Overview: This mini-update provides a snapshot of early childhood care and education budget and policy changes in states during the 2016 legislative sessions as of July 2016. In the fall, there will be a state policy update looking forward to the 2017 state legislative sessions with corresponding political challenges and opportunities and other timely topics.

You can find previous editions of the State Policy Update here: http://bit.ly/1HuMmKF

The Ounce of Prevention Fund gives children in poverty the best chance for success in school and in life by advocating for and providing the highest quality care and education from birth to age five. The Ounce national policy team works to increase the capacity of early childhood advocates, Educare schools, and school district leaders (and other state and local leaders) to improve, implement and expand the policies, investments, programs and services that create high-functioning, high-quality state early care and education systems. The national policy team focuses on the intersection of policy and practice—providing consultation, technical assistance and content expertise to state and local early childhood stakeholders.
OVERVIEW

In 2016, numerous states across the country made major policy changes and investments that advanced access to high-quality early learning programs.

- **Rhode Island** codified key elements of the state’s home visiting system into law through the passage of *The Rhode Island Family Home Visiting Act*. The state’s Department of Health is required to work with other state agencies to identify vulnerable families and offer them the opportunity to enroll in evidence-based home visiting programs.

- The passage of *The School Readiness Tax Credit Act* will create two new state tax credits in **Nebraska** for early childhood programs and individual early childhood professionals in 2017. Early childhood programs that serve children at risk and demonstrate high quality will be eligible for a nonrefundable tax credit, and early childhood professionals demonstrating competencies classified under Nebraska’s Professional Record System are eligible for a refundable tax credit.

- Building on the budgetary momentum over the past two years, **California** continued to restore and reinvest millions of the $1 billion lost in early care and education funding during the recession. The additional $147 million secured for fiscal year 2017 was complemented by an unprecedented multiyear investment plan that is expected to grow to more than $500 million in 2019-20.

- The 2017 budget for elementary and secondary education in **Illinois** increased the Early Childhood Block Grant (ECBG) by $79 million, restoring the ECBG to a historically high annual funding level of nearly $400 million and representing the largest increase in its history. Additionally, building on years of increasing the funding for infant-toddler programs, which ECBG funds, in addition to preschool programs, legislation will require 25% of any new block grant funds in each fiscal year to be spent on infant-toddler programs, starting with FY2017.

Other states faced significant challenges this year, with state advocates battling harmful proposed budget cuts. **Kansas** fought off attempts to abolish the Children’s Initiatives Fund and Kansas Endowment for Youth or to sweep funds into the State General Fund. **Illinois** never passed a comprehensive budget for FY2016 or FY2017, with human services programs such as home visiting receiving only partial funding and child care services being paid through a combination of court-ordered spending and federal funds. Early Intervention continues to be paid through a court order. States like **Oklahoma** and **Louisiana** also faced tremendous revenue shortfalls.

The *State Policy Update: November 2015* highlighted the common goals and opportunities states identified for 2016 and as this policy update illustrates, many were indeed major issues this year.

- **Child Care and Development Block Grant Act Reauthorization.** The Child Care and Development Fund (CCDF) State Plan deadline necessitated hearings, work groups, administrative rules changes, and legislation around almost every facet of child care. Arizona, Colorado, California, and Florida are among the many states that made changes to comply with the new eligibility requirements, including 12-month eligibility and income
phase out. Maine successfully passed legislation requiring the state Department of Health and Human Services to adopt rules around criminal background checks.

- **Social-Emotional Development and Mental Health.** The groundswell of support and acknowledgment of the importance of a child’s social-emotional development at every level continues. Colorado is doubling the number of early childhood mental health intervention specialists. Stakeholders in Illinois are looking to submit a Medicaid 1115 waiver on home visiting or early childhood mental health consultation as part of the state’s developing behavioral health plan. The Maine Children’s Growth Council continues to analyze the prevalence of suspension and expulsion in the state as well as develop recommendations to strengthen professional development offerings and a range of other supports to early childhood professionals.

- **Home Visiting Financing.** A number of states are still investigating the use of Medicaid funds to support evidence-based home visiting models, including California, Illinois, Pennsylvania and Oregon.

Finally, states also saw a number of improvements to the broader child and family support services that complement early education programs in supporting the healthy development of and learning for children. Access to health care insurance was at the forefront in 2016. After a six year hiatus, Arizona restored its Children’s Health Insurance Program (CHIP) and unfroze enrollment for KidsCare. Florida removed the five-year enrollment ban for children of lawfully residing (legal) immigrants, allowing up to 17,000 children immediate access to its CHIP, known as KidCare. Pennsylvania saw to the reauthorization of its CHIP program, and Iowa invested more in its 1st Five program. States also made headway in support for families, with New York passing comprehensive paid family leave and California repealing the Maximum Family Grant rule for its Temporary Assistance for Needy Families program.

Watch for the forthcoming companion document, “**State Policy Update: November 2016,**” which will provide updated information on those legislation sessions still in progress and share reflections from state advocates about the 2017 legislative landscapes.

### KEY

**Budget Changes**

- **+** Pending or Proposed Increase/Restoration
- **↔** Funds Held Level
- **-** Pending or Proposed Budget Cut
- **⁻** Budget Cut
- **ₓ** Budget Proposal Did Not Pass

**Policy Changes**

- **P** Policy Change
- **P** Pending Policy Change
- **ₓ** Policy Change Did Not Pass
Birth-to-Five Policy Priorities

2016 Agenda

- Continue to develop and implement policy related to the recently reauthorized Child Care and Development Block Grant Act, with an emphasis on increasing the number of children enrolled in quality early childhood education programs.
- Continue to strengthen the comprehensive home visiting system for young children, with a focus on developing a coordinated data system for home visiting partners.
- Refine the Quality Rating and Improvement System (QRIS) model, including financing, with an emphasis on leveraging resources and strategic partnerships to increase participation in the QRIS.
- Continue to strengthen partnerships across state agencies and services (Medicaid, Part C and Departments of Education and Health) and community partners to achieve measurable improvements in the rate at which children with developmental concerns or delays are identified and in the rate at which they are connected to timely and appropriate services and support that address their concerns or delays.
- Continue to implement the Career and Professional Development Network, designed to elevate and professionalize the field; recruit and retain quality early childhood professionals; support continuing education and degree completion; and increase the quality of services provided to young children. The Registry and College Scholarships are two components of the network.

Ideas or Topics in Development

- Continue to develop public-private partnerships.

State Budget Updates

- $2 million increase in general fund spending for child care for foster children.
- Voter referendum passed (Prop 123) that will tap the state land trust for additional monies directed to K-12 education over the next 10 years.
- Early Childhood tax credit (HB 2685) failed to pass the legislature.
- Voter referendum to sweep early childhood dollars for K-12 education, failed to pass the legislature.
Recent Policy Changes

**Child Care Eligibility:** HB 2262 states that child care assistance must cease after a time period specified in rule by the Department of Economic Security once the family income exceeds 165% of the federal poverty level but remains below 85% of the state median income (SMI). If the family income exceeds 85% of SMI, child care assistance must cease on notification by the department. The list of reasons the department may pay different levels of child care assistance rates is expanded to include the level of a state-approved quality indicator.

**Arizona Advisory Council on Indian Health Care:** HB 2312 expands the membership of the Arizona Advisory Council on Indian Health Care to 28 by adding two tribal representatives and modifying requirements for tribal representatives, and adding one representative from the Inter Tribal Council of Arizona, one representative from an urban Indian health organization, and one representative from the Arizona Early Childhood Development and Health Board. The duties of the council are also modified. Session law provides for retention of current members of the council.

**Cash Assistance Eligibility:** HB 2452 requires the Department of Economic Security to allow cash assistance for an otherwise eligible dependent child during the period in which the child is in the legal custody of the Department of Child Safety and is placed in unlicensed kinship foster care with a nonparent relative.

**Children’s Health Insurance Program (CHIP):** SB 1385 eliminates the enrollment cap for the Arizona’s CHIP program (KidsCare). Repeals statute terminating KidsCare if the federal government eliminates or significantly reduces federal funding. The Arizona Health Care Cost Containment System Administration is required to submit to the Centers for Medicare and Medicaid Services (CMS) a state plan amendment to resume enrollment in the program. Conditionally enacted on CMS approving the plan amendment to resume enrollment by July 1, 2017.

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CALIFORNIA

Birth-to-Five Policy Priorities

2016 Agenda

- Focus on access, affordability and quality of early learning programs, with a particular emphasis on infants and toddlers in all three priority areas.

Ideas or Topics in Development

- Continue to engage state agencies and policymakers on the new Child Care and Development Block Grant Act requirements and the significant implementation challenges many of the provisions present for California.

- Build early care and education infrastructure components and systems to support quality. The adoption of several one-time investments in the fiscal year 2016 state budget, in addition to several proposals considered by the Legislature, lay the foundation for next year's policy priorities. These include:
  - A one-time, Infant-Toddler Quality Rating and Improvement System (QRIS) grant to coordinate Race to the Top-Early Learning Challenge (RTT-ELC) efforts, State Preschool QRIS block grant consortia, and First 5 California IMPACT (Improve and Maximize Programs so All Children Thrive) program participants to increase quality for infant-toddler child care environments. County-level consortia will use this funding for professional development, training, technical assistance and other resources to support infant-toddler care providers within local QRIS systems.
  - Enhancing the statewide consumer education database and website to include required information, such as additional public information to assist consumers with child care searches and accessing additional public benefits.
  - Continuing to build from the budget approval that moved inspection of child care facilities from the previous frequency of every five years to three years, with the goal of moving toward annual inspections.

- Launched First 5 IMPACT, the largest state investment in local continuous quality improvement infrastructure, to increase the number of high-quality early learning and care settings across California and support and engage families in early learning processes. First 5 IMPACT builds on the RTT-ELC Framework and First 5 California’s current and historical program investments in order to build and strengthen a network of local QRIS systems that better coordinate, implement and evaluate early learning programs. First 5 IMPACT also creates pathways for counties/regions to enter the initiative at various stages based on local readiness via supports for quality improvements and systems.
**State Budget Updates**

California’s FY2017 budget includes a strong multiyear investment in young children and the adults who care for and educate them, building on the $300 million secured in the previous legislative session. These new investments expand early childhood opportunities and sustain the infrastructure of early education and care programs, beginning with an additional $147 million in 2016–17 that is expected to grow to more than $500 million in 2019–20. This is unprecedented in that the FY2017 budget outlines a multiyear investment plan of successively higher investment amounts in California’s early care and education programs.

**Provider Reimbursement Rates:** Additional $67.6 million to increase standard reimbursement rates by 10%, and $69.9 million to increase regional market reimbursement rates to address the minimum wage increase and help providers cover the cost of care starting January 1, 2017. The legislation includes language expressing legislative intent to increase these rates alongside minimum wage increases and to reimburse child care providers at the 85th percentile of the most recent regional market rate survey.

**Access:** Additional $7.8 million to provide access to full school-day state preschool for nearly 3,000 eligible children starting March 1, 2017. Over four years, nearly 9,000 full-day state preschool slots will be added for $100 million.

