The Office of Innovation, Alignment, and Accountability

THE FAIR START FOR KIDS ACT 2023 EVALUATION REPORT

Washington State Department of CHILDREN, YOUTH & FAMILIES

Original Date: March 8, 2023 | Revised Date: Sept. 15, 2023
Office of Innovation, Alignment, and Accountability | Approved for distribution by Vickie Ybarra, OIAA Director

THE FAIR START FOR KIDS ACT 2023 EVALUATION REPORT

Washington State Department of CHILDREN, YOUTH & FAMILIES

Contents

Suggested citation: Budrevich-Ryan, A., Ybarra, V., Seppi, J., Lothian, K., J. and Feldman, S. (2023). The Fair Start for Kids Act 2023 Evaluation Report. *Washington State Department of Children, Youth, and Families – Office of Innovation, Alignment, and Accountability*.

Contact OIAA@dcyf.wa.gov with questions.

Original Date: March 8, 2023 | Revised Date: Sept. 15, 2023

Office of Innovation, Alignment, and Accountability | Approved for distribution by Vickie Ybarra, OIAA Director

Executive Summary

The Fair Start for Kids Act (FSKA) is historic legislation signed by Governor Inslee on May 7, 2021. Washington State invested $1.1 billion to expand access to affordable, high-quality early learning and child care for Washington families and to stabilize the child care and early learning workforce. The Department of Children, Youth, and Families (DCYF) administers the FSKA. The four main policy objectives, section 104(2)(f) of SB 5237 (the FSKA) are to 1) advance racial equity, 2) expand access to affordable early care and education, 3) promote kindergarten readiness, and 4) stabilize the child care and early learning workforce. In this initial evaluation, we find:

- **Advance Racial Equity.** FSKA targeted investments have increased the number of licensed child care providers in areas of the state with racial disparities in kindergarten readiness and those with high concentrations of children of color.

- **Expand Access to Affordable Early Care and Education.** FSKA targeted investments stabilized the state's child care system at a time of crisis. FSKA targeted investments have increased the number of licensed child care providers in areas of the state identified as high need, especially in those areas identified as extreme child care access deserts, those with racial disparities in kindergarten readiness, high concentration of children of color, and those with high concentration of child poverty. FSKA investments have increased the number of licensed childcare providers statewide and preserved and expanded licensed capacity. At the same time, there remain substantial unmet needs for licensed child care in many parts of the state and for working families with infants and toddlers.

- **Promote Kindergarten Readiness.** We find no evidence that FSKA investments have (yet) impacted kindergarten readiness. This is an outcome we will continue to monitor.

- **Stabilize the Child Care and Early Learning Workforce.** While the Bureau of Labor Statistics reports that there are more workers statewide in the child care industry now than before the COVID-19 pandemic, there were fewer early learning and child care workers in DCYF's Managed Education Registration Information Tool (MERIT) eligible for health insurance through the WA Health Benefit Exchange (WAHBE) in October 2022 than October 2021, indicating a potential recent decrease in the DCYF-affiliated child care and early learning workforce. Among those eligible for WAHBE health insurance in October 2022, there were slight decreases in the population of workers who identify as Black, Asian, Hispanic, Spanish-speaking, and in the youngest age group, compared with October 2021.

Overall, we find evidence that FSKA investments have helped to stabilize the licensed child care and early learning system in Washington, with a disproportionately positive effect in those communities identified as high priority and furthest from opportunity.

Background and Context

The Fair Start for Kids Act (FSKA) is historic legislation signed by Washington State Governor Inslee on May 7, 2021. The Washington State Legislature invested $1.1 billion to expand access to affordable, high-quality early learning and child care for Washington families and to stabilize the child care and early learning workforce, primarily by allocating resources to providers. The legislation was enacted while the state was still experiencing the COVID-19 public health emergency, which wreaked havoc on Washington's families, their work and child care arrangements, and the child care and early education system as a whole. In large part, the purpose of the FSKA investments was to stabilize a system in crisis. The Department of Children, Youth, and Families (DCYF) is the administrator of the FSKA. The four main policy objectives, section 104(2)(f) of SB 5237 (the FSKA) are to:

1. Advance racial equity and respond to the growing diversity of WA state's population.
2. Expand access to affordable, high quality early learning experiences.
3. Promote kindergarten readiness by enhancing child development.
4. Stabilize and support the child care and early learning workforce.

These four FSKA policy objectives are the primary evaluation outcomes of this report, which is being produced by DCYF's Office of Innovation, Alignment, and Accountability (OIAA). The goal of the evaluation is to investigate the extent to which FSKA funds and activities impact racial equity, access to early care and education, children's kindergarten readiness, and early learning workforce stability. This evaluation has been guided by the logic model in Appendix A and enhanced by the valuable input over the past year by multiple stakeholders and experts.

Statement of Need

Decades of research have documented the importance of high-quality early care and education for children's development and outcomes later in life.[1] However, the early learning and child care system has been, and still is, in crisis.

Symptoms of the broken early learning and child care market include the rising cost of child care (in recent years, child care costs exceed college tuition), families with low-income paying a higher percentage of their income for child care, less options for high quality child care, more children eligible for, and in need of child care (demand) than is available (supply), and early learning and child care staff are undercompensated, resulting in unlivable wages compared to those working in the K-12 system.[2]

According to the Washington State Child Care Industry Assessment, over half a million children ages birth to 12 in Washington were not participating in licensed child care in 2019, which is

[1] Campbell et al., 2014; McCoy et al., 2017; Schweinhart, 2004
[2] Bayly et al., 2021; Child Care Aware, 2022; DCYF Early Learning Data Store, 2023, McLean et al., 2021

over half of the birth to 12 population.[3] Additionally, hundreds of the Early Childhood Education and Assistance Program (ECEAP) slots were unfilled in 2023 due to a lack of workforce.

Parents and caregivers in the labor force are especially impacted by early learning and child care issues. The Child Care Industry Assessment also found that nearly one in five Washington parents surveyed in 2019 turned down a job offer or promotion due to lack of affordable care, and specifically, families receiving subsidy reported turning down raises, hours, or promotions to remain eligible for child care subsidies. Women are disproportionately driven out of the labor force due to child care issues as well.[4]

For early childhood workers and other staff, uncertainty in the child care system can cause stress, burnout, negative effects on physical health, and a high rate of turnover, further impacting the quality of child care due to inconsistent staffing.[5] Additionally, staff working in child care and early learning are often underpaid, with women of color experiencing the highest rates of underpayment in their field nationally.[6] All of these adverse characteristics of the child care and early learning system challenge quality of care, which in turn impacts children's outcomes.

