity to update its 20-year-old data system, and the agency can use its increase in CCDBG funding to build a system that can coordinate data with other state agencies.

Better data systems would allow child care providers to make informed programmatic decisions and help Texas leaders make good, data-drive policy decisions. This could result in improved

quality with respect to child care settings, professional development, and family services. A well-funded and structured database can assist with collaboration amongst child care providers, public schools, Local Boards, and school districts by providing pertinent information on students, teachers, and classrooms that are receiving public funds.

This inter-agency database must be coordinated at the state level between agencies to 1) ensure that data is coordinated and shared uniformly and consistently across the state, and 2) to avoid placing unrealistic burdens on child care providers who likely do not have the time, resources, or training to reliably collect this data. In fact, key data about children, classrooms, and teachers is already being collected by TWC, but the data is not well-connected and meaningful analyses are difficult. Improvements are needed to make these systems work better together and across agencies.

TWC and TEA have begun to coordinate some of their school-ready efforts for subsidized child care and public school Pre-K (more on this in Section 4). However, none of these programs or efforts are widely utilized across the state or truly connect data in a meaningful way. A greater coordination and connecting of student, teacher, and program data between TWC and TEA could:

- Reduce duplication across publicly-funded systems.
- Allow parents to make more informed decisions.
- Empower local stakeholders to better serve families.
- Help individual ECE programs be more impactful.
- Yield better outcomes for children.

» ***Expanding Quality Child Care and Pre-K Partnerships.*** TWC's commitment to the Pre-K Partnership Planning Grant in 2016 was a great first step, and the agency's re-commitment in 2018 is encouraging. The Texas Legislature's expansion of these models through Senate Bill 1882 in 2017 provides even more options and resources to build strong partnerships.

Delivering Pre-K through child care providers and public schools helps meet parents' diverse needs and prepare children to succeed in K-12

These partnerships can help serve more 3-year-olds and draw more funding from the state that is currently not being utilized. State funding pays for a half-day of public Pre-K for eligible 3-year-olds, but it is estimated only 11% of eligible 3-year-olds are enrolled in these programs.[20] School districts must serve 4-year-olds first—and they may take up all available classrooms—so money is often left unclaimed for 3-year-old classes.

TWC made a smart decision by requiring that partnerships through the Pre-K Partnership Planning Grant be with TRS 4-Star providers. Yet the reality is that there are not currently enough TRS 4-Star providers. TWC could work with Local Boards to mentor more child care providers zoned in partnership school districts to reach TRS 4 levels. Some Local Boards had districts in their area that were part of the first grant in 2016, but they felt they had only limited information or guidance from the state about creating these public-private partnerships.

To increase participation and awareness of these partnership options, TWC and TEA could:

- **Develop systems of communication and coordination** at the local level with Local Boards working with TEA's Education Regional Service Centers (ESC). Many ESCs currently do not have dedicated staff to support these partnerships and other school-ready efforts. Funding these positions could help ensure the success of TWC's investment in partnerships.
- **Provide resources and guidance** to school districts, ESCs, and Local Boards on various partnership models and best practices, thereby ensuring that both child care providers and school districts benefit from the partnerships.

- **Assist partnership stakeholders in navigating the complex funding models.** Because most children eligible for public Pre-K are also eligible for child care subsidies, such partnerships allow a blending of public funds from both TWC for child care and TEA for public Pre-K. These funds on their own are inadequate for either program to be high quality and full-day, so blending funds helps programs better serve children and families. These partnerships should incentivize the equitable sharing of TEA funds with a child care provider, taking into consideration the responsibility of providing quality care and subsidy reimbursement practices.

» ***Contract Agreements with Partnership Providers.*** To truly maximize the Pre-K partnership model and its support for quality education, child care providers must be able to consistently rely on the financing available from both the public school Pre-K program and the child care subsidy program. Currently, this is not the case since a child may qualify for subsidy but may not receive it due to long waitlists or periodic freezes on enrollment in the program. Once a partnership is formed, a child care provider may struggle to enroll children who meet age and income requirements into those Pre-K classrooms, even though there are eligible children on waitlists who are not being served elsewhere. Or, a TRS child care provider in a Pre-K partnership may be able to draw down public Pre-K funding from TEA but not subsidy funding from TWC because all of the subsidy funding is going to other programs, most of which are not quality-certified. Evidence of this predicament is found with Early Head Start and subsidized child care partnerships in cities like San Antonio. They can fill all of their Early Head Start seats, but not their child care subsidy seats, undermining the entire purpose of creating partnerships.

One solution is to set aside a small portion of child care subsidy seats for TRS child care providers who participate in partnerships. This is done through contract agreements could require higher quality qualifications including TRS 4-Star and beyond, an application process, increased reimbursement rates, and/or lower parent co-pays. TWC and Local Boards can create contracts in a limited manner that support the agency's goal to improve quality and investments in TRS, as well as a core Texas value of supporting parents to access the best opportunities possible for their children.

Learning from other states that have implemented contract agreements, TWC might consider accompanying the contract agreement with any of the following tactics:

- Allow TRS 4-Star providers that partner with public Pre-K programs to move to the **"front of the line"** in search lists when parents are looking for quality in their area.
- Allow parents to pay **lower co-pays** if they choose a partnership provider.
- Use contract agreements as an **incentive to build and sustain a supply** of TRS 4-Star providers or Pre-K partnerships in high-poverty or high-demand neighborhoods.

Contract agreements would help stabilize and grow partnership programs, and help more children be school-ready. This strategy to improve supply of school-ready programs can be very targeted and localized, and TWC might consider a pilot program as a starting place.

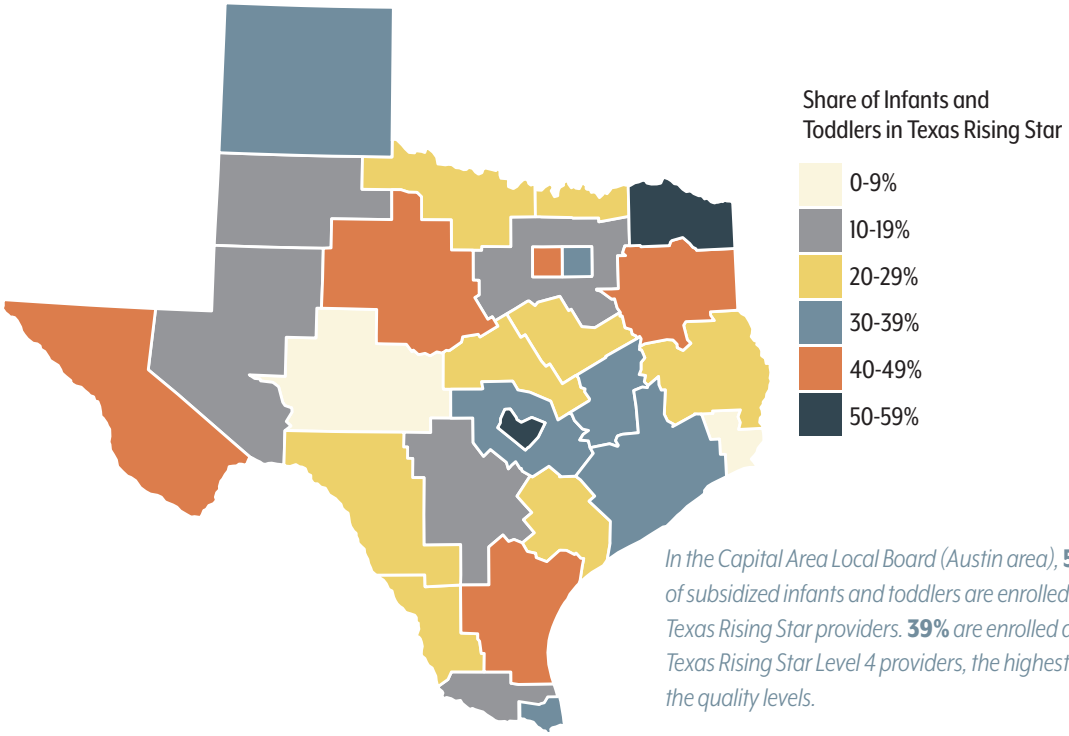
» ***Combine TRS with other school-ready tools and programs.*** TRS on its own does not meaningfully measure how teachers are promoting school-readiness in the classroom. However, quality teacher training and coaching programs such as Texas School Ready and CLASS do fill that gap (described in Section 4). TWC can incentivize, encourage, or fund the pairing of these programs with TRS. TWC could also understand how Local Boards are using these programs, and share best practices and strategies with other Local Boards.