**Early Childhood Workforce:** Additional $1.4 million invested in Los Angeles Trade-Tech Community College to provide job training, mentoring and college courses through an Early Care and Education Apprenticeship Pilot Program.

**Quality:** No additional investment, but the budget requires the California Department of Education to develop a new quality funding expenditure plan that must prioritize activities that support the QRIS by March 1, 2017.

**Kindergarten:** The budget requires the state superintendent of public instruction to produce a report to the Legislature by July 1, 2017, on best practices for providing full-day kindergarten programs and options for incentivizing them.

**Transitional Kindergarten:** Gov. Jerry Brown’s original FY2017 state budget proposal included a consolidation of existing early care programs into a $1.6 billion Early Learning Block and the elimination of the Transitional Kindergarten for 4-year-olds program, which guarantees a fully credentialed teacher, is funded at the traditional K–12 rate and is an entitlement program. The governor’s proposal would have frozen prior funding levels and capped the possibility of automatic growth, as previously permitted. This also would have placed all State Preschool programs, which are currently provided through a mixed-delivery system, under school district authority. The governor’s proposal to combine early childhood program funding into a block grant and eliminate transitional kindergarten was strongly and swiftly rejected by the Legislature.
Recent Policy Changes

**Transitional Kindergarten and Quality Improvements:** AB 2660, the Quality of Early Education and Development Act of 2016, built on the vetoed AB 47 from the previous legislative session by asking the state to develop a plan to offer high-quality prekindergarten to all eligible children. The plan was to address the elements that research has shown make a difference in improving outcomes for children, especially for dual-language learners, low-income children and children with special needs. Although the bill was not approved, the Assembly speaker announced a plan to convene an Early Education Blue Ribbon Commission to chart a path forward to create universal preschool year for 4-year-olds and to improve infant and toddler programs.

**Kindergarten Readiness Assessment:** Senate Concurrent Resolution No. 125 was introduced with language that would state the Legislature’s intention “to work toward adopting a statewide, developmentally appropriate kindergarten readiness assessment tool to assess the readiness of children entering transitional kindergarten and kindergarten.” The sponsor, Sen. Ben Allen, withdrew the resolution.

**Mental Health:** AB 1644 would expand the definition of an eligible pupil for services provided under the Mental Health Intervention and Prevention Services for Children Act of 1991 to include pupils attending a “preschool program at a contracting agency of the California state preschool program or a local educational agency, and a pupil who is in transitional kindergarten and kindergarten.” This bill was to be considered in August 2016.

**Child Care:** AB 2150 would amend the state’s Child Care and Development Fund program to be in compliance with the new 12-month eligibility determination. This bill was to be considered in August 2016.

**Temporary Assistance for Needy Families:** The Legislature repealed the Maximum Family Grant rule that denied financial assistance to new children born to mothers already receiving welfare, as part of the FY2017 California state budget.

**Accountability:** In May 2016, the State Board of Education and the State Department of Education began laying groundwork for a new local, state and federal system of accountability and continuous improvement. This effort includes design of local evaluation rubrics that are a significant piece of the state system of K-12 local control and the state plan for the Every Student Succeeds Act (ESSA). The board has considered drafts of the rubric and is expected to adopt the final versions and to review the initial ESSA state plan in September 2016. These are major elements in K-12 accountability.

**Professional Development:** In June 2016, the California Commission on...
Teacher Credentialing heard an update report from its advisory panel charged with making recommendations on updating the state's requirements for the Child Development Permit matrix. The permit matrix governs preparation and continuing professional development requirements for individuals working in state–subsidized, center-based child-care and preschool programs. The panel is expected to complete its work and to return to the commission in December 2016 with final recommendations. The preliminary recommendations are expected to include stronger and more consistent requirements for field-based or practicum experiences, utilization of competencies that are aligned with what teachers and program leaders should know and be able to do and a proposal for statewide program standards.

Contact Information

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COLORADO

Birth-to-Five Policy Priorities

2016 Agenda

- Complete the implementation of reforms to the Colorado Child Care Assistance Program (CCCAP) as informed by state legislation passed in 2014 and the recently reauthorized Child Care and Development Block Grant Act, and expand access to quality child care with new investments in CCCAP.
- Build state capacity to expand preschool and full-day kindergarten, with a particular focus on sustainability of funding.
- Work to ensure a healthy start for all of Colorado's children, with a particular focus on mental health and social-emotional development.
- Promote policy change and increased funding to support families with young children, including supports for informal caregivers.

Ideas or Topics in Development

- Increasing access to behavioral health supports in primary care settings.
- Improving the healthy eating and active living offerings in early learning settings.
- Improving access to developmental screening and referral systems and early childhood mental-health consultation models to support the healthy development of young children.
- Expanding access to resources for families experiencing the income cliff in the state child care subsidy program.
- Addressing obstacles for accessing child care for vulnerable children and families, including those in foster care, families experiencing homelessness and children of teen parents.
- Tracking data on and decreasing the utilization of suspension and expulsion in early learning settings.
- Addressing Colorado's fiscal and constitutional constraints to increasing access to quality early learning, including child care and preschool.
- Assisting with the development of a final rules package for the CCCAP reforms and ensuring effective and efficient implementation.

State Budget Updates

- $2 million increase in state funds to support recent reforms to CCCAP, including tiered reimbursement for providers.
- $673,524 in new federal funds and then an annualized $735,527 to fund staffing for the new requirement of annual child care licensing visits.
- $3.8 million increase for Early Intervention direct services to serve an additional 467 eligible infants and toddlers who may have developmental delays, a 6% caseload growth.
$6.7 million increase in nurse home visiting, an evidence-based program that supports low-income first-time mothers in achieving healthy outcomes for themselves and their children.

$1,522,936 in federal Child Care and Development Fund spending authority to continue child care quality initiative, including the state Quality Rating and Improvement System and Professional Development Information System.

$50,000 to implement Pay for Success in Colorado, a performance-based financing program that was authorized in legislation in 2015.

$2.5 million in additional funds for the Colorado Family Planning Initiative, including access to Long-Acting Reversible Contraception.

One-year maintenance of Medicaid primary care rate bump for many services, including health and risk assessments, screening for pregnancy-related depression under a child's Medicaid ID, adolescent depression screening and smoking-cessation codes.

Converting the Hospital Provider Fee into an “Enterprise Fund” that would make the revenue exempt from the state Taxpayer Bill of Rights revenue limits, which is currently constricting the state budget.

Recent Policy Changes

Child-Support Exemption for Teen Parents and Domestic-Violence Victims: **HB16-1227** exempts teen parents and domestic-violence survivors from the requirement that they cooperate with child-support enforcement as a condition of receiving aid under CCCAP.

Child Care Cliff-Effect Program: **SB16-022** eliminates the 10-county limit in the “cliff-effect” pilot program for CCCAP to allow all Colorado counties to participate. The program addresses the “cliff effect” that occurs when working parents receive a minor increase in their income (which is often not enough of an increase to cover child care costs completely) that makes them ineligible for child care assistance. The pilot allows for a more gradual phase-out of assistance to help families transition from the child care subsidy program toward self-sufficiency.

Early Childhood Mental Health Specialists: **HB16-1242** provided for a supplemental appropriation for the Colorado Department of Human Services-directed funding to double the number of early childhood mental health intervention specialists employed by the state from 17 to 34 and to support a stronger infrastructure for mental health consultants throughout the state.
Child Care 12-Month Eligibility: SB16-212 aligns state law with changes in federal law related to the CCCAP to ensure that a child receiving CCCAP continues to receive services for a full 12 months before eligibility is redetermined, as long as the child's family income remains below 85% of the state median income for that family size.

Student Data Privacy: HB16-1423 Adds to existing student data security laws by adopting additional duties that the State Board of Education, Department of Education, school districts, boards of cooperative services and charter schools must comply with to increase the transparency and security of the student personally identifiable information.

Child Care Assistance Rules: Adopted administrative rules to reform CCCAP. Reform changes included tiered reimbursement for providers based on program quality, tiered reduced copayments for families based on program quality, increased alignment with Head Start, transition periods for families exceeding income eligibility limits, allowing contracting for slots, and stabilization periods for families experiencing homelessness.

Child Care Center Regulations: Adopted updated licensing regulations for child care centers, including changes to social-emotional policies and requirements; qualifications and training for staff; and health policies, among them healthier meals and snacks, limited screen time and media use, improved access to health services and increased physical activity requirements.

Interim Commissions: The Colorado Legislative Council did not approve the Early Childhood School Readiness Legislative Commission as an interim committee but did approve an interim committee on the federal Every Student Succeeds Act.

Contact Information

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Birth-to-Five Policy Priorities

2016 Agenda

• Increase early learning program funding to ensure children’s access to programs that support low-income working families and children’s readiness for and success in school:
  o $85 million increase in School Readiness Program recurring funds to address deficiencies in current payment rates and implement performance funding based on early learning educational standards associated with positive learning outcomes.
  o Restore the base student allocation for Florida’s Voluntary Prekindergarten Education Program (VPK) to the prerecession level of $2,677, aligned to quality benchmarks to improve kindergarten readiness and later school success.
  o $10 million to increase T.E.A.C.H. scholarships to support practitioners in the attainment of the child development associate credential.
  o $1 million to develop a professional development registry to define career pathways tied to credentials, certifications and qualifications, as well as to track training and provide quality assurance.
  o $4 million to expand the Help Me Grow Network to reach additional Florida communities with enhanced referrals and resources to assist families with connecting at-risk children with the services they need.
  o $3 million to continue targeted professional development for early learning practitioners.

• Amend the early learning statute for school readiness to meet Child Care and Development Block Grant (CCDBG) reauthorization requirements regarding:
  o Health and Safety: Include explicit standards for the health, safety and well-being of children in all publicly funded programs.
  o Eligibility: Revise requirements regarding eligibility redetermination, job seeking and stepped-down assistance.
  o Quality Child Care: Create a statewide registry for professional development and increase the number of qualified teachers.

• Support the Office of Early Learning rulemaking authority to:
  o Develop a tiered-payment structure for early learning with education-based performance standards (including professional development, CLASS and a curriculum-based assessment) to enhance the private business model of early learning and ensure accountability of public funds.
  o Allow early learning coalitions to establish differential-rate contracts with high-quality early learning programs in high-poverty areas to increase family access to quality early learning programs.
• Expand eligibility for Florida KidCare, the state's children's health insurance program, by removing the five-year wait for children of lawfully residing immigrants.
• Expand eligibility for Early Steps and maximize the impact of early intervention for children with developmental delays or other disabilities.
• Support economic policies that promote self-sufficient parents through access to job training and education, the federal Earned Income Tax Credit (EITC) and other tax credits.

Ideas or Topics in Development
• Implement a “First 1000 Days” communications plan and strategy to increase public awareness about the need for cross-system alignment of social services for comprehensive systems of care for young children and families.
• Coordinate the work and develop shared resources that result in more effective public policy efforts among early childhood advocates and stakeholders.
• Integrate Home Visiting in First 1000 Days Florida Coalition communications and strategic planning, and develop messaging for the business community and legislators.