The COVID-19 Pandemic

The COVID-19 public health emergency compounded these effects nationwide by disrupting family work arrangements, early care and child care arrangements, and the child care and early learning system as a whole. Child care and early learning providers experienced temporary site closures, temporarily reducing licensed capacity and enrollment. Early childhood workers navigated new health-related stressors, anxiety, and behavioral issues, all while risking their lives to care for children. For families, navigating the early learning system during the pandemic proved challenging when seeking child care settings that met their evolving and complex needs.[7]

The COVID-19 pandemic had a large impact on families and on the child care system in Washington State, as it did elsewhere in the nation. The pandemic exacerbated challenges already present in communities where families with children, and providers, were already struggling. At the same time, it is important to note that in Washington, there was never a statewide closure of early learning or child care. During the pandemic and the recovery phase, DCYF worked to stabilize the child care industry, facilitate a functional and resilient early learning system, and support low-income families to have access to care.

[3] Brown, 2020
[4] Schochet, 2019
[5] Bassok et al., 2022; Caven et al., Converso et al., 2018; Jeon et al., 2018; Kwon et al., 2021
[6] Austin et al., 2019; Lloyd et al., 2021; McLean et al., 2021
[7] Powers, 2023; Quinn et al., 2022; Zhang et al., 2023

- ***Families*** who were challenged with finding access to care prior to the pandemic experienced rapid changes in their work and early care and child care arrangements (including school closures), and even less access to care during the first year of the pandemic. Although licensed capacity of child care across the state has more than recovered following the worst of the pandemic, changes in family work arrangements and child care preferences may be persisting in ways that impact the child care market.

- ***Providers*** who were challenged with high turnover and ***workers*** who experienced low wages before the pandemic saw increased challenges during the pandemic. Following the onset of the pandemic, there remained a lower-than-average number of workers in the workforce for quite some time, with the industry workforce numbers only recently recovering to pre-pandemic levels. Many early learning providers, including the state's ECEAP program, are still working to recover from the impacts of the pandemic on their workforce with continued openings in staffing positions regardless of multiple postings and hiring bonuses.

- ***Communities*** around the state that varied in their capacity to meet the need for high-quality early learning and child care prior to the pandemic also varied in their response to the pandemic in terms of temporary child care closures. Some places in Washington experienced a temporary reduction in licensed capacity while other areas experienced an increase. This variation in response had the potential to exacerbate previous inequities and instabilities in local child care markets.

Families

In Spring 2021, DCYF contracted to conduct a representative survey of 1,327 parents and caregivers across the state to better understand the impact of the COVID-19 pandemic on their employment and caregiving. The survey intentionally oversampled low-income families. Select findings are detailed below, and in Table 1.

One year into the pandemic, over one-third of Washington parents/caregivers (35%) reported that their employment status was affected by the pandemic. Some left the workforce altogether, and others transitioned to a "work-from-home" option.

- Parents/caregivers of 30% of young children not yet in school (age birth to 5) were cared for during the day by an adult who gave up employment. This portion was much higher for children in low-income families: 35% in families with incomes <=200% FPL vs. 25% in families with incomes >200% FPL.[8]
- Just under half (45%) of parents/caregivers transitioned to "work-from-home." A lower portion of low-income workers transitioned to "work from home" (31% of those

[8] In Washington State, 200% Federal Poverty Level (FPL) is equal to about 52-54% State Median Income (SMI).

<=200% FPL vs. 51% for >200% FPL). Of parents/caregivers who transitioned to "work from home," 81% anticipated continuing to work from home even as the pandemic resolved, including 87% of those in families with incomes <=200% FPL.

- Of parents/caregivers working outside the home one year into the pandemic, 80% worked daytime hours, including 72% of those in families <200% FPL vs. 83% of those families >200% FPL.
- Comparing child care arrangements in Spring 2021 to before the COVID-19, those parent/caregivers with younger children (birth to 5) were more likely to care for them at home vs. outside the home.
    - Among lower income families, 41% were cared for outside the home before COVID-19 vs. 35% in Spring 2021. Among higher income families, 52% were cared for outside the home before COVID-19 vs. 46% in Spring 2021.

Table 1. DCYF Survey of Parents/Caregivers during COVID-19 Spring 2021

	Total		Parents of infants/toddlers/preschoolers		Parents of school-age children	
	<=200 % FPL	>200 % FPL	<=200 % FPL	>200 % FPL	<=200 % FPL	>200 % FPL
Employment affected by pandemic (laid off or hours cut) (Q3)	50%	29%	35%	29%	49%	21%
Gave up employment during the pandemic to care for young child(ren) (Q10 &12)			35%	25%		
Transitioned to work from home (among those working full time) (Q5)	32%	51%	32%	52%	32%	51%
Expect to continue to work from home (Q6)	87%	80%	91%	78%	84%	84%
Child care outside the home before covid (if worked full time) (Q27)			41%	52%	35%	44%
Spring 2021 care outside the home (Q8a, b, and c)			35%	46%	32%	38%

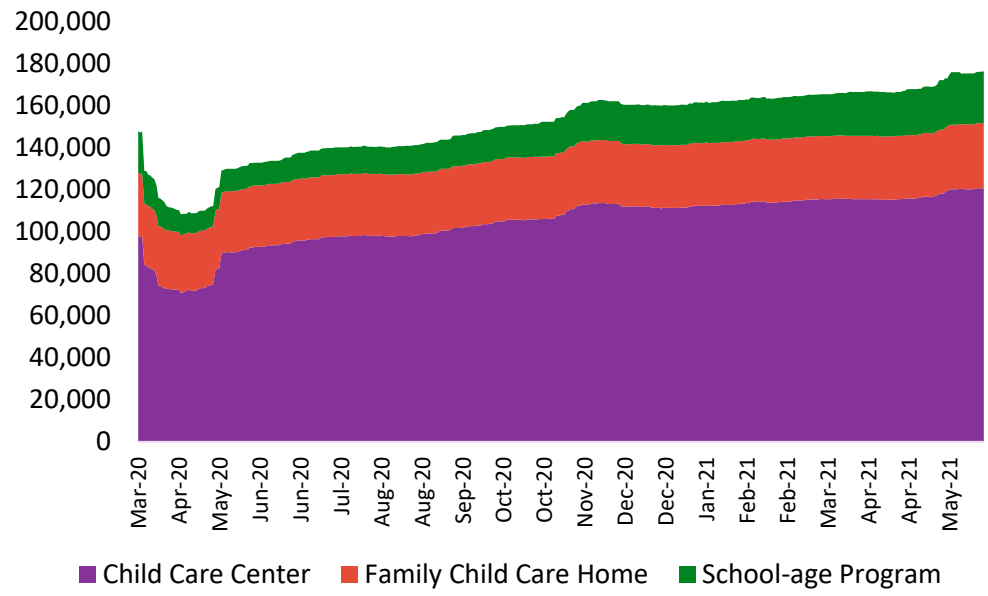
Data Source: DCYF 2021 COVID-19 Parent Survey, Survey conducted May 10-June 7, 2021

Providers

COVID-19 had a severe near-term impact on temporary closures of licensed child care sites and licensed capacity statewide. The months following the Governor's March 2020 stay-at-home orders saw an immediate temporary reduction in licensed child care capacity across the state as child care providers were both subject to local stay-at-home and temporary closure requirements related to COVID-19 outbreaks, and as workers became ill and/or left the field over concerns about their safety.