» ***Ensure all Subsidized Infants and Toddlers are served at TRS 4-Star Providers.*** There are currently not enough TRS 4-Star providers in Texas, which is one of the primary barriers. TWC

could encourage or incentivize Local Boards to focus on increasing TRS 4-Star certification for child care providers who currently accept subsidized infants and toddlers in their area. Local Boards could also incentivize TRS 4-Star providers to accept more infants and toddlers. Another strategy might be to actively recruit high quality child care providers who are not accepting subsidy into the subsidy and TRS programs.

Can All Infants and Toddlers Receive Quality Care?

Statewide, only 29% of infants and toddlers in subsidized child care are at Texas Rising Star Providers. Yet, some Board Areas are enrolling over half of infants and toddler in TRS care.



In the Capital Area Local Board (Austin area), ***58%*** *of subsidized infants and toddlers are enrolled at Texas Rising Star providers.* ***39%*** *are enrolled at Texas Rising Star Level 4 providers, the highest of the quality levels.*

However, lessons should be learned from past efforts. TWC once provided Local Boards with funding to increase the number of infant and toddler seats in their areas; but, when that funding ended, Local Boards reported that child care providers reverted to serving fewer children birth through age 3. TWC could get more out of its efforts by investing in meaningful, sustainable initiatives that improve the system.

Once there are more TRS 4-Star providers and more subsidized infants and toddlers in TRS 4-Star settings, it could make sense to phase in a requirement that all infants and toddlers must be in TRS 4-Star settings. In fact, some Local Boards already enroll 40% or more of their infants and toddlers in TRS settings. With an intentional, strategic approach, Local Boards have the capacity to meet this higher standard. Ultimately, this would help set some of our state's most at-risk children on a path to success, reducing the likelihood that they will need to utilize welfare support programs as adults.

Goal 3: Ensure Child Care Teachers are Adequately Trained and Compensated

CHALLENGES	STRATEGIES
Child care teachers have low educational attainment and compensation.	Offer scholarships with wage supplements.
State and local investments are not coordinated.	Coordinate state and local investments in child care teachers.
Professional development is primarily one-time training.	Provide meaningful professional development and articulation.
State system for ECE workforce needs improvements and greater usage.	Improve and adequately fund the Texas Workforce Registry.

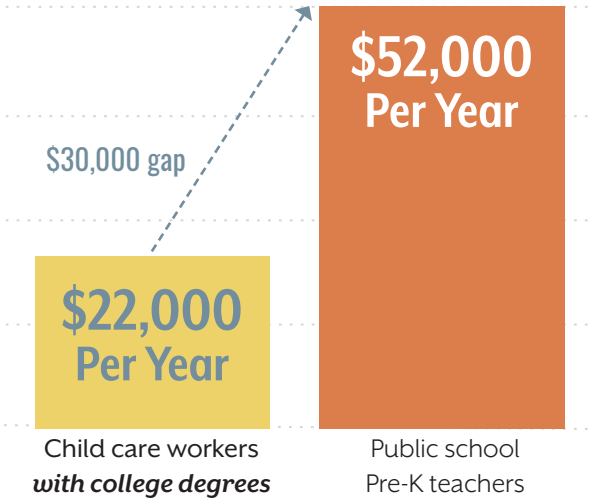
Challenges

The brains of babies and toddlers are developing more rapidly than at any other time in their life. Their interactions with adults help build the foundation that impacts all future learning outcomes. As noted in Section 2, understanding this is incredibly important if Texas wants children to be ready for school and life, and if employers want to hire Texans rather than relying on workers imported from other states.

» ***Child Care Teachers have Low Educational Attainment and Compensation.*** Child care teachers are often under-paid and lack education credentials, which leads to high staff turnover and poorer quality care for children during their most critical years of brain development. Currently, one in four child care educators in Texas has an associate's degree or higher, but most are being paid so little that they qualify for government assistance programs such as subsidized child care. These low wages and benefits contribute to high staff turnover and staffing shortages in the field—when an educator earns a bachelor's degree, s/he often leaves for higher paying jobs at public school Pre-K or Head Start. Low-wage jobs often experience high turnover, but this trend is particularly troubling for child care. Turnover rates at child care providers are often closely related to program quality indicators, so high turnover makes achieving and maintaining quality difficult.[21]

Child care programs cannot reach the TRS 4-Star level without staff that has relevant college credit, degrees, credentials, or extensive experience. This is difficult, as fewer than half of child care teachers in Texas are likely meet the educational requirements, and teacher turnover is so pervasive that meeting the experience requirement can also be challenging.[22] Several Local Boards—both smaller, more rural boards as well as larger, urban ones—identified teacher turnover as a significant barrier to both becoming TRS-certified initially and to earning the additional points needed to achieve TRS 4-Star certification.

Even Though 20% of Child Care Teachers Have at Least a Bachelor's Degree they are Being Paid on Average $30,000 Less than a Public School Pre-K Teacher [5]



» ***State and Local Investments are Not Coordinated.*** TWC and Local Boards have recognized these problems and are investing in child care teacher education in various ways (discussed more in Section 4). At least 8 of the 28 Local Boards provide their own scholarships for child care teachers to obtain the Child Development Associate (CDA) training and/or certification. Similarly, TWC invested in two free online statewide CDA training programs. TWC also invests in scholarships for the CDA and for associate's degrees through the T.E.A.C.H. Texas scholarship program, which includes a bonus to reward child care providers when they advance and complete their degrees.

While these programs are greatly needed, participation is patchy and some Local Board programs have varying degrees of success. It seems that there could be overlap in investments, and it is unclear why Local Boards and TWC both invest in very similar options.