State Budget Updates

$15.5 million increase to school readiness budget ($5.5 million for performance-based increases in provider reimbursement and $10 million for contracted slots in high-poverty neighborhoods).

$650,000 increase to maintain Help Me Grow (parent information and community support “warm” line).

$1 million increase for Early Learning Florida online professional development.

$500,000 first-time state allocation to United Way of Florida for expanding free tax preparation and financial education services statewide to increase the number of tax returns, EITC refunds and child tax credits claimed by low- and moderate-income Florida families.

$85 million to scale up the School Readiness Performance Funding Pilot to a statewide performance-based, tiered-reimbursement model.

Increase in Voluntary Prekindergarten base student allocation (which remains at $2,437 per child for a three-hours-per-day program).

$4 million to expand Help Me Grow statewide.
Recent Policy Changes

**CCDBG Reauthorization Implementation:** Early Learning bill passed to bring Florida's school readiness program into compliance with minimum CCDBG reauthorization requirements for 12-month eligibility redetermination and to create a statewide professional development registry.

**Payment Rates:** The Florida Department of Education's Office of Early Learning was given rulemaking authority to develop a performance-based, tiered-reimbursement structure and to allow local early learning coalitions to establish differential-payment contracts in high-poverty neighborhoods.

**Voluntary Prekindergarten:** VPK eligibility rules amended to allow children to enter at either age 4 or 5.

**Children's Health Insurance Program (CHIP):** HB 5101 removed the five-year enrollment ban for children of lawfully residing (legal) immigrants and allowing up to 17,000 children immediate access to Florida's CHIP Program, KidCare.

Contact Information

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GEORGIA

Birth-to-Five Policy Priorities

2016 Agenda

- Advocate for passage of recommendations of the governor’s Early Childhood Education Subcommittee funding, which are expected to include:
  - Additional lottery funds for Georgia Pre-K to be used for reducing class size and increasing teacher pay.
  - Increased state funds for child care subsidies to be used for enhanced-tiered reimbursement rates for Quality Rated centers.
  - A package of refundable tax credits for parents, providers and teachers tied to child care quality.
  - State funds for a public awareness campaign.

Ideas or Topics in Development

- Continue partnership with the Harvard Center on the Developing Child to explore new strategies to address social-emotional development and learning.
- Manage the creation and implementation of the public awareness campaign for Quality Rated that launched in spring 2016.
- Continue convening a work group on child care affordability.
- Work with Georgia’s Department of Early Care and Learning as it begins planning to implement Child Care and Development Block Grant (CCDBG) reauthorization changes.
- Work as part of the leadership of Georgia’s grade-level reading campaign.
- Monitor the development and implementation of the state’s kindergarten readiness assessment.

State Budget Updates

- $36 million to support increases to salaries for Georgia Pre-K lead and assistant teachers.

Recent Policy Changes

- **Home Visiting:** The Maternal, Infant, and Early Childhood Home Visiting grant moved from the Georgia Department of Human Services to the Department of Public Health.

- **CCDBG Reauthorization Implementation:** Pending policy change highlights from Georgia’s new Child Care and Development Fund (CCDF) state plan:
  - Increased payment amounts that providers receive. The state plans to raise subsidy rates to the 50th percentile for all providers. In order to improve access to higher quality early education for children and families eligible for subsidy, the state will increase the tiered bonus...
percentage to 5%, 10% and 25% for one-, two- and three-star providers.

- Increased income eligibility thresholds. Families who are at 65% of the state median income or below are eligible for the program.
- Additional requirements for programs receiving CCDF funds that are exempt from licensing. The requirements will include additional monitoring and reporting.
- Additional supports for infants and toddlers. Specifically, the state will pilot different service models (contracts and grants) geared to increasing the quality of infant and toddler classrooms.

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ILLINOIS

Birth-to-Five Policy Priorities

Ideas or Topics in Development

- Creation of the state plan to implement new Child Care and Development Block Grant (CCDBG) reauthorization changes.
- Continue efforts to build a unified data system as part of the state's Longitudinal Data System, including this year's successful test project of creating an unduplicated count of children enrolled in the Child Care Assistance Program (CCAP) and Preschool for All.
- Continued focus on ensuring that early childhood programs and services are designed and implemented to support the highest-need children and families. Specific efforts include establishing new eligibility and enrollment guidelines for the Preschool Expansion Grant and consideration of new strategies to ensure that the state's Early Childhood Block Grant (ECBG) can be better leveraged to support high-need children.
- Development and implementation of a statewide system of mental health consultation and supports embedded across the early childhood system.
- Continued development of a home visiting managed-care pilot, as well as a state Medicaid plan amendment addressing Medicaid reimbursement for home visiting services.
- Influence development of the state's behavioral health plan (including 1115 Waiver and state plan amendment) to include home visiting and early childhood mental health consultation.

State Budget Updates

A full fiscal year 2016 budget was never enacted for Illinois. Some programs were funded through piecemeal budget bills and a series of court orders and consent decrees.

$20 million increase to early childhood education enacted for FY2016 was focused first on restoring infant-toddler programs to FY2012 funding levels and then providing a cost-of-living adjustment to both infant-toddler and preschool programs.

$4.5 million of early childhood funds included as part of a state agency operations budget for FY2016 was vetoed.

Due to a series of court orders and consent decrees, along with the passage of a federal funding pass-through bill, approximately 90% of the state's services were paid. Those early childhood programs that were paid include the Child Care Assistance Fund (family child care via court order; center-based and resource and referral activities via federal funds), Early Intervention (via court order) and portions of the home visiting system (those funded by the Illinois State Board of Education [ISBE], the federal Maternal, Infant, and Early Childhood Home Visiting...
On June 30, one day before the end of FY2016, the Illinois General Assembly passed and the governor signed into law a measure involving the following:

- Full-year funding for early childhood through 12th-grade education, including a significant increase to early childhood education of $79 million. This increase fully restores funding losses sustained over the past several years and brings the ECBG to a historically high level of funding at $393 million.

- Grant-funded human services programs like home visiting received 65% of the funding they would normally receive for all of FY2016 and the first half of FY2017. Because of cash-flow issues and the size of outstanding bills, it is unclear yet when these organizations will start receiving payments for FY2016 services and how long those payments can continue before the special fund tapped for those payments is depleted (once depleted, it is replenished with small amounts each month). Payment delays are likely.

- Appropriates federal funding including MIECHV and payments to child care centers and resource and referral activities.

- Not included in the bill are items currently being paid via court order and consent decree, which include Early Intervention as well as family child care.

Throughout the budget impasse, both the governor and the state legislature proposed a number of fiscal solutions that would have impacted Illinois' early childhood program funding streams.

The governor's proposed FY2017 budget included a $75 million increase to the ECBG. This mirrors the request of advocates and the ISBE. This request would not only have restored the ECBG to its FY2009 funding level, it would have allowed Illinois to meet its commitment to the federal government for its Preschool Expansion Grant. The proposal also included a $300 million increase in funding for CCAP, a $5 million increase for Early Intervention and level funding for home visiting programs in the DHS. However, the governor's proposal did not provide adequate funding for these investments; as presented, it included a $3.5 billion gap to be covered either by increased revenue or additional cuts, either of which were to be determined in cooperation with the General Assembly.
The General Assembly adjourned on May 31 without sending a complete budget to the governor. Over the course of the year, the legislature passed a number of spending plans, all of which the governor vetoed because of a lack of revenue to fund them.

The governor and General Assembly agreed to a stopgap funding bill (with partial funding for FY2016) to keep higher education institutions open in mid-May. A similar stopgap (again with partial funding for FY2016) for human services, including home visiting, passed the legislature with strong bipartisan support. However, with the passage of the final budget measure (discussed above), this previous stopgap was no longer under consideration and was vetoed.

Recent Policy Changes

**CCAP Eligibility:** In November 2015, faced with the possibility that legislative action would be taken that would restore child care eligibility rules and reverse four months of a shutdown of intake into the child care assistance program, the governor announced a new set of emergency rules that restored CCAP eligibility to 162% of the federal poverty level (FPL), as opposed to its previous level of 185%, and committed to restoring eligibility to 185% of FPL when a fully funded budget was passed. While this change restored the eligibility for thousands for families, some remain ineligible (in addition to those between 163% and 185%), including full-time students. The governor's revised emergency rule also reversed plans to institute criminal background checks for relative caregivers and require compliance with child support. Unfortunately, enrollment continues to lag in the program, with end-of-May enrollment still at least 30,000 less than a typical caseload.

**CCDBG Reauthorization Implementation:** Illinois submitted its Child Care and Development Fund state plan, including a request for a number of waivers. The state's request to receive a year's delay in implementing 12-month eligibility and monitoring license-exempt caregivers were approved, however, a waiver delaying implementation of increased health and safety training requirements for license exempt providers was denied.

**Infant-Toddler Set-Aside:** SB238 clarifies how infant-toddler funding is increased through the state's infant-toddler set-aside in the ISBE ECBG. It states that at least 25% of any new funding shall be directed to birth-to-three programs until infant-toddler funding is at least 20% of the total block grant funding.

Contact Information

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INDIANA

Birth-to-Five Policy Priorities

Ideas or Topics in Development

- Explore state-funded pre-K expansion to increase access to low- and moderate-income children and expand to every county that builds on Indiana's two current pre-K pilot programs through support from diverse voices including lawmakers and the current Governor, gubernatorial candidates, the state Superintendent and a coalition of Hoosier families and community leaders called All IN 4 Pre-K.

State Budget Updates

Indiana operates on a biennial budget and is currently in the second year of its FY15-16 state budget. Some early childhood related state budget updates from the 2015 legislative session include:

$10 million a year for five counties to pilot On My Way Pre-K, a program awards grants to four-year-olds from low-income families so that they may have access to a high-quality pre-K program the year before they begin kindergarten. Families who receive a grant may use the grant at any approved On My Way Pre-K program.

$2 million a year for Early Education Matching Grants (EEMG) that supports scholarships for families below 100% of federal poverty line (FPL) to attend high-quality pre-K in Indiana; grants go directly to high-quality programs in our mixed-delivery system.

In addition to state budget advances, in March 2015 the Indianapolis City-County Council approved $4.2 million to create the Indy Preschool Scholarship Program (Indy PSP) to provide free scholarships for children from low-income families to attend high quality preschools.

Recent Policy Changes

- **Health and Safety Training:** State is implementing new health and safety training requirements (10 hours) for all early childhood professionals in the state.

- **CCDF Wait List:** Set aside TANF funding to help significantly reduce the CCDF waitlist.

- **Early Education Matching Grants:** The state oversaw the largest round of EEMG to support scholarships for families below 100% of poverty to attend high-quality pre-K in Indiana. The grants go directly to high-quality programs in our mixed-delivery system.
**Behavioral Health:** Indiana’s Systems of Care (INSOC)—the state’s behavioral health services system housed in the Family and Social Services Administration (FSSA) is expanding its efforts to include early childhood.