Figure 1 illustrates the near-term reduction and long-term recovery of licensed child care capacity across the state between March 2020 and May 2021.

Figure 1. Licensed Capacity of Open Child Care Providers, by Type, March 2020-May 2021



Data source: WACOMPASS COVID Snapshots from March 2020 to May 2021

Because of the temporary emergency rule requiring licensed providers to report temporary COVID-19- related closures to DCYF [WAC 110-300-0016A], we can gain some insight into the patterns of that early severe impact on licensed care providers around the state.

Over half (55%) of the providers open in May 2021, 14 months following the initial Governor's COVID-19 stay-at-home order, did *not* report a pandemic-related temporary closure. Temporary COVID-19-related closures did not appear to contribute to providers closing their licenses permanently. However, the public health emergency did impact provider entry into the child care market. As detailed in Table 2 and Figure 2, while license closures did not increase in the 15 months following the Governor's initial COVID-19 stay-at-home order compared to the 15-month period before the pandemic (from 584 to

Figure 2. Provider Exits and Entries into Licensed Care, Washington State, Dec 2018-May 2021

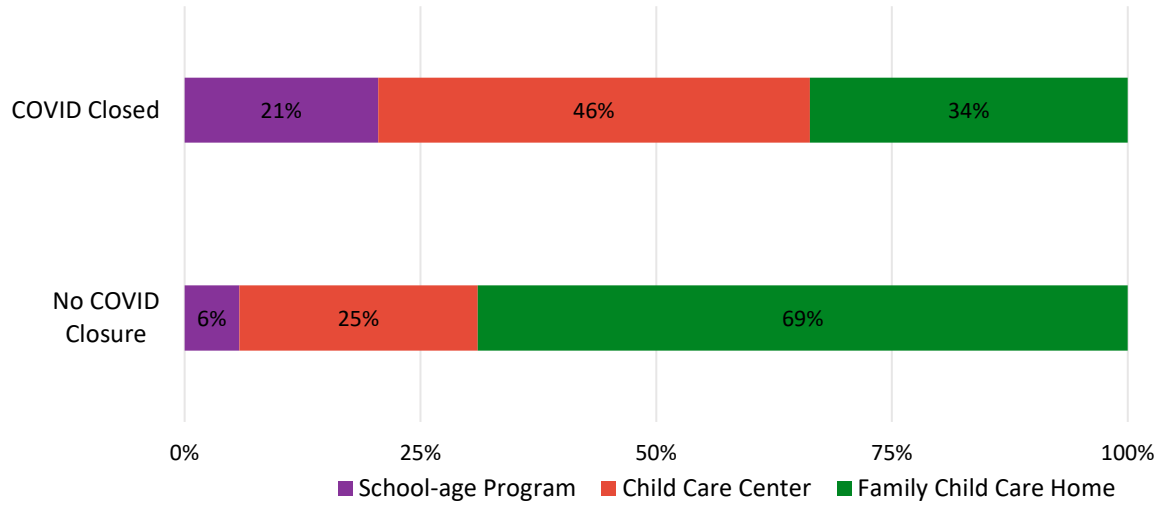
Data Source: DCYF Child Care Licensing Data

425 license closures), the number of new licenses decreased substantially in comparison (from 566 to 267 new licenses).

Table 2. Child Care Licenses Dec 2018-May 2021		
	Permanent License Closures	**New Licenses**
15 months pre-Covid (Dec 2018-Feb 2020)	584	566
15 months following initial Governor's order (March 2020-May 2021)	425	267
Data Source: WaCompass Licensing Data		

As illustrated in Figure 3, temporary COVID-19 closures did not affect licensed facility types equally. In the 15 months following the Governor's initial executive order, child care centers were much more likely to be impacted by temporary closures. Of licensed providers reporting a temporary COVID-19 related closure, 46% were child care centers, 21% were school age programs, and just 34% were family child care homes. The decreased likelihood of family child care homes temporarily closing due to COVID-19 during this period is an indicator of the strength of Washington's mixed delivery system.

Figure 3. Temporary COVID Closures by Facility Type, Washington State, March 2020-May 2021

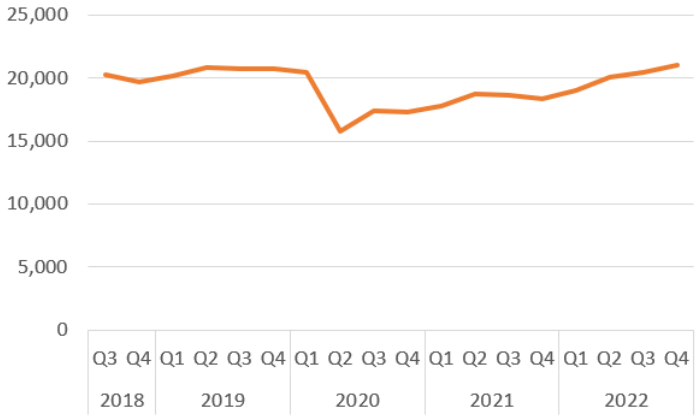


Data source: WaCompass Licensing Data
Note: Includes some ECEAP providers. Out of 478 sites, 220 are ECEAP sites (July 2023, ELMS)

Workforce

Data from the Bureau of Labor Statistics (BLS) show that Washington State, as much of the nation, experienced a long-lasting reduction of workers employed in the child care industry following the onset of COVID-19 that has only recently recovered. BLS data includes anyone who reports on the Current Population Survey that they work in the child care industry.[9] In the year prior to March 2020, BLS reports the child care industry in Washington employed an average of 20,700 workers each quarter. As shown in Figure 4, that number dipped to a low of 17,077 workers in the year following the pandemic and reached over 20,000 only in the second quarter of 2022.