» ***Professional Development is Primarily One-Time Training.*** Currently, all Local Boards invest heavily in professional development opportunities, and they are often one-time, standalone classes. All Local Boards offer this training to child care teachers and directors, but some Local Boards prioritize these opportunities for TRS providers. Typically, these classes focus on content that helps providers meet TRS standards. Several Local Boards reported that they often need to repeat the same training opportunities year after year because turnover among child care workers is so high that they cannot offer more advanced classes. Some Local Boards intentionally structure their professional development options to build upon previous sessions, but even these do not offer career building opportunities, such as the ability to stack professional development hours into a CDA or more advanced degree. Only one Local Board specifically designs its professional development package to build toward a CDA for interested teachers. Teachers can attend sessions as standalone courses or, once they have completed the entire progression, they can apply for their CDA credential.

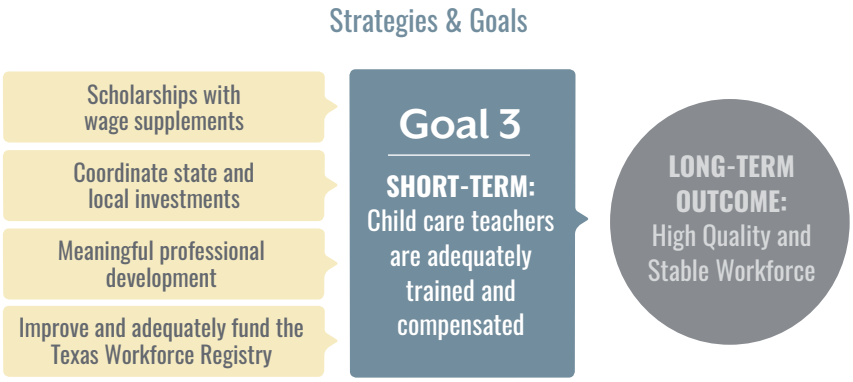
» ***State System for ECE Workforce Needs Improvements and Greater Usage.*** The Texas Workforce Registry, housed in the Texas Early Childhood Professional Development System, is an important online tool for child care teachers and other ECE professionals (more on this in Section 4). They can upload training hours, education, and work history to the Registry and, based on these achievements, users are categorized on a Career Lattice as beginner, intermediate, or advanced. As they gain more experience, training, and education, they move up in the Lattice. While this once imposed a cost, it is now free for users. Unfortunately, the Registry is not widely utilized by child care professionals, with fewer than 10% participating across the state.[23]

While there have been some recent updates, the Registry lacking in the following critical areas.

- The Registry allows child care teachers to upload proof of annual training hours, but **statewide access is not yet available for CCL** to check if those requirements have been met. CCL still has to check these in-person when conducting an inspection.
- There is currently **not enough support staff** to validate data and provide technical assistance to users.
- There are **concerns about the emphasis that is placed on training hours versus degrees and certificates** when users are automatically categorized on the Career Lattice, which might make it difficult for users to clearly understand and plan their career goals and pathways.
- The Registry **lacks adequate funding and support** to be fully completed and utilized statewide.

Strategies

State and local investments have laid the groundwork for even stronger quality improvements that are needed to increase participation and maintenance of TRS, particularly at the highest levels of quality. TWC can build off these efforts to ensure that the child care teachers caring for our children with public funding have access to opportunities in what is supposed to be a statewide system—rather than opportunities that are dependent upon the Local Board in which they work. TWC can utilize its increase in CCDBG funding over the coming years to build a system that is efficient, effective, and transparent.



- ***Offer Scholarships with Wage Supplements.*** Not only is specialized ECE training shown to improve teacher effectiveness and student outcomes, but degrees and credentials help Texas child care teachers build a career. It is clear that the child care workforce needs to reach higher levels of education, but it is unreasonable to ask them to take on this debt since their wages are so low that they often qualify for welfare programs. When child care providers actually achieve these higher levels of education, they should be compensated appropriately. Tying together scholarships with wage supplements is an ideal model. Financial incentives to encourage child care teachers to pursue higher levels of education and to stay with their employer help improve the number of qualified teachers and reduce turnover at a child care program.

  TWC—and the children it serves—could benefit from a strategy that 1) allows child care teachers across the state, regardless of the Local Board in which they work, to access these programs; and 2) targets scholarships and wage supplements for providers working toward TRS status. This would ensure that the benefits are equitable across the state, help local programs work toward a common goal of bolstering the state's investments in TRS, and incentivize providers to join TRS.

- ***Coordinate State and Local Investments in Child Care Teachers.*** With such varied, disconnected investments at the state and local levels, it is difficult to distinguish which strategies are most fruitful. It is also unsurprising that none of the strategies have yielded substantial results. In order to more efficiently and effectively use public dollars, it would be helpful to understand why:

  1. Local Boards are creating their own scholarship programs, rather than using the state-funded scholarships through T.E.A.C.H. Texas; and
  2. Local Boards are offering CDA training and scholarships, while the state offers two free online training options.

  Local Boards should still maintain local control and implement programs based on what works in their area. However, some programs are more successful than others, and TWC might consider studying the outcomes of these investments at the state and local levels. There may be an opportunity to minimize duplication, leverage under-utilized resources, and coordinate state and local dollars in order to fill gaps in the system.

» ***Provide Meaningful Professional Development and Articulation.*** As mentioned in Section 4, the West Central Texas Local Board (Abilene area) offers CDA classes as standalone professional development courses that can either be taken individually to meet specific teacher needs or, taken in their entirety, in any order, to count toward a full CDA credential. This is a great example of how training hours can serve multiple purposes—helping meet TRS standards *and* counting toward a credential. While some Local Boards do this, most do not.

All Local Boards offer professional development opportunities, but the selection process for the type and content of training varies across the state. Local Boards should still be able to make choices that meet local needs, but training hours could be a more meaningful if some or all counted toward a credential or degree—something this workforce is severely lacking and cannot afford to pursue on their own.

TWC and Local Boards can work to provide training that prepares child care teachers for a career in the field. These hours could meet CCL requirements and/or TRS criteria, while also counting toward a certificate or degree. Using their quality set-aside funds to serve multiple purposes would be a smart use of taxpayer dollars and could reduce teacher turnover by investing in their careers.

As a compliment to this work, some areas across Texas are entering into articulation agreements across institutions of higher education. This allows for standalone credentials to count toward 2-year degrees, and then those 2-year degrees count toward 4-year degrees. TWC and some Local Boards fund training for the common standalone CDA credential, but it does not always count toward a 2-year degree. While the state has released an Articulation Tool Kit to provide guidance, this coordination is very complex and requires stakeholders across Texas to navigate it on their own. Articulation agreements can be incredibly time consuming and can break down if a key point person at either institution leaves their job. Coordination at the state level across relevant state agencies would promote more efficient use of taxpayer dollars, while building careers in the child care field.

» ***Improve and Adequately Fund the Texas Workforce Registry.*** TWC could work with Local Boards and their contractors to identify and gather consensus on specific improvements that need to be made for the Texas Workforce Registry, while also learning from other states that have successfully implemented similar systems. TWC should also ensure that the Registry is adequately funded, so that it can actually be used by child care workers across the state.