**Contact Information**

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Birth-to-Five Policy Priorities

2016 Agenda

- Restore funding to Early Childhood Iowa (ECI).
- Expand Statewide Voluntary Preschool Program (SVPP) to additional low-income children.
- Strengthen the child care subsidy by increasing eligibility to at least 160% of the federal poverty level and raising reimbursement rates.
- Incorporate additional provisions within managed- and accountable-care activities under Medicaid to promote comprehensive, preventive services that respond to social as well as biomedical determinants of health.
- Promote achieving school readiness for all children and closing disparities and inequities as a priority for the Iowa General Assembly.

State Budget Updates

Iowa General Assembly expanded for the third year in a row 1st Five to additional counties through increased appropriations. This public-private partnership bridges primary care and public health services in Iowa.

General Assembly did not establish structure for redirecting SVPP ending balances for use in expanding preschool in other districts, but this expansion strategy is being pursued for next session.

General Assembly did not address child care rates, because the Iowa Department of Human Services is implementing the new Child Care and Development Fund reauthorization mandates. Plans for addressing rates are being saved for next session.

Recent Policy Changes

**Early Childhood Iowa Funding:** Despite no new money for ECI, the General Assembly did provide policy language changes that allow for more funding flexibility: Local ECI areas can now allocate resources to higher need areas, not just prescribed areas.

**Medicaid:** The governor implemented Medicaid managed care in May. The General Assembly ensured that pediatric health was in the oversight bill that passed.

Contact Information

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KANSAS

Birth-to-Five Policy Priorities

2016 Agenda

- Protect funding for early childhood programs financed through the Children’s Initiatives Fund (CIF) and retain the state’s portion of tobacco-settlement dollars for funding children’s programs. Prevent the securitization, or selling off, of tobacco-settlement funds.
- Strengthen child care rules and regulations and improve Child Care Assistance policy.
- Modify the Temporary Assistance for Needy Families (TANF) program’s policies and procedures to advance revisions to the recently passed “HOPE” Act.
- Protect the state’s Earned Income Tax Credit.
- Improve open access to Kansas government to encourage timely, reliable access to public information and transparency in the legislative process. These reforms are essential for Kansas advocates to effectively promote good public policy on behalf of Kansas children.

Ideas or Topics in Development

- Demonstrate the harmful implications of securitizing a portion of the state’s tobacco-settlement revenue currently dedicated to early childhood education. Highlight the negative experiences of other states that have securitized these funds.
- Share the local impact of budget cuts to early childhood programs to build support for restoring funding in 2017.
- Improve access to and quality of child care for all children through the opportunity created by the reauthorization of the Child Care and Development Block Grant (CCDBG), focusing on strategies such as convening stakeholders, developing and disseminating a child care workforce study, regulatory change, participation in the development of a statewide Quality Rating and Improvement System (QRIS), and strategic communications.
- Strengthen 12-month continuous eligibility of child care assistance.
- Advance revisions to the recently passed HOPE Acts, which limited eligibility for child care assistance, cash assistance and food assistance.
- Identify new public and/or private revenue sources to fill an anticipated long-term funding gap for early childhood programs beginning in fiscal year 2018, in light of the depletion of the Kansas Endowment for Youth (KEY) Fund as well as declining tobacco-settlement payments.
- Build on recently implemented model of grassroots advocacy in Kansas, called regional field organizers, to mobilize support for early childhood investments.
State Budget Updates

The 2016 Legislature approved $49.2 million for early care and education programs funded by the Kansas Children’s Cabinet and Trust Fund. This reduced funding by $2 million from the amount approved by the 2015 Legislature.

The Legislature replaced $11.3 million in CIF dollars with $11.3 million in TANF funds. A portion of the Parents as Teachers program and the Kansas Pre-K Pilot Program are now funded using TANF dollars. Families must meet one of 19 risk criteria to qualify for TANF-funded services.

The governor allotted, or unilaterally cut, early care and education funding to address budget shortfalls in the current fiscal year. In November 2015, a $9 million allotment reduced funding for 20 programs by 6.5%. In May 2016, a $3.3 million allotment reduced funding for some programs by 14%. In June 2016, the governor reduced funding by $680,000 for the Kansas Reading Success program fund.

In January 2016, the governor’s FY2016 budget proposal recommended sweeping the balance of the CIF into the State General Fund (SGF) and funding early care and education programs using SGF dollars. The Legislature rejected this $50.5 million sweep.

In February 2016, the Senate introduced legislation abolishing the CIF and the KEY Fund. Senate Bill 463 would have permanently eliminated the statutory protections that direct tobacco-settlement funds to early care and education programs. After holding a hearing, the Senate Ways and Means Committee did not advance this legislation.

In April, the governor proposed securitizing a portion of tobacco-settlement dollars in exchange for one-time revenue to balance the state budget. This action would have required dismantling the CIF and the KEY Fund. Despite serious fiscal pressure, the Legislature overwhelmingly opposed efforts to securitize tobacco settlement dollars.

Recent Policy Changes

Safety Net Programs: The 2015 Legislature passed numerous restrictions to accessing cash assistance, food assistance and child care assistance. In 2016, the Legislature passed and the governor signed a second HOPE Act. This legislation further reduced the state lifetime limit for cash assistance to 24 months (with a possible 12-month extension for individuals with a demonstrated hardship) and increased the documentation required to apply for safety net programs. It also repealed ATM withdrawal limits for cash assistance and strengthened work requirement exemptions for mothers of infants.

School Finance: The 2015 Legislature repealed the existing school finance
formula and replaced it with a two-year block grant system. The 2016 Legislature did not create a new school finance formula. A special legislative session in June addressed a court decision ruling the block grant system unconstitutionally inequitable. The state Supreme Court will hear oral arguments to determine whether the level of school funding is adequate in September 2016.

Statewide Quality Rating and Improvement System: The state Department for Children and Families is developing a statewide QRIS as a part of its work to implement the reauthorized CCDBG. A field test is planned for early 2017.

Contact Information

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LOUISIANA

Birth-to-Five Policy Priorities

2016 Agenda

- Implement new policies for the Child Care Assistance Program (CCAP) that would double the amount of public funding paid per child, reduce parent copays and change the eligibility requirements to ensure continuity of care for children.
- Establish a Louisiana Early Childhood Business Roundtable to engage the business community in supporting early care and education in the state.
- Build support for increased investments that expand access to high-quality early care and education for vulnerable young children in Louisiana with the new governor, new and incumbent legislators and new Louisiana Board of Elementary and Secondary Education (BESE) members who will take office in January 2016.
- Collaborate with the state Department of Education and the BESE in the development of a report defining specific funding mechanisms and a specific plan for implementation of a substantial increase in funding for early care and education.
- Continue to build support for increased funding for Louisiana's preschool program and CCAP.
- Monitor the “Learning Year” implementation of Louisiana's new Accountability System and Enrollment System now mandated for all publicly funded early care and education programs statewide, and advocate for needed changes to be made prior to the 2016–17 school year.

Ideas or Topics in Development

- Explore strategies to engage the business community in supporting early care and education by showing the impact of lack of child care on workforce development and productivity.
- Develop and disseminate policy recommendations for the new Accountability and Enrollment System that incorporate research-informed best practices.
- Leverage opportunity to reimagine and rework the School Readiness Tax Credits in order to incentivize additional quality improvements influenced by the results of the “Learning Year” in which the state implemented CLASS observations and the Accountability System without imposing consequences on programs that demonstrate low quality. Policy changes to the Accountability System will require corresponding changes in the statutes governing the tax credits.
- Consider spearheading a study to assess whether lack of access to stable child care impacts worker productivity and development as part of business community engagement strategy.
State Budget Updates

Funding for Louisiana’s high-quality pre-k program, LA 4, which totals $75.5 million, had been repeatedly shifting from state general funds to federal Temporary Assistance for Needy Families (TANF) funds. In fiscal year 2016, only $8 million of the $75.5 million was state general fund money, depleting TANF funding for child welfare and CCAP. During the 2016 legislative session, the governor and the Legislature added $27 million in state general funds to LA 4, replacing that amount of TANF funds, so that the funding is now more stable and the TANF funds were restored to child-welfare services.

Full funding for Louisiana’s public and nonpublic Pre-K programs and the School Readiness Tax Credits were sustained even though the state budget faced an unprecedented shortfall in January, prompting a special legislative session in February that preceded the regular session that began in March. The special legislative session saw proposals to reduce and even eliminate funding for Louisiana’s various public and nonpublic Pre-K programs and posed threats to the School Readiness Tax Credits.

A second special session was called in June immediately after the conclusion of the regular session to address the remaining budget shortfall in the coming fiscal year, and this again presented more opportunities for cuts in early childhood education programs. Such cuts were avoided, but many other services and programs, including funding for K-12 and higher education, were cut substantially.

Recent Policy Changes

**Child Care:** Effective February 2016, the BESE increased the per-child subsidy rates for CCAP by up to 250% both increasing the amount paid per child and decreasing the amounts of parent copays. BESE also changed CCAP eligibility policies to allow children to maintain their eligibility for an entire year, with the possibility to include additional months as well as to enable children to complete the full school year.

**Children With Special Needs:** In June 2016, BESE increased subsidy rates for the CCAP program again, specifically for children with special needs. Families that qualify for CCAP will qualify for the full Special Needs Care Incentive rate, with no state-required copay. The definition of a special needs child was changed to a child with an Individual Education Program (IEPs) or who has an Individual Family Service Plans (IFSPs).

**Accountability System:** The ratings of the new Accountability System will continue to be solely based on scores of the CLASS assessment performed twice a year in every publicly funded early care and education program.

- The performance ratings will expand from three to four in order to better
differentiate programs that are in the middle range. The four performance rating levels will be titled: Excellent, Proficient, Approaching Proficient and Unsatisfactory.

- The Louisiana Department of Education (LDOE) will also prioritize the delivery of quality improvement supports to programs rated Unsatisfactory (less than 3.0 overall CLASS average scores) and programs rated Approaching Proficient (3–4.99).
- Beginning in 2019, public funding will be revoked from programs rated Unsatisfactory for two or more years within a three-year period.
- Third-party observers' scores on the CLASS assessment will be retained in lieu of local observers' scores when scores differ by more than one point within the same semester. Where consistent scoring discrepancies occur (defined as more than 50% of observer scores diverge by more than one point), only third-party scores will be used for accountability purposes.

The LDOE will be required to explore additional potential components for the Accountability System (in addition to CLASS) and report on these to BESE by January 2017.

**Health and Safety:** Act 81 ([House Bill 175–Hilferty](#)) provides that the Office of Public Health will furnish information and resources to the LDOE for all areas of training required for employees of early learning centers in promoting the health, safety and welfare of children.

**Child Care Licensing:** Act 411 ([House Bill 197–Pylant](#)) declares the operation of an unlicensed child day care center a crime and provides criminal penalties, including potential fines and imprisonment.