Figure 4. Child Care Industry Employment, Washington State, 2018 Q3- 2022 Q4

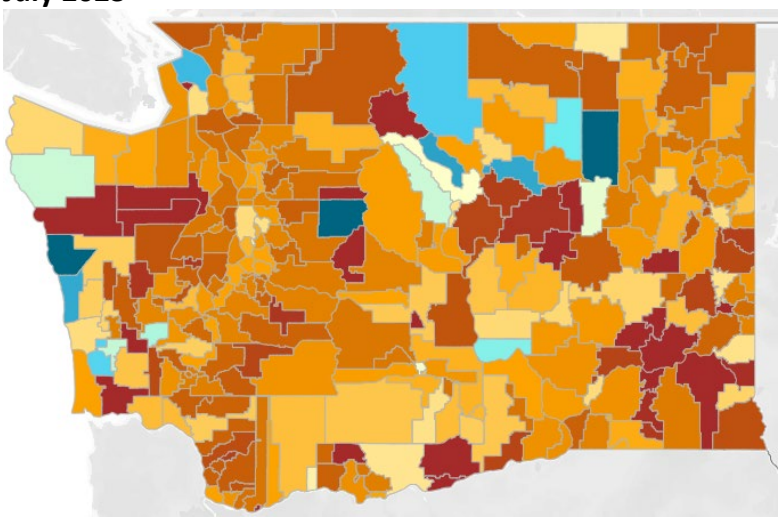


Data Source: Bureau of Labor Statistics, Quarterly Census of Employment and Wages

Communities

Three years after the onset of COVID-19, communities around the state continue to vary in their capacity to meet the needs of working parents and access to child care and early learning. This is especially true for communities with high numbers of families furthest from opportunity. As an example, the map in Figure 5 illustrates this variation in need met by school district boundaries across the state for families in households <=85% State Median Income (SMI) with young children not yet in school, with the darker colors indicating higher levels of unmet needs.

Figure 5. Percent Need Met for Child Care and Early Learning, July 2023



Data Source: DCYF Child Care and Early Learning Need and Supply Dashboard

[9] See Labor Force Statistics from the Current Population Survey: https://www.bls.gov/cps/definitions.htm

Fair Start for Kids Act Policy Objectives

1. Advance Racial Equity

Strategies

Priority Zip Codes

To address the needs for racial equity in supporting families, providers, workers, and communities as they worked to recover following the pandemic, the legislature made designated FSKA investments to support racial equity and address disparities in children's outcomes. FSKA strategies to address equity for those furthest from opportunity align with national efforts and best practices.[10] In operationalizing this policy, DCYF prioritized FSKA funding to zip codes with characteristics reflective of the priorities identified in policy (see Table 3), and it is through analyzing the impacts of the funding on these prioritized zip code groups that we can see the impact of the funding on the policy priority to advance racial equity.

Table 3. Priority Zip Code Factors and B-12 Population

Zip Code Factor	Percent of total zip codes	Percent of total B-12 population
Extreme Child Care Access Desert	18%	45%
Racial Disparities in Kindergarten Readiness	20%	22%
High Concentration of Children of Color	24%	33%
High Concentration of Child Poverty	29%	23%
High COVID-19 Impact	30%	58%
High Rate of Child Maltreatment	38%	32%

Data Source: OIAA analysis of Census data within priority zip codes
Child Care Stabilizations Zip Code Factors https://www.dcyf.wa.gov/practice/oiaa/reports/early-learning-dashboards/child-care-stabilization

Early Childhood Equity Grants

One FSKA strategy explicitly related to equity is the DCYF Early Childhood Equity Grant. In round one, DCYF received 2,370 applications from child care and early learning providers, requesting a total of $107 million dollars. By Summer 2022 and the close of round one of the Early Childhood Equity Grant, DCYF distributed $1.7 million dollars to 34 providers across the state. The final date to apply for round two of this funding ended on June 30, 2023. DCYF has not made funding decisions on the second round yet. DCYF expects to allocate $3.4 million dollars to child care

[10] The early learning and child care field has produced several recommendations on how to disseminate large investments. Examples include: 1) ensure funds are distributed equitably by prioritizing communities furthest from opportunity, 2) eliminate harsh disciplinary measures such as suspension and expulsion, and 3) expand access to dual language supports (Meek et al., 2021).

and early learning providers[11] and the remaining $200,000 was used on administration, including the FTE who coordinates the equity grant. There were 943 applications in round two and DCYF spent July and August reading through and determining eligibility and prioritization scores which narrowed it down to 90 finalists. DCYF will convene a community review panel to score the 90 finalist applications and make funding determinations by the end of September 2023. When available, OIAA will report the percentage of applicants who attested to serve children identified in a priority group (e.g., members of a tribal nation, Black, Indigenous, People of Color [BIPOC], experiencing homelessness, receiving subsidy, involved with child welfare system, and/or speak languages other than English at home). We will also report on the percentage of providers who report working on the following outcomes: preventing suspension and expulsion, increasing the use of research-informed social-emotional teaching practices, advancing culturally and linguistically responsive practices, decreasing bias in the classroom, offering ongoing child assessment and developmental screening, and connecting families to services and supports that meet health, mental health, financial, or other needs.

Dual Language Designation

FSKA directs DCYF to establish a Dual Language Designation for licensed or certified providers who participate in Early Achievers, ECEAP, and/or Early ECEAP. DCYF received funding requests for $5 million and $3 million was distributed to Dual Language Designation programs through June 30, 2023. Providers from 26 of the 39 counties requested the dual language designation. This represented 50 languages, eight of which were tribal language programs. DCYF used the FSKA priority zip code factors to prioritize awards to those sites that were tribal revitalization programs or had three or more factors. Table 4 depicts the number of requests and awards. The awards were distributed per classroom to have a structure that would allow sites to compensate dual language teachers.

Table 4. Dual Language Designation Funding Requests & Awards

	Sites	Classrooms
Requests	1,306	1,834
Eligible for Award	1,243	1,726
Received Award	889	1,199

Infant Early Childhood Mental Health Consultation

Finally, FSKA funded the expansion of Infant and Early Childhood Mental Health Consultation (IECMH-C) services offered to Early Achievers participants through Child Care Aware of Washington (CCA of WA). The Holding Hope IECMH-C program is designed to promote the

[11] According to the Budget Bill, $671,000 of the general fund—state appropriation for fiscal year 2022, $656,000 of the general fund—state appropriation for fiscal year 2023, and $3,982,000 of the general fund—federal appropriation American Rescue Plan Act (ARPA) are provided solely for the implementation of equity grants.

social-emotional development and well-being of children in licensed child care settings throughout Washington State, and to help address what was believed to be racial disproportionalities in child care expulsions. Research shows that when implemented with fidelity, IECMH-C services can:

- Increase healthy social and emotional development among children.
- Decrease challenging behaviors and reduce expulsions from early learning settings (especially for Black boys).
- Strengthen relationships among child care staff, children, and families.
- Reduce teacher stress and decrease staff turnover.
- Improve classroom climate, enabling greater emphasis on quality instruction.[12]

Holding Hope IECMH-C currently has 15 mental health consultants serving child care providers across the state. In 2022, Holding Hope consultants served 196 child care providers and provided outreach to an additional 41 sites. Participating sites received consultation and training for coaches and other systems-level supports.