This could help TWC and Local Boards:

1. **Understand gaps in training.** By understanding the current training and gaps in training content, TWC and Local Boards can more accurately and efficiently direct their resources toward training that meets teachers' needs, CCL requirements, and TRS guidelines.
2. **Reduce duplication between CCL and TRS.** They both track teacher training hours, degrees, credentials, and more—some online and some by hand on paper. Encouraging both TRS assessors and CCL staff to access the database would reduce paperwork and time needed to check compliance.
3. **Support articulation efforts across the state.** Understanding current credentials and degree obtainment would help key decision-makers coordinate and align higher education opportunities, so that credentials and training hours could build toward 2- and 4-year degrees.

Goal 4: Know the Cost of Providing Quality Child Care and Reimburse Accordingly

CHALLENGES	STRATEGIES
The cost to provide subsidized or TRS child care is unknown.	Conduct a cost of quality study. Set reimbursement rates informed by a cost of quality study.

Challenge

Subsidized child care operates on the premise that providers will be appropriately reimbursed for the care they are providing to low-income children; without this, they do not have incentive to participate in the subsidy program—much less move up in quality through TRS. Setting appropriate reimbursement rates requires an understanding of the child care market and how much it costs to provide child care at different levels of quality. Unfortunately, little is currently known about what levels of reimbursement would be required to incentivize and fairly pay for quality care in Texas.

» ***The Cost to Provide Subsidized or TRS Child Care is Unknown.*** As of August 2018, the state of Texas spends over $800 million each year in public funds to serve more than 130,000 children through subsidized child care, yet we do not know how much it actually costs to provide that care. TWC manages this program, and payment amounts that Local Boards use for reimbursing child care providers are based on "market rates" or the amounts parents pay in the local private market. This is a broken measurement, given that the private market is heavily influenced by how much parents *can afford*, not how much it actually costs to provide the care. Further, market rate prices may be driven down based on 1) the reimbursement rates provided by the Local Board, and 2) what parents can afford to pay, which is particularly relevant in low-income communities.[24]

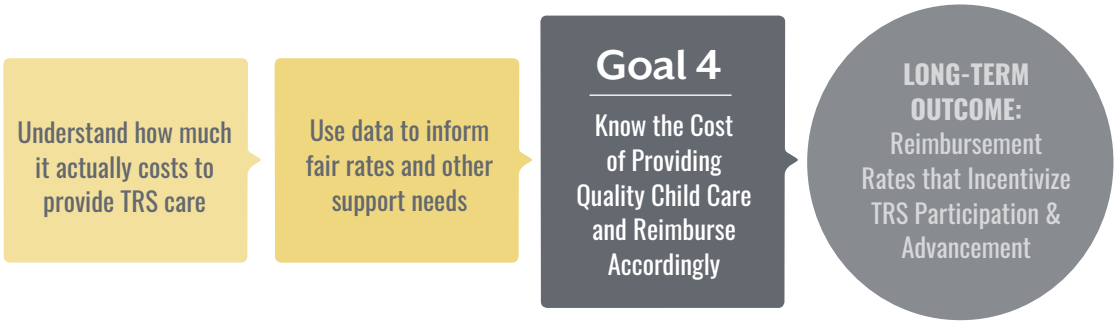
To understand the market rates at each Local Board across the state, TWC commissions a market rate survey every 1-2 years. But market rates are an imperfect way to gauge the amount TWC should be paying for child care—what providers are charging does not reflect the true costs of care they are providing.

Though imperfect, market rate surveys do provide insight into what families are paying for care. Once the true cost of providing different levels of quality care is better understood, market rate surveys allow for a direct comparison of revenue versus costs at these various levels. It may be the case that providing lower quality care is more cost-effective relative to market prices, but it may also be the case that revenue at all levels of care does not cover costs for providers. This information is important to help TWC, Local Boards, and other stakeholders determine what benefits and supports help offset quality-related costs for child care providers. Understanding these relationships allows for the state to fairly reimburse for child care services, which would reduce the financial instability of these providers and increase their ability to meet higher TRS standards.

Strategies

States with similar characteristics to Texas have done important work beginning to examine the relationship between subsidy reimbursement rates and quality achievement for child care providers. The following options can help TWC improve access to quality child care.

Strategies and Goals



- ***Conduct a Cost of Quality Study.*** Just as TWC commissions a market rate survey, the agency can study the actual cost of the care for which they are paying. Neither study has to be conducted annually, and there are various options to minimize any additional costs. Understanding the cost of providing quality care is critical to ensuring access to high quality care. This study would account for all of the costs to providers delivering quality care and the costs for systems supports, such as TRS mentoring from Local Boards. The total resources invested minus out-of-pocket payments from families generates the amount that public and private organizations must pay to adequately fund access to quality child care.[25]

- ***Set Reimbursement Rates Informed by a Cost of Quality Study.*** Once the true cost of quality is known, the state can begin to develop better informed policies to make quality more affordable and attainable for providers. The findings of this study should inform the future setting of reimbursement rates and other supports needed to help offset quality-related costs. These changes can be incremental, increased over time in phases. The study should be updated periodically to account for market changes, such as cost of living increases.

Goal 5: Make Child Care Businesses More Sustainable

Challenges

In Texas, there are approximately 15,000 child care centers and homes with the capacity to serve over 1 million children.[26] These programs face a number of significant challenges as they seek to fulfill their purpose to meet the early learning and developmental needs of the children and families that they serve.

- ***Child Care Providers Have High Staff Turnover.*** As mentioned earlier in this section, compensation in Texas and across the country for child care teachers is extremely low.[27] It is a field dominated by women, many of whom rely on government assistance programs because they are not able to make a living wage. Who can fault our child care teachers moving to other more lucrative jobs, such as public school Pre-K, when they improve their education? But the result is not a good one—child care programs find themselves with high turnover of under-paid, under-educated teachers. Most importantly, higher turnover leads to lower program quality for children in care.[28]

  Child care providers across the state identified staff turnover due to low pay and poor benefits as a major concern. Many expressed that they wanted to pay more, but their business realities simply

did not allow it. In one city the situation was so dire that providers reported teachers leaving for as little as a $.10/hour pay raise. Others indicated that they experienced especially high turnover once staff earned CDAs or degrees because they could earn much more elsewhere.

- ***Child Care is Often a Small Scale Operation.*** Child care businesses are very small—often too small to be financially viable. National experts suggest that a child care center must serve at least 100 children in order to meet high-quality standards and break even financially.[29] Few Texas child care centers can meet this threshold. Indeed, half of all child care centers in Texas are licensed to care for fewer than 90 children. For-profit providers in multiple Texas cities reported that they face particularly acute sustainability issues, as they often do not have access to outside funding sources, such as foundations or grants.

