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Testimony of Marlana Wallace, Policy Analyst At the Budget Oversight Hearing for the Office of the State Superintendent of Education DC Council Committee on Education April 24, 2018

Chairperson Grosso and members of the Committee, good morning and thank you for the opportunity to testify today. My name is Marlana Wallace and I am a Policy Analyst at the DC Fiscal Policy Institute. DCFPI is a member of the Birth-to-Three Policy Alliance, which includes DC's leading children's policy, advocacy, and service nonprofits. At DCFPI, we promote budget choices to reduce economic and racial inequality and build widespread prosperity for all residents in the District, through independent research and policy recommendations.

The proposed fiscal year (FY) 2019 budget includes some significant investments that improve the quality of early care and education for low-income infants and toddlers in DC. This represents a great first step, but much more is needed to build a truly comprehensive support system for early childhood development in DC. Good health care, strong family supports, and affordable quality early learning environments are all instrumental to the well-being of young children.

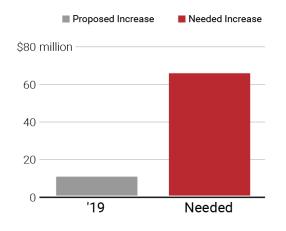
Critically, the proposed budget brings funding for the District's child care subsidy program a little closer to the true cost of care, helping child care providers offer better learning environments for our youngest children. The budget includes an increase of \$10 million for educators serving low-income infants and toddlers, building on key investments from last year's budget.

But the budget does not build in a plan for how to fully cover the huge difference between child care subsidy payments and the true costs of care (Figure 1), raise the abysmally low wages of early educators, or make early education affordable for families.

The pending "Birth to Three" legislation does all of these things. "Birth to Three" charts a path to a comprehensive system of supports for healthy early childhood development, including full funding of the child care subsidy program, and competitive compensation for early educators. DC Council should make the enactment and funding of this legislation a top priority this year, for the benefit of DC's youngest children, their families, and the future of our city.

This legislation identifies and aligns child care subsidy reimbursements with the true cost of care over the next few years. It builds a fair, competitive teacher salary into FIGURE 1.

\$65 Million Needed to Align Child Care Subsidies with the True Cost of Care



Source: Fiscal Year 2019 Budget & Financial Plans; Fiscal Impact Statement for "Birth to Three in DC"

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the cost-of-care model and the level of reimbursements, with annual adjustments for rising cost of living, enabling child care providers to attract and retain quality educators, meet high quality standards and keep their doors open. "Birth to Three" prioritizes improving the quality of early education for the children with the greatest needs first, and expands the Quality Improvement Network as part of that effort.

Health and education are inextricably linked from birth to five, as the very structure of this bill indicates. "Birth to Three" not only improves investments to early education, it also expands essential health care programs and family supports, by providing more local dollars to Help Me Grow, Healthy Futures, Healthy Steps, home visiting programs, and lactation support services. Together these programs and services will mitigate health and safety risks by connecting young families to needed services, including home visiting, mental health, developmental screenings and wraparound services.

Early childhood education lays the foundation for a lifetime of learning—it's how we shape the citizens and workers of tomorrow. Quality early education is a smart investment in the future success of young children, and particularly so for low-income infants and toddlers. Access to high-quality, affordable early learning can reduce the difference in school readiness between low-income toddlers and their higher-income peers, which begins even before three years old. Children who receive quality care also grow up to earn more money as adults.² To strengthen the quality of early education, our city must invest in the healthy development of young children on a much larger scale.

We cannot keep returning year after year for overdue, one-time investments that do little to change the status quo. We need a comprehensive, multiyear plan to arrive at a real solution. The cost of the "Birth to Three in DC" legislation scales up over time to the sizeable investment in early childhood the District needs and deserves. And yes, it will ultimately be a large investment. But it's important to note that it will not be as daunting as the latest Fiscal Impact Statement made it seem. That FIS did not include all the changes to the legislation that have already been made, like the inclusion of progressively structured child care copayments.³

We are grateful for the vision, pragmatism, and collaboration of the members of the Committee on Education when it comes to this legislation—all of which will be required to enact this legislation this year and set the District on the path to providing real support to our youngest children and the adults who care for them.

¹ B22-0203- "Birth to Three for All in DC Act of 2018"; Fiscal Impact Statement, as of March 12, 2018

² Heckman, James, "Lifecycle Benefits"

³ B22-0203 Fiscal Impact Statement, as of March 12, 2018