Outcomes

Increased Supply of Providers

In examining the data, we find strong evidence for the main equity-related outcomes of these FSKA investments. As detailed in Section 2 under Provider Supply, we find strong evidence for significant effects of FSKA investment on increase in supply of providers in the two priority zip code factors representing racial equity specifically – including those with racial disparities in kindergarten readiness and those with high concentrations of children of color. This includes a 4.6% increase in the provider entry-exit rate gap, representing 132 additional licensed providers in 2022 in zip codes with racial disparities in kindergarten readiness over what would have been expected in the absence of the targeted investments.

Similarly, we see a 4.7% increase in the provider entry-exit rate gap, representing 123 additional licensed providers in 2022 in zip codes with high concentration of children of color over what would have been expected in the absence of the targeted investments.

In some cases, zip codes in these groups overlap. Because of the method used for this analysis, we can attribute causation, meaning the outcomes detailed in this paragraph are a result of the FSKA targeted zip code investments over and above background trends.

Disparities in Expulsions

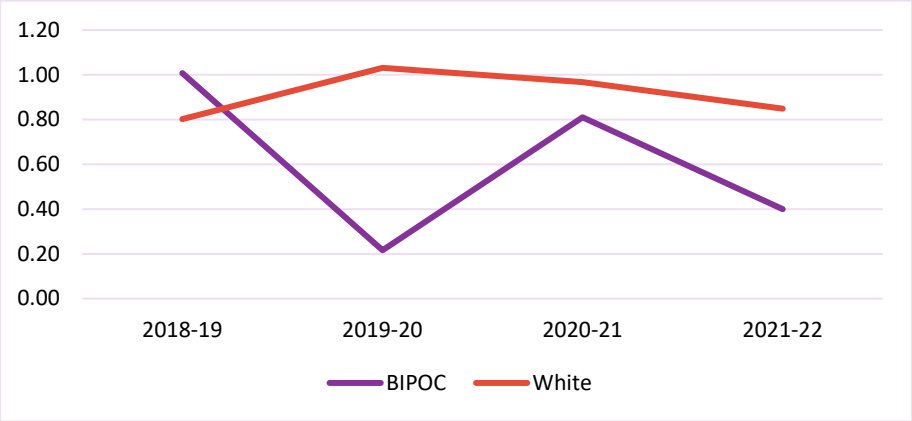
Finally, we find initial data that may suggest decreased disproportionalities in child care expulsions for Black, Indigenous, People of Color (BIPOC) children following the pandemic, although we are unable to attribute causation of this finding to FSKA investments. For provider-

[12] Conners Edge et al., 2022; Mathis et al., 2022

reported expulsions, licensed child care and early learning providers must follow the expulsion process outlined in WAC 110-300-0340, which include recording and reporting to DCYF the child demographic data, the reason the child was expelled, and the resources provided to the child's caregivers.

The total number of expulsions reported to DCYF from 2018-2022 was 75; 16% of which involved Black children. Using these provider-reported data, OIAA calculated preliminary racial/ethnic disproportionality ratios for reported expulsions from licensed care over a four-year period (see Figure 6). A value of 1 indicates that children in that group were expelled at the same rate that they are represented in the estimated underlying population of 0 to 5-year-olds who attended child care or preschool in Washington State. From 2018-2020, there was variation in reported expulsion ratios for BIPOC children, while reported expulsion ratios for white children largely remained the same.

Figure 6. Preliminary Dispropritonality Ratio in Reported Expulsions from Child Care, Age 0-5, 2018-2022



Data Source: Ratio numerator from WaCompass provider reports; Ratio denominator from Census Bureau American Community Survey
WSRDAC/M: No. Black, Indigenous, and people of color (BIPOC) category includes AI/AN, Black, Asian, NH/PI, and Hispanic. Small sample sizes prevents reporting these groups separately.

After implementation of FSKA funding in July 2021, provider-reported expulsions appeared to decrease, especially for BIPOC children. Both groups of children had ratios lower than 1 in the 2021-22 year, meaning children in both groups are reported as being expelled at rates lower than they represented in the estimated birth to 5 population.

There are substantial challenges in interpreting and analyzing expulsion data reported to DCYF under WAC 110-300-0340. Despite the directive of the code, the primary challenge to reporting expulsion is inconsistency, instances of expulsion appear to be underreported statewide. A

2009 survey of parents of entering kindergarteners in Washington found a reported ever-expelled rate of 16.7 per 1,000 children at kindergarten entry[13], which would be equivalent (conservatively) to just over 4 per 1,000 children (annual average) at each age group. More recent data from 4-year-olds entering ECEAP in Fall 2022 show a reported ever-expelled rate of 8 per 1,000 children at ECEAP entry, equivalent (conservatively) to about 2.7 per 1,000 children (annual average) at each age group. Taken together, these data would lead us to expect anywhere from 2.7-4.0 reported expulsions from child care or preschool each year per 1,000 children in care. Yet in the years 2018-2022, providers self-reported only 75 instances of expulsions, at a time when over 170,000 children were served annually in child care, for an average rate of about 0.088 expulsions per 1,000 children in care each year, far lower than expected.

Additionally, provider expulsion reports to date have been largely concentrated in three counties, and in total from 2018-2022, reports only represented providers from 18 of the 39 Washington State counties. In eight of those reporting counties, only a single expulsion report was submitted within a four-year span. Currently, it appears that counties with higher rates of expulsion reporting likely represent a higher rate of compliance in expulsion reporting, rather than a higher rate of expulsion. Statewide discrepancies in reporting compliance create barriers to determining high expulsion areas and effectively deploying tailored interventions.

When expulsion reports are submitted by providers, they produced low quality data due to the primary data collection tool "Report of an Expelled Child," in which data are collected primarily through open text fields. These text fields reveal inconsistent responses in demographic categories like gender, age, and race/ethnicity. Open fields also allow for missing data. Despite DCYF guidance related to the difference between termination of services and expulsions, many responses in the "reason for expulsion" category refer to the expulsion of parents related to a parent or guardian's inability to meet program or provider expectations and requirements. In addition to a need for greater compliance and improved reporting tools, this signals a need for greater supports for providers in determining what constitutes an expulsion.