- ***Child Care Directors are Overextended.*** Not surprisingly, child care providers are often running their businesses month-to-month, making little to no profit, and struggling to invest enough in their staff and their programs. They are unable to pay their teachers higher wages. Furthermore, these business owners/child care directors typically wear many hats, acting as the human resources director, office manager, accountant, substitute teacher, curriculum-planner, nurse, parent liaison, janitor, food preparer, and more. This is compounded for many directors by a lack of business skills and networks to most effectively run their small business. Many directors are overextended and find it impossible to become proficient at both the business and educational side of child care. These basic barriers make it even more challenging to provide quality care.

Child care owners and directors need more time to mentor teachers, manage classrooms, invest in their own education, recruit families, engage parents, and plan strategically for their business. They need time and opportunities to either acquire financial skills or pass those responsibilities on to a more qualified party. They need support to streamline processes and share resources, so they can invest their time and money back into their business. These problems are not unique to a few child care providers. They are widespread and deeply entrenched across the sector in Texas, impacting thousands of community organizations and tens of thousands of child care teachers.

Whether these providers are for-profit or tax-exempt, they are providing a service—a service that is very valuable to the economy, ensuring parents can participate in the workforce now and building the brains of our future workforce. Given its incredible role in our society, Texas must invest in solutions to stabilize this field and increase the quality of services.

TWC has recognized the importance of child care as small businesses and will use some of the increase in CCDBG funding to provide business support "designed to increase entrepreneurial activity, provide professional development support for administrators, and increase rates of business success leading to TRS 4-Star ratings."[30] This is a great first step, though the details of this effort are still being shaped.

Strategies

TWC has some real opportunities for maximizing their investment in child care businesses by incorporating best practices from other states and leveraging local innovations. Improving the business skills and knowledge of child care providers will help secure TWC's investments in TRS. Under the current system, Local Boards invest time, effort, and public funds to bringing providers up to TRS standards, but the instability of the child care industry puts these investments at risk. TWC has a few key opportunities to safeguard its investments and improve child care provider sustainability.

» ***Provide Skills Training in Business, Pedagogy, and High Quality Care.*** Managing a child care business is complex. Center directors are expected to be experts in ECE and age-appropriate pedagogy (the method and practice of teaching), and to also be able to run a sustainable business operation. They need a diverse skillset to successfully implement quality programming, lead their staff, and maintain a stable revenue flow. Many directors start child care businesses because they are passionate about serving children, and they may have ECE experience and training, but they may not all have strong business backgrounds.

Local Boards and TWC can help build sustainable small businesses in their communities by providing training and resources for directors to develop their business skills. Though some Local Boards currently offer such training, opportunities for directors more often focus on leadership and are based on requests from directors, rather than being designed intentionally to build the long-term sustainability of their skillsets. Building pedagogical skills in child care directors is also important so that they can better coach and support the teachers in their setting. This can help child care teachers provide higher quality care and be more invested in their own careers. Recognizing the many responsibilities of child care directors, TWC can support Local Boards in providing trainings and resources to help child care directors succeed in their important, varied roles.

» ***Support Shared Services Models.*** This is a framework that allows multiple child care providers to share costs, services, and/or resources in order to improve their quality. A Shared Services framework can help child care providers run more efficiently, improve their leadership structure, free time for the director to address learning, increase revenue through stronger business management, and realize cost savings through purchasing networks. Shared Services allows child care providers to stay small, while improving their quality, financial strength, and capacity.[31] There are multiple ways to create Shared Services in Texas. For more information on the options available, please reference CHILDREN AT RISK's recent report.[32]

Cost savings from a Shared Services approach can vary tremendously, based on the model of sharing and the size of the provider. It is not uncommon for providers who share staff and/or jointly purchase significant goods and services to save $10,000 or more each year.[33] These savings can be direct, such as cost savings through vendors offering discounts to a group of child care providers. They can also be indirect, such as the hundreds or thousands of hours a director/owner saves by operating more efficiently.

A few Local Boards are exploring Shared Services options in their communities with one pilot saving child care center directors an average of 30 hours per month (as mentioned in Section 4). Local Boards, TRS mentors, and child care providers in regions across Texas agree that this would be extremely helpful in their communities. TWC could begin encouraging and supporting these opportunities in Local Boards, and investing in statewide Shared Services resources.

» ***Offer Business Resources and Coaching.*** TWC has already created a great model for bringing child care providers into TRS: mentors help providers understand and meet standards; data is collected uniformly across the state; TRS guidelines are standardized across the state; and assessors do the final scoring to determine each provider's TRS level.

Child care providers could greatly benefit from a similar model with business resources and coaching. Intentional skill building, combined with business resources, is one method of incorporating a business component into the TRS process. This could work hand-in-hand with www.TXChildCareTools.com—a statewide Shared Services platform (more information in Section 4). This platform is intended to be a one-stop shop for child care providers to find a host of resources on both the business and instructions sides of their operations to help save them time and money.

This Shared Services platform has the potential to 1) help child care providers meet TRS standards and maintain TRS status, and 2) significantly reduce the workloads of individual providers that would otherwise have to search for such tools on their own. This platform is ready to expand statewide, but the current model for expansion requires Local Boards to purchase this on their own, potentially pulling funds away from other priorities. Support from TWC for expansion might make more sense since the platform addresses needs of providers in all parts of Texas and helps them achieve TRS certification. This would bolster the ability for child care providers to stay in business, which would secure the many other quality investments TWC is making in these providers.

Conclusion

Texas has thousands of child care providers serving hundreds of thousands of children each day. A multi-level, strategic approach is required to build a system of financially-viable child care providers that offer quality, affordable services to families. The potential solutions outlined in this section represent options to build on local efforts and leverage the recent CCDBG funding increase in order to continue to improve access to quality child care.

The five goals in this section are not mutually exclusive, and in fact are closely related: increasing quality across the child care system requires reimbursing subsidy providers appropriately for the care they offer, which in turn requires that child care professionals be adequately qualified and properly compensated for those qualifications. None of these are possible without ensuring that child care providers are viable, sustainable businesses. Supporting these pillars of our communities allows parents to engage in the workforce, children to develop lifelong skills, and small businesses to thrive. Texas must prioritize supporting quality child care. Our present and future require it.

APPENDIX 1: METHODOLOGY

Local Workforce Development Board Interviews and Child Care Provider Focus Groups

CHILDREN AT RISK spoke with one to five representatives at each of the 27 of the 28 Local Workforce Development Boards (Local Boards) between fall 2017 and spring 2018, asking a standard series of questions about a range of topics including quality initiatives and partnerships with school districts. We were unable to schedule a conversation with the Middle Rio Grande Valley Local Development Board.[1] We did not include this missing Local Board when analyzing trends across all Local Boards. For example, if we indicate that most Local Boards offer professional development opportunities to child care providers, we used 27 for the denominator.

For many of the Local Boards, we conducted multiple interviews, especially if the Local Board contracted with outside organizations to provide quality improvement efforts such as Texas Rising Star Mentor or Assessor programs. Local Board representatives included child care subsidy administrators and Texas Rising Star mentors and assessors. Interviews lasted about an hour each, and representatives were followed up with as needed for clarification and/or additional information.