**Criminal Background Checks:** Act 646 ([HB 830–Seabaugh](#)) requires the LDOE, instead of the owner or operator of a center, to request criminal background information on any owner, employee, volunteer or applicant at an early learning center and authorizes the collection of processing fees to remit to the Bureau of Criminal Identification and Information and the FBI.

**Privacy:** Act 473 ([SB 109–Barrow](#)) provides for the confidentiality of applications and client case records for child care assistance clients. Authorizes offices and divisions within the Department of Education to share access to these records as necessary for the administration of these programs, except as prohibited by federal law or regulation.

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MAINE

Birth-to-Five Policy Priorities

2016 Agenda

- Work with the Maine Children’s Growth Council to review data and policies that promote the social-emotional development of young children from birth through age eight to reduce expulsions in early care and education settings and kindergarten classrooms, and support parents to develop nurturing relationships with their children.
- Build support and advocate for policies that improve the quality of care and education for young children and support low-income families through the development of Maine's Child Care and Development Fund (CCDF) state plan, which must address policy changes resulting from the Child Care and Development Block Grant (CCDBG) reauthorization of 2014.
- Promote the expansion of high-quality public preschool in Maine and educate state legislators and congressional delegation on the need to continue support for state funding and for the Preschool Development/Expansion Grants.
- Continue efforts to promote state-funded Head Start, Maine Families/home visiting, child care and public preschool as critical elements in Maine’s early childhood system.

Ideas or Topics in Development

- Explore professional development for elementary school principals/child care directors to educate and inform them of opportunities to improve results for children through implementation of social-emotional development curriculum for young children.
- Monitor possible changes to the school funding formula regarding impacts to low-income children and preschool programs.

State Budget Updates

The administration did not propose a supplemental budget in 2015, so there were limited opportunities in the second legislative session to address budget changes.

During the first legislative session in 2015, the House and Senate passed a bill to provide $2.2 million of new funding to the Maine Department of Health and Human Services for home visiting services. The bill was held over by the Appropriations Committee to the second session in 2016. An amendment was proposed to reduce the amount to $1.1 million but failed to pass on a party-line vote.
A majority of members of the Health and Human Services Committee voted to support a bill to allocate $785,630 in fiscal year 2016–2017 to increase the child care subsidy reimbursement rates from the 50th to the 60th percentile of the 2015 Market Rate Survey. The majority report prevailed in the House but failed in the Senate.

**Recent Policy Changes**

**CCDBG Reauthorization Implementation:** The Maine Office of Child and Family Services proposed a draft of the 2016–2018 CCDF State Plan to stakeholders in January 2016. The Department of Health and Human Services held public hearings in February and submitted the plan in March 2016. The new plan proposes numerous changes to Maine’s CCDF system, includingstreamlining the application process and integration with Temporary Assistance for Needy Families child care. The initial draft of the plan proposed an increased child care subsidy rate from the 50th to the 60th percentile. The final plan submitted to the federal government was set at the 50th percentile. There are numerous references in the plan to improving social emotional development for young children, including mental health consultation and professional development.

**Criminal Background Checks:** Maine lawmakers passed a bill requiring the Maine Department of Health and Human Services to adopt rules to require criminal background checks in accordance with federal law under the CCDBG. The rules must be submitted to the Legislature’s Judiciary Committee by January 12, 2017, for legislative review.

**Contact Information**

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MASSACHUSETTS

Birth-to-Five Policy Priorities

2016 Agenda

- Ensure passage of comprehensive preschool expansion legislation, An Act Ensuring High Quality Pre-Kindergarten Education (H.462, S.267), or a similar omnibus bill should one emerge from the Joint Committee on Education.
- Promote and leverage implementation of the Preschool Expansion Grant by highlighting collaboration between state agencies and local communities, as well as collaboration among the mixed-delivery system (public schools and community-based providers) at the local level.
- Continue to promote high-quality early education and keep it on the agenda for Governor Charlie Baker, the legislature and its leadership, and Boston Mayor Marty Walsh and other local leaders.
- Continue local birth-to-eight policy work, with an emphasis on birth-to-five system building and strategic planning. Provide technical assistance to 5 to 10 small to mid-sized communities, including those awarded preschool expansion planning grants and those that belong to the national Campaign for Grade-Level Reading. Use lessons learned to inform state policy, including the need for flexible pre-k dollars at the community level. Plan to highlight best practices by topic at statewide convenings.

Ideas or Topics in Development

- Continue to partner with the Building on What Works coalition on strategies and events promoting issues that cut across the birth-to-college education continuum.
- Continue partnership with the Put MA Kids First coalition, seeking greater state investments in the birth-to-eight continuum, including early educator compensation and professional development, and reducing the state’s child care subsidy waitlist.

State Budget Updates

The Department of Early Education and Care (EEC) and its programs are funded at $540.6 million. The budget also includes a $12.5 million rate reserve for early educator salaries. Together this represents a $2 million increase in overall funding for early education and care, the fourth straight increase since fiscal year 2013’s low point. But funding has still not returned to prerecession FY2009 levels.

Most line items are stable or level funded, including child care access accounts, resource and referral agencies, and Head Start state supplement.

The budget includes a $12.5 million rate reserve to support workforce salaries in
early education and care programs that receive state subsidies. This is more than double the $5 million rate reserve that the legislature funded in FY2016 and will help address the ongoing workforce crisis.

A new quality improvement line item in the EEC budget consolidates funds transferred from existing line items, including Universal Pre-Kindergarten quality grants, Early Childhood Mental Health Services for Infants and Parents, and EEC administration. A total of $4 million is earmarked for the Quality Rating and Improvement System, including $2 million in direct grants to programs. The consolidation signals the legislature and Baker administration's shared agreement on the importance of quality in the early education and care system.

Full-day kindergarten grants were eliminated and $18.59 million cut from the current fiscal year. These grants to local school districts support a variety of quality initiatives, including paraprofessional salaries, professional development, special needs inclusion, kindergarten transition activities and accreditation support. The elimination of the grant will have a negative impact on kindergarten quality across the commonwealth.

Recent Policy Changes

Workforce: The EEC Board has increased its focus on the workforce:
  • EEC’s FY2017 aspirational ask included a $31 million rate reserve to begin bringing the state rate to the 75th percentile of market rate over a five-year period. (As noted above, the FY2017 final budget includes a $12.5 million rate reserve.)
  • A new EEC Board Working Group on Workforce and Quality Improvement is studying workforce quality in detail to make recommendations for policy.

Preschool: The EEC awarded state-funded preschool expansion planning grants to 13 communities. Grantees created strategic plans based on community needs assessments, with the goal of expanding access to high-quality preschool for high-needs children.

Social-Emotional Learning: The EEC Board adopted state standards for Social-Emotional Learning/Approaches to Play and Learning. The department is offering professional development in support of the standards.

Kids First: Senate President Stan Rosenberg launched a Kids First initiative, a multi-issue strategy for ensuring children’s long-term success. The first phase of work focuses on birth through 4th grade.

Workforce: House Speaker Robert DeLeo launched the Early Education and Care Business Advisory Group, an opportunity for business leaders to lend their management expertise, strategic guidance and financial advice on the critical needs of the early education and care workforce in Massachusetts.
Alignment: The Birth–Grade Three state team continues to meet to collaborate across agencies on shared goals and objectives, including assessment and preschool expansion.

Workforce: Massachusetts was selected to join the CEELO and BUILD Learning Table on State Policy and Supports to Promote Effective Teaching and Learning. The Massachusetts team, a subset of the Birth–Grade Three state team, is studying early educator credentials and compensation to identify gaps, learn from other states and make recommendations for Massachusetts.

Preschool: Preschool expansion legislation did not pass during the 2015–2016 legislative session. On June 21, 2016, after two deadline extensions, all 10 early education bills were sent to study by the legislature’s Joint Committee on Education. State revenue shortfalls continue to hamper preschool expansion and quality improvement efforts. Advocates plan to refile legislation, incorporating lessons learned from implementation of the federal Preschool Expansion Grant in five communities, as well as 13 communities’ preschool expansion strategic plans.

Contact Information

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Michigan

Birth-to-Five Policy Priorities

2016 Agenda

- Retain $130 million expansion to the Great Start Readiness Program (GSRP), Michigan’s preschool program for 4-year-olds at risk of starting kindergarten underprepared.
- Continue to support Governor Rick Snyder's early literacy/3rd-grade reading proficiency initiative. Ensure it addresses the needs of families with young children, especially through expansion of evidence-based home visiting, high-quality child care, pilots for pre-k for 3-year-olds, health homes for young children and their families, and increased state investment in Early On early intervention (Michigan's Part C program under the federal Individuals With Disabilities Education Act).

Ideas or Topics in Development

- Michigan partners have begun to lay the groundwork for fiscal year 2017, including building on the state's investment in literacy and increasing support for Early On.
- Michigan partners are also advocating for beneficial child care policy reforms to be included in the 2016–2019 Child Care Development Fund (CCDF) State Plan.

State Budget Updates

The following budget increases are specific to address the needs stemming from the Flint water crisis:

- $1.2 million to the Genesee Intermediate School District (GISD) to provide additional early childhood services and nutrition services for children and families impacted by the Flint water crisis.
- $6.2 million to GISD to provide early intervention services to children from birth through age three that are similar to those services described in Michigan’s Early On state plan. For FY2016, there was an additional $10.9 million for early intervention services for children birth through age four. Any unspent funds in the current fiscal year can be used in FY2017.
- $1.5 million in FY2017 to GISD to provide universal school-day-length preschool for 4-year-olds in the Great Start Readiness Program (GSRP) regardless of income. For the remainder of FY2016, $900,000 is provided for summer GSRP or summer GSRP-like early childhood programming.
- $8.1 million in new federal CCDF to provide subsidized child care to families with children birth to age three living at or below 300% of the federal poverty level (FPL). These funds can be used through FY2018 if not expended by the end of FY2017.
$15.1 million for an array of health and human services needs, including
nutrition assistance and education, child and adolescent health centers,
children’s health care access program (a pediatric medical home model),
Pathways to Potential programming, evidence-based home visiting services,
nursing services and outreach for children exposed to lead, through community
mental health.

The following are statewide budgetary changes:

+ $7.7 million to increase the child care subsidy income entrance threshold from
121% FPL to 125%.

- Retained GSRP funding for 4-year-olds.

+ $185,000 for several independent school districts to pilot the Maryland-Ohio
Kindergarten Readiness Assessment in Michigan.

+ $175,000 to pilot a partnership between a school district and an early learning
collaborative to begin providing a 3-year-old preschool program to evaluate the
benefits of two years of preschool versus one year. This is the first of three years
of funding for this pilot.

Near all of the investments targeted toward improving 3
rd-grade reading
proficiency were retained except for the $1 million Parent University pilot funds,
which were never expended in FY2016 and were removed via negative
supplemental.

Expansion of the clothing allowance to all children served by the Family
Independence Program (FIP), Michigan’s cash-assistance program, expanding to
25,000 additional children and youth. Previously, Michigan provided the clothing
allowance only to children cared for by parents not receiving FIP benefits
themselves.

