

Early Childcare and Education

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Universal Family Care

Early Child Care and Education

Why include ECCE in a UFC program?

- Preparing for the success and development of our future workers, caregivers, and broader communities.
- ECCE is not currently treated on par with K-12 education
- High developmental value for children
- High cost-benefit value for families + society

The existing patchwork of federal + state ECCE programs is hard to navigate for families and the state alike

- Only very low-income families are eligible for most benefits
- Eligibility requirements are strict and confusing

Context and Considerations - ECCE

Improving quality of care

- High-quality early care and education benefits children
- Time of rapid development for children
- Improvements to educational achievement
- High return on investment socially

Building up the care provider workforce

- Compensation
- Training and workforce development

Improving equity and access to care

- Regional distribution to lessen current regional limitations
- Diversity + cultural competence to lessen achievement gap + disparities in socio-emotional development, which are often in place prior to a child's entry into formal education
- Nonstandard hours

Policy Options for States - ECCE

Comprehensive universal program

- All children eligible
- Essentially an expansion of existing public education
- High up-front public investment

Employment-based contributory program

- Targets resources specifically to working families
- Coverage is not universal – expanded coverage would require additional provisions
- Determining eligibility could be administratively challenging

Universal subsidy program

- All children eligible
- May or may not cover full cost of care, or even a sufficient amount, depending on the generosity of the program
- Greater flexibility for state and families

Tradeoffs of ECCE Policy Options

Programs that are **universal** are better positioned to **improve equity in child development outcomes**

Programs that are **employment-based** focus on labor force participation will **leave many children out** entirely while shifting others in and out of coverage if parent/guardian employment is inconsistent or unstable.

All programs will need to include space for private child care providers

Generosity of benefits will affect who can actually utilize the program

- If the benefit amounts are insufficient to make a meaningful difference for many families, inequality may actually increase as higher-earners are simply getting more subsidized support.

Paid Family and Medical Leave

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Context and Considerations - PFML

Landscape of Existing State Programs

5 states have long-standing **temporary disability insurance (TDI)** programs

- California, New Jersey, Rhode Island, New York, Hawaii

4 of the above states **have added paid family leave** to their existing TDI programs

- California, New Jersey, Rhode Island, New York

5 additional states are in the process of implementing **new PFML** programs

- District of Columbia, Washington, Massachusetts, Connecticut, Oregon

State Decision Points

- **Structural design.** How is the program designed and who is responsible for managing different aspects?
- **Financing.** Who pays and how are revenues collected?
- **Qualifying events.** What triggers eligibility? Who can you take paid leave for, and/or who counts as family?
- **Eligibility requirements.** What work history and/or earnings requirements do you need to meet to be eligible?
- **Benefits.** How much time can you take off to provide or receive care? How much will you be compensated for? Are workers guaranteed the right to return to their jobs?

Policy Options for States - PFML

Contributory social insurance

- Simplifies administration
- Spreads risk most broadly
- Reduces potential discrimination

Hybrid social insurance with regulated private options or only private

- Higher administrative complexity than exclusive state fund
- Increases employer choice
- Requires robust regulatory mechanisms

Many State Models

Funding Sources for States - PFML

Payroll Contributions

- Shared employee + employer
- Employee-only
- Employer-only

Private market coverage

- Premiums paid by employee and/or employer

General revenues

Earmarked taxes

Employer-sponsored coverage (self insurance)