Given the challenges in interpreting provider-reported expulsion data, lack of validation that provider reports are capturing all or even a representative sample of expulsions, and the inability to (yet) correlate the IECMH-C intervention with providers reporting (and not reporting) expulsions, we are not able to attribute causation for the variation in the observed BIPOC expulsion rate to FSKA investments. This will be an area we continue to investigate during the interim period before the next report.

[13] https://www.dcyf.wa.gov/sites/default/files/pdf/reports/EA-TraumaInformedCare2019.pdf, p. 15

2. Expand Access to Affordable Child Care and Early Learning Opportunities

There are many ways to conceptualize and measure access to child care and early learning. For instance, dimensions such as affordability (e.g., cost to families and providers), availability (e.g., provider supply, child care need met), quality, meeting caregivers' needs (e.g., flexible hours, distance from home) and equity (i.e., are there disparities in availability, affordability, quality, etc.)[14] may be used to describe access. For purposes of this first FSKA report, we will focus on affordability and availability.

Strategies

Affordability

In 2021 and 2022, DCYF and the legislatively formed Child Care Collaborative Task Force respectively produced authoritative reports related to affordability of care, including average cost to family and subsidy reimbursement rates. These results can be found in the 2021 DCYF Market Rate Survey and the 2022 Child Care Collaborative Task Force report. FSKA strategies to improve affordability and expand access include capping co-pays based on state median income (SMI) for the Working Connections Child Care (WCCC) subsidy program, expanding income-based eligibility for both ECEAP and WCCC, and creating and converting more 6-hour ECEAP slots. Copays for WCCC were waived from July-September 2021. By October 2021, child care subsidy eligibility and copay steps aligned with conversion to SMI and child care subsidies were available to families who made up to 60% of the SMI. In July 2023, WCCC copays were set at $165 for families between 50%-60% SMI, and by July 2025, child care subsidies will be available to families who make up to 75% of SMI. In July 2021, ECEAP slot rates increased by 10% and increased again in July 2022 to 7% for part-day (3 hours), 18% for school day (6 hours), and 9% for working day slots (10 hours). ECEAP eligibility increased to 36% of SMI in July 2022, added homelessness as an eligibility factor, and created tribal eligibility at 100% SMI. By July 2026, ECEAP eligibility will increase to 50% SMI when accompanied by additional qualifying factors and, 4 years after that, the 50% SMI eligibility will remain, regardless of qualifying factors.

Child Care Stabilization Grants

One of the largest areas of funding provided by the Fair Start for Kids Act is through the federal Child Care Stabilization Grants to providers. These grants helped increase the supply of providers, especially in FSKA priority areas – an increase in providers increases access for children and families to use child care and early learning.

There were three funding components of Child Care Stabilization Grants:

1. Program (based on license capacity)
2. Workforce (licensed capacity + staff-to-child ratio)

[14] Thomson et al., 2020

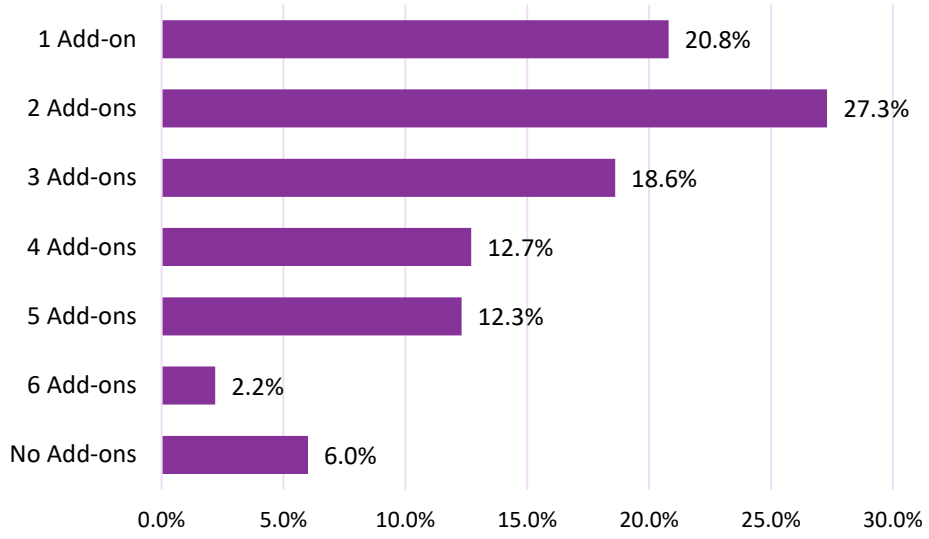
3. Verifiable add-ons (e.g., extreme child care access deserts, areas of high child maltreatment rates, high child poverty, high COVID-19 impact, racial disparities in kindergarten readiness, and serving or located in communities of color)

The baseline program award ranged from $15,000-$75,000. The workforce amount was awarded in addition to the program amount and was based on the estimated worker units at the facility. The workforce amount ranged from $9,000-$42,000. The workforce award had to be used for increasing wages (e.g., increases in payroll) or other recruitment and retention activities (e.g., sign-on bonus, retention incentive, marketing positions, etc.). Child care and early learning providers who met certain verifiable criteria were eligible to receive an additional "add-on" amount on top of their program amount and workforce amount. These verifiable add-on amounts were stackable, and each added $10,000 to the total grant amount.[15]

Since October 2021, DCYF has distributed $361.2 million in Child Care Stabilization Grant support to 5,375 licensed child care and early learning providers across Washington State. Of these grants, 159 have been awarded to licensed ECEAP providers, totaling $14.6 million. There are 430 total ECEAP sites, and 174 of them are licensed. To ensure equitable distribution of the Child Care Stabilization Grants into zip codes that met verifiable add-on criteria, OIAA analyzed how much of the total funding went to providers by number of add-ons, as well as how much a provider was awarded on average in relation to their number of add-ons. Figure 7 demonstrates that the largest percentage awarded, represented by 27.3% of the total Child Care Stabilization Grant funding, went to providers with two verifiable add-ons.