The final budget did not include $50,000 that the state House of Representatives
had provided for the Michigan Department of Health and Human Services to
work with the Michigan Department of Education to investigate funding
opportunities for Early On, including the feasibility of maximizing Medicaid
reimbursement. Also, no statewide investments in Early On were included in the
state budget.

Recent Policy Changes

**Child Care Eligibility:** Increased the entrance eligibility income for the state’s
child care subsidy program from 121% of the federal poverty level to 125%.

Contact Information

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Ounce of Prevention Fund  State Policy Mini-Update  www.theOunce.org/nationalpolicy
NEBRASKA

Birth-to-Five Policy Priorities

2016 Agenda

- Analyze Nebraska’s early childhood workforce challenge and recommend feasible strategies to address it through the establishment of a task force representing higher education, public schools, state government, the child care community and business leaders.
- Advocate for the School Readiness Tax Credit Act, which will create two tax credits to support programs and providers.
- Support the exploration of establishing uniform standards around home visitation and ensuring accountability measures are in place.

Ideas or Topics in Development

- Develop a long-term policy strategy for the child care subsidy built around the following tenets:
  - Ensure that publicly subsidized child care buys the level of quality found to reduce the achievement gap.
  - Expand the child care subsidy to reach all children at risk of failing in school (at least 185% of the federal poverty level).
  - Incentivize providers to accept the child care subsidy.
- Maximize opportunities provided by the 2014 reauthorization of the Child Care and Development Block Grant (CCDBG).
- Develop a cost model of Nebraska’s Quality Rating and Improvement System (QRIS), Step Up to Quality, with the purpose of tying reimbursement levels for each step in the system to the cost of providing quality.
- Fund the evaluation of Step Up to Quality.
- Secure policies that strengthen the quality and quantity of the early childhood workforce.

State Budget Updates

Advocating with legislators and state government for adequate, reliable early childhood and education funding within a restricted budgetary process. Nebraska’s state budget is heavily reliant on local property taxes to fund education. While Governor Ricketts supports quality education, he has made property tax relief his main priority.

Stable funding for high-quality early childhood investments in the Sixpence Early Learning Fund and the Nebraska Department of Education preschool grant program.
Recent Policy Changes

**Early Childhood Workforce:** A cross-sector interest in a collaborative framework to analyze Nebraska’s early childhood workforce challenge and recommend feasible strategies to address it led to the introduction of LB773. This legislation proposed the establishment of a task force representing higher education, public schools, state government, the child care community and business leaders. Despite the bill generating widespread support and ongoing interest, the introduction of Governor Ricketts' Education and Workforce (EdW) Roundtable opened new opportunities to link early learning to broader efforts in building the state's talent pipeline, so LB773 was withdrawn from consideration. The EdW Roundtable efforts continue with an early childhood focus on child care.

**School Readiness Tax Credit Act:** LB889 creates two tax credits:

1. A nonrefundable tax credit for early childhood programs that serve children at risk and that have demonstrated they offer the level of quality that closes the achievement gap (at least a Step 3 in Nebraska's five-step quality rating system).

2. A refundable tax credit for individuals working in the early childhood field, with an emphasis on community child care providers, who demonstrate competencies classified under Nebraska's Professional Record System.

These credits will be available for early childhood programs and individual early childhood professionals beginning in 2017.

**Home Visiting Accountability:** LB939, introduced in 2016, requires departments that administer early childhood home visiting programs (both child development and health related) to submit an outcome measurement plan to the governor and the Legislature by January 1, 2017, with the intent of establishing uniform standards around home visitation and ensuring accountability measures are in place. LB939 was not advanced from committee.

**Contact Information**

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NEW JERSEY

Birth-to-Five Policy Priorities

2016 Agenda

• Secure an additional 2,500 slots so that 3- and 4-year-olds in low-income districts will have access to state-funded preschool.
• Ensure eligible families will continue to receive child care subsidies and children will experience stability.
• Work to reduce chronic absenteeism by 15% in the elementary grades.
• Ensure safety and care of young children by requiring background checks for family child care providers.
• Increase child care reimbursement rates.
• Expand availability of full-day kindergarten in the 22% of New Jersey school districts that currently do not offer it.
• Ensure children benefit from high-quality early learning from pre-k to grade 3.
• Ensure all eligible children are screened for early intervention and receive services.

Ideas or Topics in Development

• Help districts educate preschool parents on the importance of daily attendance for 3- and 4-year-olds.
• Begin educating gubernatorial candidates on the importance of a strong early learning system.
• Continue to collaborate with Pre-K Our Way Campaign to advocate for preschool expansion.
• Advocate for an increase in the subsidy reimbursement as a result of Advocates for Children of New Jersey’s Cost of Quality findings.
• Raise educational qualifications in licensing standards for infant/toddler child care staff.
• Continue to advocate for adequate funding to implement changes due to reauthorization of the Child Care and Development Block Grant Act.

State Budget Updates

$25 million for preschool expansion was included in the fiscal year 2017 proposed budget but was line-item vetoed by Governor Chris Christie.

Policy Changes

Suspension and Expulsion: Legislation S-2081 expanded current preschool suspension and expulsion protections to 2nd graders.

Chronic Absenteeism: S-3245 would require the New Jersey Department of
Education to define chronic absenteeism, require schools to report chronic absenteeism data in their school report cards, and require schools with 10% or more of their students identified as being chronically absent to develop a committee to address the issue.

**Governance:** [S-1454/A-3369](#) would establish a new state department to focus exclusively on early childhood programs and services. The new Department of Early Childhood would assume the responsibilities of the current Division of Early Childhood Education in the Department of Education. This division oversees the state's preschool program, among other duties.

**After-School Care:** [S-1456](#) would expand before- and after-care for state-funded preschool in certain districts. Eligibility requirements were tightened in FY2011, making many families ineligible for this service and reducing funds to community-based child care centers that also offer state-funded preschool.

**Early Childhood Innovation Act:** [S-973](#) would create a five-year innovation loan pilot program and study commission within the New Jersey Economic Development Authority. According to language in the bill, “the pilot program shall concern nonprofit early childhood services with the purpose of encouraging private investment in early childhood programs to reduce federal, State, and municipal expenditures related to those services. The pilot program shall assess the feasibility of expanding an early childhood innovation loan pilot program Statewide and expanding the scope of early childhood innovation loan guarantees.”

**Child Care Tax Credit:** [S-1453/A-331](#) would implement a nonrefundable tax credit for child care expenses for taxpayers who are eligible for the federal child and dependent care credit and have New Jersey taxable income of $60,000 or less.

**Health and Safety:** A bill is pending to require family child care providers and adult members living in the household to undergo a criminal history background check. Also child care center inspection reports are now available online.

**Contact Information**

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NEW MEXICO

Birth-to-Five Policy Priorities

2016 Agenda

- Continue to advance public awareness and political will for investments in early childhood care and education in New Mexico. Focus on championing racial and ethnic equity, implementing two-generation solutions that simultaneously bolster children and their families, and messaging a shared fate when it comes to investments in our children.

- Explore all options for strengthening the quality of and funding for child care, building on the new federal vision for cross-cutting policies and integration of public policies. In particular, review Temporary Assistance for Needy Families (TANF) program expenditures (particularly under the “other spending” category) to ensure that all options for funding high-quality child care are considered, from access to high-quality care to strengthening the workforce to ensure that every community has an adequate supply of high-quality care.

- Continue to utilize the “Early Childhood Care and Education Cost Analysis & Recommendations” research to support a General Fund appropriation increase to funding of high-quality early childhood care and education programs and services, including home visiting, child care assistance, New Mexico PreK, workforce development (T.E.A.C.H. Scholarships) and means of addressing early care and education wage disparities through the INCENTIVE$ Pay Supplements Project.

- Engage with a variety of stakeholders about the true cost of providing quality early care and education by using the New Mexico Early Care and Education Cost Model.

- Use the “Early Childhood Education Revenue Option” research to engage a variety of stakeholders in a review of revenue options to develop recommendations.

- Use the “New Mexico KIDS are COUNTing on Us” research and policy recommendations to engage a variety of stakeholders and policymakers.

Ideas or Topics in Development

- Promote high-quality child care as a foundational program of New Mexico’s early learning system, working with and assisting the New Mexico Children, Youth and Families Department (CYFD) in meeting the requirements of the new Child Care and Development Block Grant (CCDBG) and New Mexico’s recently released state Child Care and Development Fund (CCDF) plan.

- Partner with CYFD and business leaders on the Second Annual Child Care Policy Summit, offering sessions for child care providers that will be helpful in developing policies related to high-quality care and to the implementation of the state’s CCDF plan.

- Advocate for the expansion of full-day New Mexico PreK to additional 3-and-4-year-olds.
• Advance the quality, affordability and accessibility of child care and education based on policy recommendations developed by a child care work group hosted by the CYFD.

• Ensure that there is communication and coordination between CYFD and the New Mexico Public Education Department on the state and local levels so that expansion of New Mexico PreK and growth of quality in child care through FOCUS is done in a way that supports and improves the quality and accessibility of existing early care and education programs and does not displace or disrupt existing programs working to improve quality.

• Continue efforts to advance professional development and wage supplements for the early childhood care and education workforce, including those who provide care in a home.

• Continue analysis of early childhood education and care revenue options with a variety of stakeholders, including business leaders, and the development of policy recommendations.

• Explore policy options that support groups of programs implementing Shared Services.

• Advocate for reinstating the eligibility for child care assistance to twice the federal poverty level to help low-income families better afford child care programs.

• Advocate for funding evidenced-based home visiting under a Medicaid waiver to draw down federal funding and increase access to home visiting programs for families living in poverty.

• Promote the use of more TANF funds to support quality child care, not only funds that are transferred from TANF to CCDBG but also TANF spending generally where states can exercise many choices for which the funds are used. Ensure that TANF-eligible families are prioritized for quality early childhood care and education (ECCE) programs and that navigators are assigned to help TANF families learn about and sign up for the variety of ECCE programs available.

**State Budget Updates**

The final fiscal year 2017 budget includes $244.2 million to support early childhood initiatives, down $6.8 million from the year before (about a 2.7% decrease from FY2016 appropriations). Most of the early childhood initiatives that were not funded were early childhood initiatives in kindergarten through 3rd grade, not birth-to-five initiatives.

- **$1.1 million increase to support home visiting programs.**

- **$800,000 increase to expand the New Mexico PreK program for 3-year-olds.**

- **$50,000 increase for INCENTIVE$ Pay Supplements (a WAGE$-type program) and T.E.A.C.H. Early Childhood Scholarships.**
$900,000 cut from the Family Infant Toddler program.

New Mexico will receive only $6.2 million for Race To The Top–Early Learning Challenge (RTT–ELC), down from the $14 million the state received for the year before.

No new funding passed for the K-3 Plus program, which provides additional educational time (extending the school year by 25 instructional days beginning before the school year) for students in “high-poverty public schools,” kindergarten through 3rd grade.

No new funding passed for early literacy programs.

No new funding passed for the child care assistance program.