With the help of various partner organizations, CHILDREN AT RISK collected information from focus groups with child care providers in five Texas cities: Dallas, Fort Worth, Lubbock, San Antonio, and Sugarland (a Houston suburb). We spoke with approximately 50 providers across the state representing centers of varying sizes, enrollment characteristics, and quality levels. Focus groups lasted 60 to 90 minutes, and covered topics including business stability, child care licensing, Texas Rising Star, and shared services.

Researchers coded and analyzed focus group responses and Local Board interviews using NVivo. Roundtable discussions with over 250 ECE stakeholders across nine cities, as well as interviews with state agency staff, corroborated trends we found through the Local Board interviews.

All numbers in this report from one of these two sources reflect what was reported during our conversations with respondents. If a certain topic did not come up in conversation, it may not be reflected in the numbers presented. For example, if a Local Board representative reported that they did not provide community college scholarships for child care teachers but they actually do so, they were coded based on what the reported in the interview.

Texas Child Care Desert Map

In recent years, the concept of food deserts—areas with little or no access to fresh foods—have been widely publicized and frequently studied. Borrowing from that concept, experts at Child Care Aware and Center for American Progress have coined the term "child care deserts" to identify another crucial commodity with limited availability. These child care deserts are areas where there is a significant population of children too young for public school and a lack of child care providers to meet the demand.

CHILDREN AT RISK calculated four types of child care deserts:

1. Child Care Deserts – Zip codes (US Census Zip Code Tabulation Areas, or ZCTAs) with at least 30 children, ages 0-5, where the demand for child care (the number of children, ages 0-5, with working parents) is at least three times greater than the supply of child care (licensed capacity of child care providers in the area).
2. Subsidized Child Care Deserts – Zip codes with at least 30 low-income children, ages 0-5, where the demand for subsidized child care (the number of children, ages 0-5, with working parents living below 200% of the Federal Poverty Level) is at least three times greater than the supply of subsidized child care (total enrollment within subsidy providers in a zip code reported by TWC).

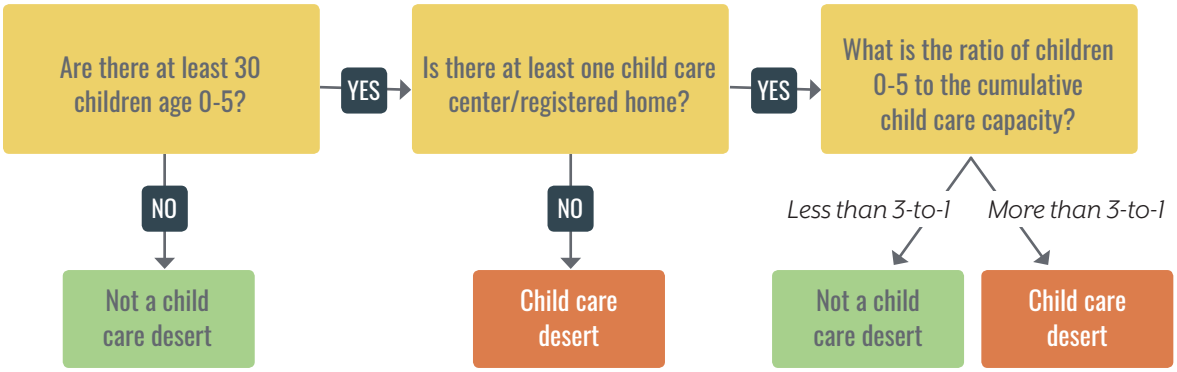
3. Texas Rising Star Deserts – Zip codes with at least 30 low-income children, ages 0-5, where the demand for subsidized child care (the number of children, ages 0-5, with working parents living below 200% of the Federal Poverty Level) is at least three times greater than the supply of Texas Rising Star-certified child care (total enrollment within subsidy providers certified quality at Texas Rising Star levels 2-, 3-, or 4-Star in a zip code reported by TWC).
4. Texas Rising Star 4-Star Deserts – Zip codes with at least 30 low-income children, ages 0-5, where the demand for subsidized child care (the number of children, ages 0-5, with working parents living below 200% of the Federal Poverty Level) is at least three times greater than the supply of child care providers certified at Texas Rising Star level 4-Star (total enrollment within subsidy providers certified quality at Texas Rising Star level 4-Star in a zip code reported by TWC).

The supply of subsidized and TRS child care was estimated using the Texas Workforce Commission's (TWC) 2018 daily targets for the average number of children served each day in the subsidy system in each Local Board region,[2] as well as data from TWC obtained through a Public Information Request detailing the number of children receiving child care subsidy assistance at every child care provider across the state. Enrollment numbers are accurate as of March 2018. This month was chosen so as to avoid any impacts that holiday or summer break may impose.

TWC records enrollment data in monthly totals of individual children served, which can result in some slots for subsidy children being counted multiple times as, for example, children rotate in and out of the subsidy system. To account for this potential redundancy, CHILDREN AT RISK utilized TWC's daily targets (described above) to estimate the number of seats going to low-income children on subsidy at each subsidy provider on a given day. All deserts also exclude from the demand for child care the number of children being served by Early Head Start, Head Start, and public school Pre-K programs in each ZCTA.

How We Calculated Child Care Deserts

Is this Zip code a child care desert?



children at Risk Source: Graphic and methodology adapted from Center for American Progress (http://ampr.gs/2eQvPsu)

Number of children, ages 0-5, with working parents comes from the US Census, American Community Survey 2011-2015 5-year estimate, Table B23008 (from IPUMS National Historical Geographic Information System).

Number of children, ages 0-5, with working parents living below 200% of the Federal poverty level was estimated by CHILDREN AT RISK using U.S. Census data (the Census does not calculate this estimate for public release). To calculate this estimate, CHILDREN AT RISK researchers used the 5% microdata sample from the American Community Survey (ACS) 2011-2015 for Texas. Researchers used this data to calculate

the share of children, ages 0-5, who are low-income (living below 200% of the Federal Poverty Line) and the share of children, ages 0-5, with working parents who are low-income. At the state level, children with working parents are 15% less likely to be low-income (44.7% vs. 52.6%).

Next, researchers used the ACS 2011-2015 5-year estimates of the share of children, ages 0-5, who are low-income in each ZCTA and reduced the census share by 15% to calculate an estimated share of children with working parents who are low income. (For instance, a ZCTA with 50% of children who are low income would have an estimated 42.5% of children with working parents who are low income.)

Finally, researchers applied the estimated low-income shares to the total number of children, ages 0-5, with working parents in each ZCTA from the ACS (see above) to calculate the number of children with working parents who are low income in each ZCTA. ZCTA boundaries – U.S. Census. ZCTAs are statistical entities developed by the US Census Bureau to approximate the boundaries of US Postal zip codes. In most cases, zip code and ZCTAs overlap and cover the same general geographic area. In some cases, ZCTAs encompass multiple zip codes, some of which contain few or no households.

Child Care Market Rates and Subsidy Reimbursement Rates

The federal government provides funding to states to provide child care assistance to low-income parents who are either working or in school through the Child Care and Development Block Grant (CCDBG). CCDBG funds are primarily used to reimburse child care providers for the care they provide to children receiving subsidy assistance. Within certain guidelines, states are given broad leeway in utilization of this funding.