[15] For more information on grant award calculation please visit: https://www.dcyf.wa.gov/about/government-affairs/fair-start-for-kids-act/stabilization-grant

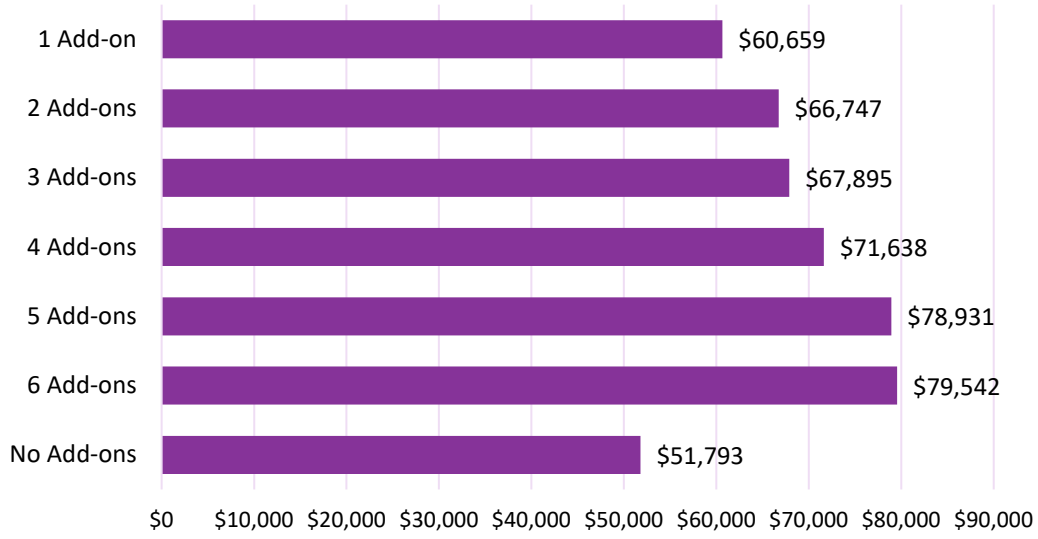
Figure 7. Percent of Total Child Care Stabilization Grant Funding by Number of Add-Ons, October 2021 – November 2022



Data Source: WaCompass, November 2022
Note: These numbers are for licensed providers only and do not include Family, Friend, and Neighbor (FFN) providers or license exempt ECEAP providers

Although it may appear that providers with two add-ons are receiving most of the money, Figure 8 demonstrates that providers with six verifiable add-ons receive more funding on average per provider. Therefore, the average amount that each individual provider received for their add-ons steadily increased, as expected.

Figure 8. Average Child Care Stabilization Grant Award per Provider by Number of Add-Ons, October 2021 – November 2022



Data source: WaCompass, November 2022
Note: These numbers are for licensed providers only and do not include Family, Friend, and Neighbor (FFN) providers or license exempt ECEAP providers

Outcomes

Using several different methods, we find strong evidence that the Child Care Stabilization Grants helped to stabilize the child care provider supply in Washington, with a disproportionately positive effect on providers serving those communities identified as high priority and furthest from opportunity.

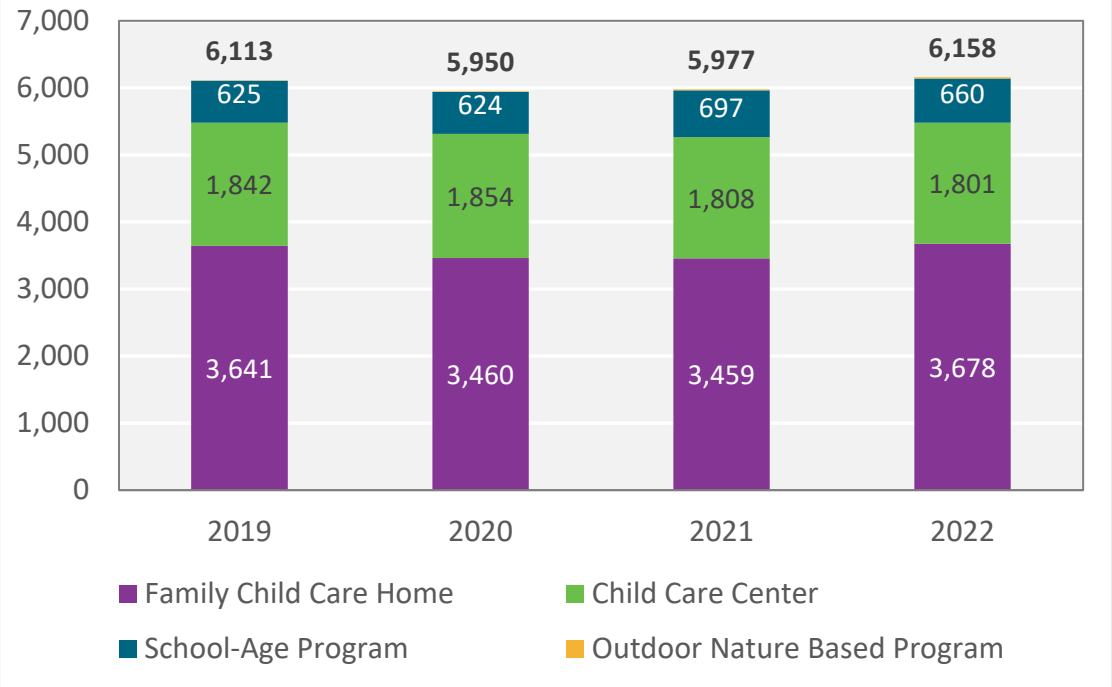
Increased Supply of Providers

The child care market is dynamic with constant entry and exit. In previous (e.g., Early Start Act 2018 Report) and current analyses, OIAA looks at the different components of the dynamic:

- Total number of provider organizations in any given year.
- "Entries": the total number of newly licensed provider organizations in a given year, presumably providing some care in the entry year.
- "Exits": the total number of provider organizations closing a licensed in a given year, presumably providing some care in the exit year.

Figure 9 displays the total number of licensed providers statewide each year in Washington from 2019 to 2022. We see that the total number of providers is fairly stable over time, with a slight increase in 2022. In 2019, there were 6,113 total licensed providers statewide, including 1,842 licensed centers and 3,641 licensed family homes. In 2022, there were 6,158 total licensed providers statewide, including 1,801 licensed centers and 3,678 licensed family homes.

Figure 9. Total Providers Per Year, 2019-2022



Data Source: DCYF WaCompass, May 14, 2023

A child care market in which provider exit rates are higher than entry rates will see a net decrease in providers over time. The desirable trend to stabilize and expand provider supply would be to see the provider entry rate exceed the exit rate over time. Exit rates are calculated by taking the number of providers exiting or ending their license in a given year, divided by the total number of providers at the start of that year. Entry rates take the number of providers with a new license in a given year, divided by the total number of providers at the start of that year.