Joint resolutions to include on the 2016 electoral ballot a constitutional amendment to support early care and education with a percentage of the state’s Land Grant Permanent Fund (valued at $14 billion) failed to progress through the Legislature.

Recent Policy Changes

Child Care Regulations: Advocates and partners continue to closely monitor the implementation of a 2015 CYFD rule requiring single parents seeking child care assistance to register with the Child Support Enforcement Division (if proof of child support from a noncustodial parent was not obtained) and the provision that lets mothers in domestic-violence situations request an exemption from this requirement.

Reauthorization of the CCDBG: The state is updating its regulations to be in compliance with the 2014 CCDBG reauthorization. CYFD will begin implementing the recently released state CCDF plan, which includes initiatives such as increasing the continuity of care for children and families.

Sustainability: As RTT-ELC funding goes away this year, discussions will begin with CYFD to find other sources of funding to continue essential projects.

Contact Information

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NEW YORK

Birth-to-Five Policy Priorities

2016 Agenda

- Invest an additional $190 million in child care to maintain and expand subsidies.
- Invest at least $150 million to expand Prekindergarten for high-need 3- and 4-year-olds, building on the state’s 2015 program, which includes reimbursement in the year services are delivered. Additionally, advocate for:
  - Maintaining current Pre-K investments to maintain current enrollment and moving toward the integration of all current Pre-K funding.
  - Investing appropriately in K-12 aid to ensure Pre-K is followed by a continuum of quality educational services that prepare students for college and career.
- Maintain $27.3 million and invest an additional $10.5 million in Maternal, Infant, and Early Childhood Home Visiting (MIECHV) to adequately fund a continuum of supports and services for families.
- Restore Early Intervention (EI) reimbursement rates by at least 5% and require health insurance companies to contribute to the cost of EI so that young children can receive high-quality services from qualified professionals.
- Increase Advantage After School funding by $49.9 million.
- Maintain $3 million and invest an additional $20 million in QUALITYstarsNY, New York’s Quality Rating and Improvement System.

Ideas or Topics in Development

- Increasing the reimbursement rates for EI services for infants and toddlers with delays or disabilities. The rates were cut in 2010 and 2011 and flat-funded since that time, causing experienced providers to stop accepting EI referrals. An increase is necessary in order to recruit and retain high-quality providers.
- Addressing the need for a more coherent and appropriately funded pre-k system by working with the governor’s office, the Regents (New York’s state board of education), the state Education Department and public education advocates to move the state to create high-quality, full-day pre-k in the state’s diverse delivery system. The effort pays close attention to rates to assure equity across settings in public schools and community-based settings so children have access to effective teachers and comprehensive services.
- Working to align the Pre-K investment with other early childhood funding streams, especially child care and Head Start, to move the state toward a more seamless system of early care and learning, prenatal to grade 3.
- Increasing investments in the continuum of MIECHV programs by restoring funding for Healthy Families New York and adding funding for The Parent-Child Home Program Inc. and Parents as Teachers.
- Increasing investment in subsidized child care services and working with the state to use the new Child Care and Development Block Grant (CCDBG) to
improve the quality of and protect access to subsidized child care. That will include seeking to address inequities in the county-based child care subsidy system and working toward expansion of quality assurance strategies, such as quality rating.

- Working with the congressional delegation to create a voice for the federal investments necessary to move New York forward and protect existing services. This requires special attention to CCDBG and the federal Preschool Development Grant, which are most at risk in the coming year.
- Winning paid family-leave insurance.

**State Budget Updates**

- $22 million increase invested in pre-k for 3-year-olds; no new funding for 4-year-olds.
- $3 million increase for QUALITYstarsNY, for a total of $5 million.
- $2 million maintained for after school programs; $3 million increase ($5 million total).
- No funding for child care, including for CCDBG.
- No increased funding for home visiting; Nurse-Family Partnership actually lost $500,000.

**Recent Policy Changes**

- **Paid Family Leave:** New York became the fifth state to adopt paid family leave. Once fully phased in, the legislation will mandate up to 12 weeks of paid time off from a job to bond with a new child or care for gravely ill family member. The law goes into effect January 1, 2018.
- **Early Intervention (EI):** Governor Andrew Cuomo’s executive budget proposal to restructure the EI program with health insurance was rejected.
- **Preschool:** There was no movement on pre-k funding streams.

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- Kristen Kerr, director, New York State Association for the Education of Young Children, kkerr@nysaeyc.org.
OKLAHOMA

Birth-to-Five Policy Priorities

2016 Agenda

• Maintain funding and program quality to the greatest extent possible for early childhood programs and supports during the upcoming legislative session, as Oklahoma is facing between a $600 million to $1.2 billion shortfall for fiscal year 2017.

Ideas or Topics in Development

• Develop an outcomes-measurement plan for all state-funded and administered home visiting programs in order to establish consistent data collection and reporting across programs.
• Develop a policy for data governance that facilitates the sharing and connection of early childhood data currently collected by child-serving state agencies.
• Garner stakeholder input into the development of a kindergarten entry assessment.

State Budget Updates

The Oklahoma State Legislature addressed a nearly $1.3 billion revenue shortfall by tapping into one-time revenues, eliminating targeted tax credits and enacting over $360 million in reductions to state agencies.

The budgets of state agencies providing early childhood health, mental health, parenting, early intervention and early care and education programs were cut between 2.06% and 9.32%.

Many early care and education programs were negatively impacted by these reductions in proportion to their agency reductions.

The Oklahoma State Department of Education made the following changes (at the time of this update, specific agency reductions impacting early childhood programs were not yet available):

• Eliminated all remaining funding ($998,761) for the Parent Education Program Grant (formerly Parents as Teachers).
• Reduced funding ($2,487,197) for the Oklahoma Early Childhood Initiative, a fund to support enhanced quality in selected center-based care centers.
• Maintained level funding for Part C Early Intervention programs.
Other budget proposals that failed to pass included:

- Senate bill proposed to eliminate pre-k in the school-funding formula.
- Oklahoma State Department of Health proposed elimination of state-funded home-based parenting programs through a child-abuse prevention fund; these programs were reduced, but the system was maintained.

Recent Policy Changes

**Earned Income Tax Credit (EITC):** State EITC was adjusted to be nonrefundable effective this tax year (2016), impacting 355,000 low-income Oklahomans.

**Tax Credits:** Effective January 1, 2016, a business tax credit for child care facilities was eliminated one year earlier than it was originally set to expire.

**Workforce:** SB 1554 created changes in child care center director credentials, allowing an individual with a bachelor’s or postgraduate degree to have met the educational requirements to be a director, eliminating previous requirements for credit hours in early childhood and administration.

**Health and Safety:** SB 1273, Shepard’s Law, created revisions to sleeping environments for infants in family child care homes and large homes beginning July 1, 2016.

**Child Care Subsidy:** The child care subsidy benefits were frozen for new applicants from June 1 until July 31, 2016 as a result of state revenue shortfalls.

**Child Care Quality:** The Oklahoma State Department of Human Services reduced state funding for CCDF Quality Initiatives that resulted in:

- Elimination of the REWARD program supporting continuing education for providers.
- Reduction of contracts for child care mental health consultation.
- Removal of Environmental Rating Scale observations as a requirement in the Quality Rating and Improvement System.

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OREGON

Birth-to-Five Policy Priorities

2016 Agenda

• Advocated and secured $5.4 million increase in funding for Early Intervention—Part C of Individuals with Disabilities Education Act—and Early Childhood Special Education—Part B of the act—to address increasing caseloads and cost-of-living increases.
• Fixed a $5.3 million budget error in calculating the Oregon Head Start Prekindergarten Program’s roll-up costs to ensure the Legislature serves the full number of children it expected.
• Protected the $17 million allocation to successfully launch Preschool Promise, a new mixed-delivery preschool program that serves low-income children in high-quality preschools across multiple settings.

Ideas or Topics in Development

• Lay the groundwork for expanded access to resources for infants and toddlers in Oregon.
• Support policies that promote infant-toddler mental health.
• Support Medicaid billing to help financing of home visiting services and Early Intervention/Early Childhood Special Education (EI/ECSE) services.
• Further increase funding for EI/ECSE to address statewide plan to implement universal developmental screening.
• Create pathways to build and enhance the early learning workforce.
• Further expand access to high-quality preschool in Oregon.
• Maintain investment in the Kindergarten Partnership and Innovation Fund that supports building bridges between early learning and the early elementary school grades.
• Continue the state’s investment in addressing chronic absenteeism and bring disparate efforts together into a cohesive approach with strategies proven to reduce chronic absenteeism.

State Budget Updates

+ Secured additional $5.4 million for EI/ECSE.
+ Secured promised $5.3 million for Oregon Head Start Prekindergarten.
+ Increase to Oregon’s state earned income tax credit (EITC) match for families with children under age 3 from 8% of the federal credit to 11%.
Recent Policy Changes

**Earned Income Tax Credit:** Two bills passed in 2016:
- HB 4144A created a task force to improve on Oregon’s worst EITC utilization rate in the country. It also asks the Oregon Department of Revenue to promote the EITC.
- HB 4110 expands the EITC for those with young children by increasing Oregon’s state EITC match for families with children under age 3 from 8% of the federal credit to 11%. This boost for low-income families is expected to help approximately 58,000 Oregonians.

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PENNSYLVANIA

Birth-to-Five Policy Priorities

2016 Agenda

• Increase developmental screenings and effective referrals.
• Improve health coverage outreach, enrollment and renewal practices.
• Integrate early learning licensing, program monitoring and quality improvement system.
• Expand preschool investments to reach all at-risk children and make headway into serving middle-class children.
• Improve child care rates of reimbursement to move toward meeting cost of high-quality care.
• Model Pay for Success (PFS) opportunities.
• License family child care and increase oversight of informal, nonfamily member providers’ participating in child care subsidy.
• Implement new school funding formula and increase state investments in basic and special education.

Ideas or Topics in Development

• Reauthorize state Children’s Health Insurance Program (CHIP).
• Expand use of Medicaid to finance home visiting.
• Align standards of Keystone STARS, Pennsylvania’s Quality Rating and Improvement System (QRIS), with those that drive child outcomes, and align standards for preschool-age services between Keystone STARS and Pre-K Counts.
• Charter school reform.

State Budget Updates

Pennsylvania finally brought its fiscal year 2015–16 budget to closure in March 2016, making it nine months overdue. While some appropriations were driven out in a partial budget in late December 2015, targeted investments benefitting children ultimately included a $200 million increase for basic education, a $20 million increase for special education and a $30 million increase for Pennsylvania Pre-K Counts/Head Start.

Moving into FY2016–17, Pennsylvania once again started its fiscal year, on July 1, 2016, without an enacted state budget. While the Republican-led legislature sent a $31.6 billion general appropriations bill to the governor on June 30, an agreement on an accompanying revenue package needed to balance the budget (as is constitutionally required) was not reached until July 13. Only a handful of line items received an increase in this year’s budget given limited revenue growth options.

$30 million increase for Pre-K Counts and Head Start programs was included in the general appropriations bill that made it to the governor’s desk.
$200 million increase in basic education funding.

$20 million increase for special education.