TWC administers CCDBG funding within the state of Texas and disburses much of the funds to its 28 Local Boards to use for day-to-day management of the subsidized child care system. Local Boards are responsible for setting provider reimbursement rates based in part on local child care market rates in each Local Board region. For more information on this process, see Sections 3 and 4 of this report.

TWC commissions an annual market rate survey, conducted by researchers at the University of Texas at Austin's Texas Institute for Child and Family Wellbeing, which surveys child care providers on the prices they charge families for child care. Survey results are used to determine the range of prices for each Local = Board. Daily rates are reported in percentiles to reflect the spectrum of prices in each local child care market for four age groups of children: infants (birth to 18 months), toddlers (18 months to 3 years) , preschool age (3 & 4 years), and school age (5 to 13 years). The 50th percentile, or median, market rate is the middle in a given market—the rate half of all providers charge less than and half charge more than.[3]

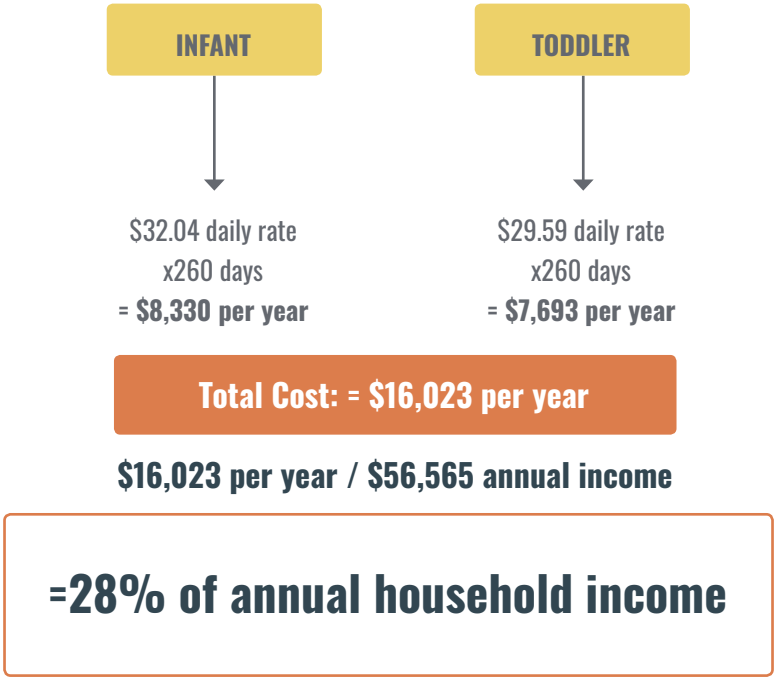
CHILDREN AT RISK researchers analyzed how Texas's 2018 reimbursement rates in each Local Board compared to 2017 market rates for child care.[4] Reimbursement rates were obtained from a TWC publication, WD 12-18, Attachment 1.[5] Throughout this analysis the reimbursement rates for licensed child care centers were used because 98% of children receiving subsidy assistance statewide are enrolled at licensed child care centers. For each Local Board, market rates in different age groups were compared to market rates to determine where they fell in terms of percentiles.

For example, the daily reimbursement rate for full-day toddler care at a non-Texas Rising Star (TRS) child care provider—also known as the "base" reimbursement rate—in the Gulf Coast Local Board (Houston area) is $28.88 per day, which falls between the 40th percentile ($27.68) and median daily rates ($29.59) in that region's market for toddler child care. This exercise was repeated in each Local Board for each age group and for every reimbursement tier (base, TRS 2, TRS 3, and TRS 4).

Any calculation of child care costs relative to family income utilized the median market rate for either the entire state or for the Local Board of interest, because the median rate represents the middle of the child care market and is a fair estimate of what a typical family can expect to pay. Though market rate survey contains average reimbursement rates for every Local Board, we used the median rates because they are less susceptible to being skewed by outliers (i.e., child care providers which charge far more or far less than

others in their area).[6] To calculate monthly reimbursement or market rates, multiply the daily rates by 21.667. To calculate annual rates, multiple the daily rates by 260.

To understand how all of this fits together, take a family of four with one infant and one toddler living in the Gulf Coast Local Board with an annual household income equal to Texas's State Median Income (SMI), which was $56,565 in 2016. To calculate what proportion of that family's income child care would take up, CHILDREN AT RISK does the following:



APPENDIX 2: COMPARISONS OF QRIS EFFORTS ACROSS SELECT STATES

State QRIS Comparisons[1]

	TX[2]	GA[3]	CA[4]	CO[5]	OH[6]	PA[7]
# of kids served through subsidy	103,000 (estimated) 130,000 (new target as of Aug. 2018)	60,000 (estimated)	300,000 (estimated)	17,000 (estimated)	47,000 (estimated)	93,000 (estimated)
QRIS voluntary or mandatory for subsidy	Voluntary	Mandatory	Voluntary	Mandatory	Transitioning to Mandatory	Mandatory
QRIS open to providers outside of subsidy?	No	Yes	Yes	Yes	Yes	Yes
QRIS top tier reimbursement rate formula	75th percentile of market rate (varies by Local Board)	25% above base rate	N/A (varies by county)	Not tiered	35% above base rate	25% - 35% above base rate (estimated)
Approximate percentage of subsidy providers certified in QRIS	17%	62% participate, 30% quality rated (goal of 100% by 2020)	70%	100%	30% (goal of 100% by 2020)	67%
1. Provides Scholarships	X	X	X	X	X	X
2. Articulation Pathways and Agreements	Varies by Local Board	X	X	X		X
3. Wage and Retention Awards	Varies by Local Board	X	Varies by County			X
4. Professional Development	X	X	X	X	X	X
5. Workforce Registry	X	X	X	X	X	X
6. Quality Achievement Awards	Varies by Board	X	Varies by County	X	X	X

7. Quality Improvement Grants	Varies by Board	X	X	X	X	X
8. Reduced Co-Pay for Parents who Choose QRIS	Varies by Board	X		X		
9. QRIS Recruitment, Support, Mentoring	X	X	X	X		X
10. Data System Coordination	Limited	X	Varies by consortia members	X	X	X

