



Letter to Congress on Advancing Early Childhood Education October 21, 2021

The Honorable Nancy Pelosi, Speaker, United States House of Representatives
The Honorable Chuck Schumer, Majority Leader, United States Senate

Dear Leaders,

CEO Action for Racial Equity is a Fellowship of over 100 companies that mobilizes a community of business leaders with diverse expertise across multiple industries and geographies to advance public policy in four key areas — healthcare, education, economic empowerment and public safety. Its mission is to identify, develop and promote scalable and sustainable public policies and corporate engagement strategies that will address systemic racism, social injustice and improve societal well-being. The focus of our work has been on advancing policies that help to improve quality of life outcomes for Black Americans.

One of the main priorities of the Fellowship is Equity and Excellence in Early Childhood Education (ECE), encompassing both child care and preschool. While demand for ECE services remains high, limited access, lack of affordability and low-quality of service leave Black children at a disadvantage during critical years of development.[1, 2, 3] Every dollar invested in high-quality, birth-to-five programs can deliver a 13% return per year.[4] This includes better education and health outcomes, employment gains for parents, greater economic productivity and savings on healthcare spending.[4]

Our work on transforming ECE in our communities is guided by a set of principles:

1. The federal government and states must collaborate to fund ECE programs.
2. A sustainably funded birth-to-5 model for programs is necessary to address racial inequities.
3. ECE programs must be high-quality to prepare kids for success.
4. ECE should be accessible and affordable.
5. ECE can shape a child's overall health, sense of inclusivity and economic mobility, as well as create lasting positive outcomes.

As business leaders from communities across the nation, we write to express our support for Congress enacting meaningful policy changes to advance significant enhancements to our nation's ECE system by:

1. Investing in sustainable funding for ECE programs to help keep programs operational, which can be achieved by investing in new infrastructure for ECE facilities and providing grants for improvements to existing facilities, while maintaining a mixed-delivery system: center-based, home-based, family child care, pre-K programs and Head Start.
2. Increasing funding and expanding eligibility for child care subsidies through programs such as the Child Care and Development Block Grant (CCDBG) and considering enhancements to tax policy to make child care more affordable for families.
3. Enhancing programs to sustain and scale the ECE workforce, including enhanced job training for ECE professionals and competitive wages, to provide quality ECE



programs that equip children with the social and academic skills necessary to be successful.

An investment in ECE is an investment in our nation's economic health now and into the future. If the United States were able to close the educational achievement gaps between native-born white children and Black and Hispanic children, the U.S. economy could be 5.8%—or nearly \$2.3 trillion—larger in 2050.[5]

The preschool years lay the foundation for a child's later success in school and have long-term implications for our nation's future workforce. According to a 2019 report from The Education Trust, across a sampling of 26 states, only 4% of Black 3- and 4-year-olds were enrolled in high-quality state preschool programs.[6] On average, Black as well as Hispanic and low-income children enter kindergarten significantly behind in reading and math skills.[7] Additionally, when a young child enters kindergarten ready for school, there is an 82% chance that the child will master basic skills by age 11, compared with a 45% chance for children who are not school ready.[8]

It is imperative for our children, families, and businesses that we create a more equitable system that works for everyone. As such, we urge you to address three critical issues:

- Access – Parents should have flexible choices that can accomplish positive outcomes for their children, without destabilizing the current ECE system.
- Affordability – Despite the fact that child care is often the second most expensive item for a family after rent [9], child care subsidy programs are consistently underfunded. For instance, only 14% of eligible children actually receive subsidies from the CCDBG [10], only 54% of eligible Black preschoolers are being served by Head Start preschool, and only 6% of eligible Black children are served in Early Head Start.[11] Congress can play a meaningful role in making child care more affordable.
- Quality – We need to strengthen job training and make wages competitive to employ and retain high quality ECE workers. Since 95% of ECE workers are women, with women of color accounting for 40% of providers, it is paramount that we set this population up for success.[12]

This is a historic moment where global circumstances have shed a spotlight on the fragility of our child care and early learning systems and emphasized the need to pass comprehensive reforms. We urge you to act now.

Thank you for your leadership and commitment to prioritizing equity and excellence in education for all children.

Sincerely,

CEO Action for Racial Equity



Citations

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- [3] Caitlin McLean, et al., Early Childhood Workforce Index – 2020, Center for the Study of Child Care Employment, U.C. Berkeley (2021), <https://cscce.berkeley.edu/workforce-index-2020/report-pdf/>
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- [5] Robert G. Lynch & Patrick Oakford, The Economic Benefits of Closing Educational Achievement Gaps (November 2014). https://cdn.americanprogress.org/wpcontent/uploads/2014/11/WinningEconomyReport_2.pdf?_ga=2.208064341.618252848.1632778660-517815703.1631811100
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