Governor Tom Wolf proposed a $10 million increase in home visiting services in his FY2016–17 budget. This would have been the first significant state investment in home visiting programs in many years and would mirror Maternal, Infant, and Early Childhood Home Visiting in that all four evidence-based home visiting models would be eligible to receive state funds (currently only two of the models receive state dollars). This was not included in the budget bill passed by the legislature in June 2016.

Recent Policy Changes

Funding Formula: The state enacted a basic education funding formula for K-12 education across the state. The formula, which was forwarded by the bipartisan Basic Education Funding Commission in 2015, was finally signed by the governor in June 2016.

Children’s Health Insurance Program: The state reauthorized CHIP, which was set to statutorily expire on December 31, 2015. Legislation was enacted to extend the program through 2017. Language was also adopted to implement express-lane eligibility requirements for the CHIP program, which permits using eligibility findings from other public programs to streamline enrollment in CHIP and Medicaid.

Services Alignment: In 2015, an ongoing collaborative initiative was started to increase access to high-quality early learning services and reduce administrative burden on families and providers. Current improvements include the acceptance of electronic signatures, the alignment of the state’s QRIS regional coordinating entities (Regional Keys) and certification regions to improve collaboration between monitoring staff, and the development of a common family application pilot.

Contact Information

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RHODE ISLAND

Birth-to-Five Policy Priorities

2016 Agenda

• Expand access to the Rhode Island Pre-K Program in a mixed-delivery system.
• Expand access to full-day kindergarten.
• Expand access to high-quality child care.
• Maintain/expand access to Early Head Start and Head Start.
• Maintain/expand access to Early Intervention and preschool special education within high-quality, inclusive early learning programs.
• Promote participation in BrightStars, Rhode Island’s Quality Rating and Improvement System (QRIS) across sectors (public schools, child care and Head Start) and quality improvement of programs.
• Promote and protect the state’s new paid family-leave program.
• Strengthen state systems for evidence-based home visiting.
• Develop policies to link early years to early grades.

Ideas or Topics in Development

• Financing for high-quality early learning programs post Race to the Top-Early Learning Challenge.
• Continue to strengthen connections and supports for young children in the child-welfare system, including developmental screening and follow-up, eligibility determination for Early Intervention, high-quality child care, home visiting, access to Head Start and RI Pre-K Program.

State Budget Updates

$1.2 million increase in state funding for pre-k, which, combined with federal Preschool Expansion Grant funding, will add 414 slots for 4-year-olds in high-poverty communities for 2016–2017.

$2.6 million increase in state funding to ensure access to full-day kindergarten statewide for 2016–2017. Legislation passed in 2015 requires all school districts in Rhode Island to provide universal full-day kindergarten by August 2016.

$8.4 million in new state and federal funding (largest increase in funding in more than 10 years) for the Child Care Assistance Program (CCAP) to serve growing numbers of eligible children and to meet the anticipated increase in costs as Rhode Island implements changes required under reauthorization of the Child Care and Development Block Grant Act.

$2.5 million in new funding for English-language learners in public schools. Many English-language learners are in pre-k to grade 3, but this extends through all grades.
Increased the state’s refundable Earned Income Tax Credit from 12.5% to 15% of the federal credit.

Maintained state funding for Head Start.

Maintained access to the state’s paid family-leave program.

$1.6 million in new funding proposed by the governor to support quality improvement and accountability systems for early learning programs

$2 million in new funding to implement the first phase (infants and toddlers) of tiered reimbursement for the CCAP by paying higher rates for programs that achieve ratings of 2 through 5 stars in the BrightStars QRIS.

$5 million in new funding for the CCAP to restore family income eligibility to 200% of the federal poverty level (FPL) from 180%.

**Recent Policy Changes**

**Home Visiting:** The Rhode Island Family Home Visiting Act passed, codifying key elements of the state’s home visiting system into law. The law requires the Rhode Island Department of Health to work with other state agencies to identify vulnerable families and offer them the opportunity to enroll in voluntary, evidence-based family home visiting programs that improve child outcomes.

**Early Intervention (EI):** Legislation passed that requires health insurance providers to pay for EI services at rates at least equal to Medicaid rates. The $5,000 cap on billing private health insurance for EI services was removed in the 2015 legislative session.

**Child Care Cliff Effect:** Legislation passed that extends the Child Care Transition Program by one year, allowing participating families to maintain eligibility as their income grows up to 225% of FPL.

**Recess:** The Free Play Recess Act passed, requiring at least 20 consecutive minutes every day of free-play recess for all children attending public elementary schools and discouraging teachers from withholding recess for punitive reasons.

**Literacy:** Legislation passed that adds dyslexia-targeted assistance as a required element of the literacy program for children in elementary school.

**Suspension and Expulsion:** Legislation passed that requires school districts to evaluate the discipline data they already collect annually, identify any racial, ethnic or special-education disparities and develop a plan to reduce any disparities, and restricts the use of out-of-school suspensions to situations when a child’s behavior poses a physical risk or serious disruption that cannot be dealt with by other means.
Contact Information

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WASHINGTON

Birth-to-Five Policy Priorities

2016 Agenda

• Advocate for new investments and policy adjustments needed to ensure successful implementation of the Early Start Act, which may include expansion of child care subsides, additional professional development resources and data systems development.

• Expand the Early Childhood Education and Assistance Program (ECEAP) to make progress toward becoming a full-entitlement program in 2020 as required in statute. Expansion priorities may include additional slots, adjustments to the slot rate, facilities and policies, and investments to support a mixed-delivery system that includes child care centers and family homes.

• Explore new revenue to fund a continuum of early learning from birth to age five.

Ideas or Topics in Development

• Administrative advocacy to support successful implementation of the Early Start Act. This includes Early Achievers, Washington's Quality Rating and Improvement System (QRIS), data collection and analysis, changes to child care subsidy policy, development of a pathway for child care providers to deliver ECEAP and standards alignment.

• Exploration of different models for contracted child care subsidy slots.

State Budget Updates

2016 was a supplemental year in Washington State’s biennial budget cycle. Revenues were lower than anticipated, and this, paired with a series of unanticipated expenses, created a tough fiscal environment.

$12.7 million for a new Collective Bargaining Agreement (CBA) for family home child care providers. The CBA funds increases to subsidy reimbursement base rates, tiered reimbursement, quality improvement awards, training and coaching, and expanded contracted-slot pilots and other quality improvement mechanisms.

$2.152 million for the Early Childhood Intervention and Prevention Services program (ECLIPSE, formerly known as Medicaid Treatment Child Care). This program provides services and treatment in a child care setting for more than 350 children ages birth to five with significant developmental, behavioral and mental health challenges. Use of federal Medicaid funds for this program was prohibited in 2014.

Federal appropriations for fiscal year 2016 increased Washington's Child Care and Development Block Grant (CCDBG) allotment by $9.8 million. The budget
passed by the Legislature in 2016 supplanted existing state expenditures in early learning with these new federal funds. This would have resulted in a net reduction in early learning spending in this year’s budget and in the maintenance-level budget for the Early Start Act in future years. But it was finally eliminated with a line-item veto by Governor Jay Inslee.

Proposals to expand the state pre-k program (ECEAP), extend resources provided to family child care providers to those in child care centers and increase capacity in child care caseload were not funded in this session.

Recent Policy Changes

**CCDBG Reauthorization Implementation:** Washington’s new state CCDF plan was provisionally approved. The plan:
- Implements 12-month authorization of child care subsidy and seasonal child care (July 1, 2016).
- Provides graduated phase-out of subsidy benefits for an additional three months to families earning above the income eligibility ceiling of 200% of the federal poverty level (FPL) up to 220% of FPL (July 1, 2016).
- Plans to expand monitoring to license-exempt, nonrelative providers who serve families in the child’s home.
- Pilots a model for 316 contracted slots for Early Head Start/Child Care partnerships.

**Early Start Act Implementation:** In 2015, Washington passed a historic $158 million investment in early learning, which included passage and funding of the bipartisan Early Start Act. Advocates are working to ensure that new resources prioritize a great start for children furthest from opportunity. Progress includes:
- An Early Achievers review process is refining Washington’s QRIS with an eye on:
  - Barriers to provider participation in Early Achievers, especially those barriers with implications for racial equity.
  - Prioritizing those standards most predictive of improved child outcomes.
- The Department of Early Learning has convened a work group to advance professional development pathways that recognize cultural and linguistic diversity to enable providers to meet new education requirements.
- Full implementation of mandatory participation in Washington’s QRIS goes into effect August 1, 2016. All providers who serve families receiving subsidy will be required to participate in Early Achievers.
  - Standards across Washington’s early learning system are being aligned to eliminate duplication and contradiction between licensing, QRIS and state pre-k standards.

**Every Student Succeeds Act:** The Office of Superintendent of Public Instruction
has convened work groups to plan implementation of the Every Student Succeeds Act, including one to develop recommendations for implementing the early childhood provisions of the law, with a complete draft plan anticipated November 2016.

**Contact Information**

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WISCONSIN

Birth-to-Five Policy Priorities

2016 Agenda

- Increase the number of children in high-quality early learning programs.
- Increase the number of families and children in evidence-based home visiting programs.
- Improve health care insurance coverage for children and parents.
- Reduce racial disparity.

Ideas or Topics in Development

- Promote continuity of care and improve quality as the state implements new Child Care and Development Block Grant reauthorization regulations.
- Develop a feasible plan to increase early childhood mental consultation.
- Play a strong role in promoting key issues to recommend to the governor through the governor’s Early Childhood Advisory Council; in particular expansion in YoungStar, Wisconsin’s Quality Rating and Improvement System, and home visiting.
- Improve state policies on children’s health, with an emphasis on increasing health care coverage and obesity prevention.
- Develop key elements of a model community approach to address racial disparities.

State Budget Updates

Wisconsin is in the second year of its 2015–17 biennial budget. Nearly all significant budget decisions occurred in the first half of 2015.

Early Childhood Advisory Council recommendations to governor:

- Double the number of children in high-quality child care programs over five years.
- Double the number of families with young children in evidence-based home visiting over five years.
- Expand the public-private partnership network that supports local communities to support early childhood.

Infant-Toddler Support: A draft bill to change policies to improve the effectiveness of Early Head Start-Child Care Partnership did not pass. Its goals were to increase income eligibility, extend eligibility to 12 months and to eliminate copays for vulnerable families.
Recent Policy Changes

**Children’s Caucus**: The Legislature established a bi-partisan, bicameral Children’s Caucus, with interest in trauma-informed care, impact of high-quality early learning and the science of early childhood brain development.

**Electronic Benefit Transfer (EBT)**: Initial steps of EBT are moving ahead, with a policy that will cap tiered reimbursement at the price that four- and five-star programs charge for services. In many cases, this change will reduce funding for our highest-quality child care programs receiving subsidies. A pilot is scheduled for fall 2016, with implementation effective in February 2017. Other EBT policies include paying in advance and paying based on enrollment, eliminating attendance reporting. These policies are likely to improve payments and reduce paperwork for providers.

Contact Information

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