APPENDIX 3: ANALYSIS OF 2018 REIMBURSEMENT RATE INCREASES

Workforce Board Name	Workforce Board Number	Infant Base Rate - Previous	Infant Base Rate - Increased	Toddler Base Rate - Previous	Toddler Base Rate - Increased	Infant TRS 4 Rate - Previous	Infant TRS 4 Rate - Increased	Toddler TRS 4 - Previous	Toddler TRS 4 - Increased
Panhandle	1	$22.00	$22.44	$20.50	$20.91	$24.64	$27.14	$22.96	$25.66
South Plains	2	$21.70	$22.14	$19.72	$20.12	$24.51	$28.14	$21.51	$26.45
North Texas	3	$20.49	$20.90	$19.11	$19.50	$22.78	$24.81	$21.25	$23.27
North Central	4	$30.00	$30.60	$27.50	$28.05	$32.70	$41.32	$29.98	$38.72
Tarrant County	5	$29.50	$30.09	$28.50	$29.07	$33.34	$38.33	$32.21	$35.90
Dallas	6	$26.15	$26.68	$24.00	$24.48	$31.50	$37.00	$28.50	$34.29
North East	7	$21.01	$21.44	$19.64	$20.04	$24.16	$24.16	$22.59	$22.68
East Texas	8	$23.73	$24.21	$21.56	$22.00	$25.93	$26.41	$23.57	$23.98
West Central	9	$21.47	$21.90	$17.56	$17.92	$23.41	$25.57	$19.16	$23.90
Borderplex	10	$19.66	$20.06	$18.23	$18.60	$22.22	$28.55	$20.60	$26.48
Permian Basin	11	$19.25	$19.64	$18.60	$18.98	$21.57	$27.82	$20.29	$26.33
Concho Valley	12	$24.70	$25.20	$19.95	$20.35	$28.40	$28.40	$22.95	$24.40
Heart of Texas	13	$21.27	$21.70	$18.24	$18.61	$24.76	$24.76	$21.66	$23.02
Capital Area	14	$35.67	$36.39	$28.05	$28.62	$38.90	$41.41	$30.60	$38.76
Rural Capital	15	$28.97	$29.55	$26.72	$27.26	$33.89	$42.34	$31.26	$39.48
Brazos Valley	16	$24.57	$25.07	$21.71	$22.15	$26.80	$33.94	$23.68	$31.54
Deep East Texas	17	$20.11	$20.52	$18.59	$18.97	$21.95	$25.23	$20.30	$23.64
Southeast Texas	18	$19.57	$19.97	$17.81	$18.17	$21.92	$26.06	$19.95	$24.45
Golden Crescent	19	$19.42	$19.81	$18.55	$18.93	$21.18	$26.57	$20.24	$25.15
Alamo	20	$34.25	$34.94	$24.03	$24.52	$37.35	$38.09	$26.24	$32.66
South Texas	21	$18.64	$19.02	$17.85	$18.21	$20.73	$26.67	$19.82	$25.03
Coastal Bend	22	$24.57	$25.07	$21.84	$22.28	$27.29	$32.12	$24.25	$29.70
Lower Rio Grande	23	$18.25	$18.62	$16.75	$17.09	$21.90	$25.88	$20.10	$23.97
Cameron County	24	$19.03	$19.42	$14.19	$14.48	$21.52	$25.25	$16.05	$23.48
Texoma	25	$26.72	$27.26	$24.61	$25.11	$29.40	$29.73	$27.08	$27.39
Central Texas	26	$19.83	$20.23	$17.77	$18.13	$21.63	$25.00	$19.38	$23.64
Middle Rio Grande	27	$19.43	$19.82	$17.63	$17.99	$22.34	$24.59	$20.27	$22.95
Gulf Coast	28	$32.91	$33.57	$28.31	$28.88	$35.97	$37.62	$30.94	$34.97

New rates: https://twc.texas.gov/files/partners/12-18att1-twc.pdf

Old rates: https://twc.texas.gov/files/twc/ATTACHMENT-2-7-1-Maximum-Daily-Rates.pdf

- 75th percentile and above
- 70th - 75th percentile
- 60th - 70th percentile
- Median - 60th percentile
- 40th percentile - median
- 30th - 40th percentile
- Below 30th percentile

ENDNOTES

Section 1 Endnotes

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Section 5 Graphic Endnotes

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Methodology Endnotes

1 Not speaking with the Middle Rio Grande Valley Workforce Board did not meaningfully impact our analysis. Identified trends are limited to the 27 with which we did speak.

2 Calculations included in this publication are based on the 2017 daily service target numbers, because the increased numbers following the CCDBG expansion were not yet available. For updated calculations of child care deserts, please see our Child Care Desert Map at www.childrenatrisk.org/childcaredesertmap. Data there will continue to be updated as enrollment numbers change.

3 The federal government recommends that states set provider reimbursement rates at the 75th percentile of the child care market rate. The 75th percentile reflects the rate higher than 75% of the child care market, and lower than 25%. This means that a family utilizing a subsidy voucher to choose child care should, in theory, have access to 75% of their local child care market. The federal government believes this recommendation will ensure that families receiving subsidy will have equal access to the spectrum of care in a given market as families paying for child care privately.

4 Market rate surveys can be found at: https://txicfw.socialwork.utexas.edu/research/project/child-care-market-rate-survey/

5 The attached containing the reimbursement rates can be found at: https://twc.texas.gov/files/partners/12-18att1-twc.pdf

6 The child care costs CHILDREN AT RISK calculated based on the market rate survey are lower than those reported by Child Care Aware. We were unable to corroborate or replicate their numbers, so we chose to use the market rates reported by the state. Child Care Aware's estimates of child care costs in Texas can be found at: http://usa.childcareaware.org/advocacy-public-policy/resources/research/costofcare/.

Appendix Endnotes

1 Most data in this table is from: Caron, B., Kendall, R., Wilson, G., and Hash. M. (2017). *Taking on the Challenge: Building a Strong Foundation for Early Learning*. Retrieved from https://elc.grads360.org/services/PDCService.svc/GetPDCDocumentFile?fileId=28793 ; Additional sources include: Personal communications with Georgia's Department of Early Care and Learning (August 2018) and First 5 California Evaluation Office (August 2018)

2 Further analysis of Texas's system can be found in the Methodology Appendix of this report ; Texas's 2019-2021 CCDF state plan can be found at: https://twc.texas.gov/files/partners/fy2019-2021-ccdf-plan-draft-preprint-twc.pdf

3 Georgia's 2019-2021 CCDF state plan can be found at: http://decal.ga.gov/documents/attachments/CCDFProposedStatePlan.pdf

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7 Pennsylvania's 2019-2021 CCDF state plan can be found at: http://dhs.pa.gov/cs/groups/webcontent/documents/document/c_273302.pdf

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The research included in this report was generously supported by the W. K. Kellogg Foundation (WKKF). WKKF, founded in 1930 as an independent, private foundation by breakfast cereal pioneer, Will Keith Kellogg, is among the largest philanthropic foundations in the United States. Guided by the belief that all children should have an equal opportunity to thrive, WKKF works with communities to create conditions for vulnerable children so they can realize their full potential in school, work, and life. WKKF is based in Battle Creek, Michigan, and works throughout the United States and internationally, as well as with sovereign tribes. Special emphasis is paid to priority places where there are high concentrations of poverty and where children face significant barriers to success. WKKF priority places in the U.S. are in Michigan, Mississippi, New Mexico, and New Orleans, and internationally in Mexico and Haiti.

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For 29 years, CHILDREN AT RISK has worked to serve as a catalyst for change to improve the quality of life for children through strategic research, public policy analysis, education, collaboration, and advocacy. CHILDREN AT RISK's early childhood education team works to expand access to quality, affordable early learning opportunities for all Texans.

For more on our early childhood education work, please see our recent research at http://childrenatrisk.org/ECE/ and our mapping tool for child care deserts across the state at http://childrenatrisk.org/childcaredeserts/.

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