Figures 10 and 11 illustrate the overall statewide entry and exit rate of family child care homes and child care centers from 2019 through 2022. Exit rates by county are provided in Appendix B.

Figure 10. Family Child Care Home Entry and Exit Rates, Statewide 2019-2022

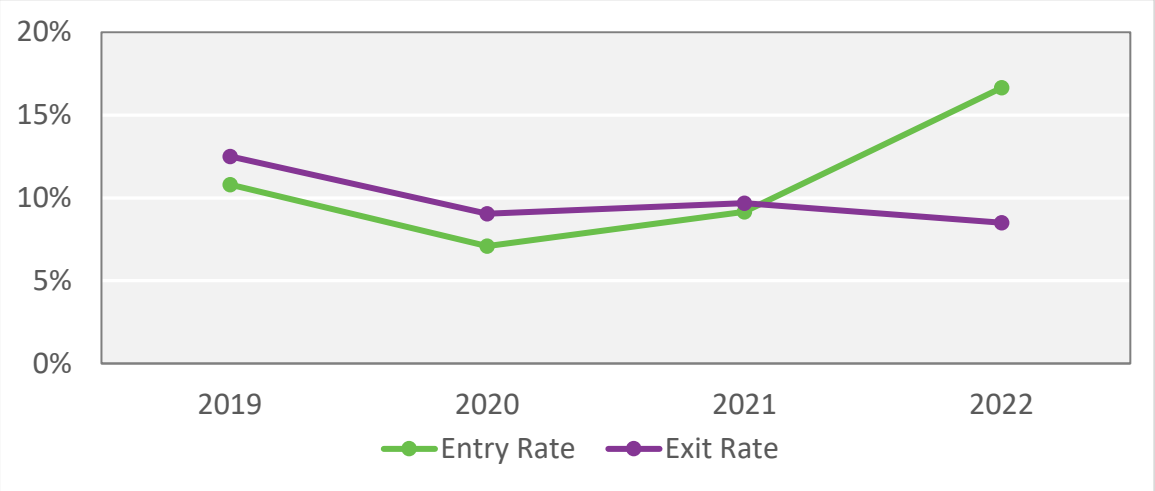
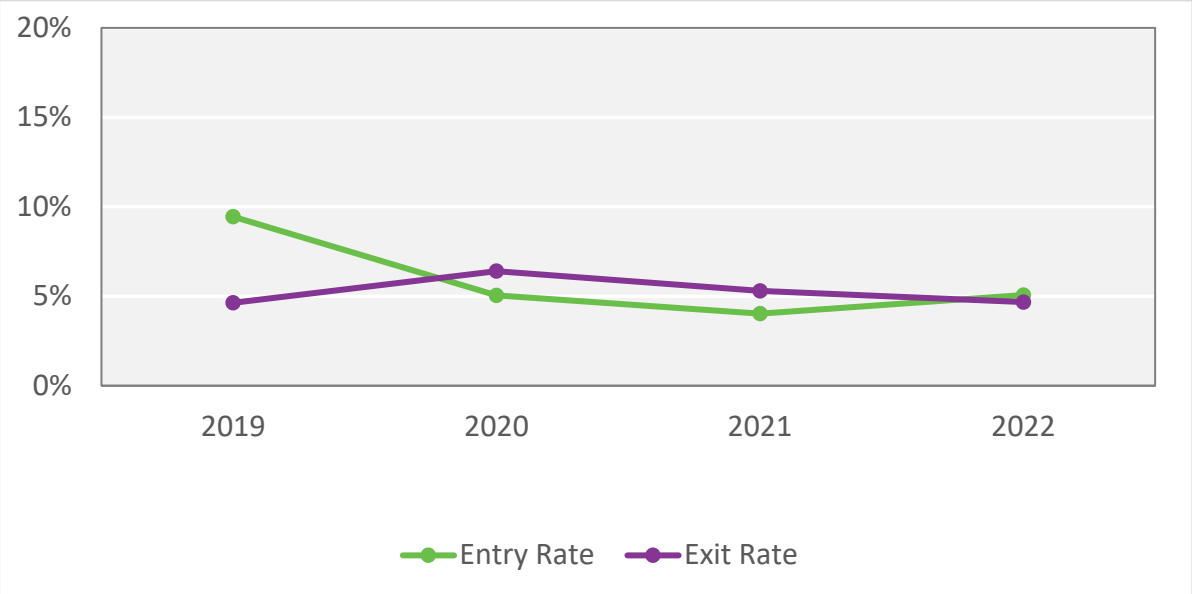


Figure 11. Child Care Center Entry and Exit Rates, Statewide 2019-2022



Data Source: WaCompass, July 2023

Statewide, the exit rate of total licensed providers dropped from 10% in 2019 to 7.5% in 2020 and stayed around this rate (9%) until 2021. In 2022, we see a downward trend for exit rate to 8%, as a lower portion of providers ended their licenses and exited the field. The entry rate almost shows a mirror image of exit rates – entry rates decreased to 7% during the COVID-19 pandemic in 2020 and began to rise slightly since 2021. In 2022, we see an upward trend to a

12.3% entry rate, as more providers with new licenses entered the field. Taken together, we see that by 2022 the number of licensed providers was greater than the number in 2019, and the provider entry rate is trending greater than the exit rate, driving a growing pool of licensed providers statewide. When looking at the comparison between the dynamics in family child care homes and child care centers, while both groups of licensed providers experienced a similar downward exit rate between 2020 and 2022 (27% and 16% respectively), family child care homes experienced a substantially higher entry rate during those same years (32%) than did child care centers (14%).

To help determine the relationship between the observed entry and exit rate trends and FSKA Child Care Stabilization Grant awards, we correlated grant award amounts from the Child Care Stabilization Grants and provider exit rate at the zip code level to analyze whether FSKA is helping to reduce provider exits. The Child Care stabilization Grant awards were based on a floor and a ceiling of funding based on provider size, licensed capacity, and other factors. Overall, we found a small, significant, negative correlation between total stabilization grant dollars per zip code and exit rates statewide, meaning that as grant dollars increase in a zip code, providers in zip codes across the state experienced lower exit rates. For every additional $100,000 dollars awarded in a given zip code, the exit rate is lowered on average to 21%, and $200,000 decreases the exit rate down on average to 16%.

We conducted further analysis to help determine the extent to which FSKA affected child care stabilization in the priority zip code groups that represent providers in communities furthest from opportunity prioritized in the FSKA policy objectives. Table 5 displays the differences in entering and exiting providers, and the entry-exit gap, by these priority zip code groups, including extreme access deserts, racial disparities in kindergarten readiness, high portion children of color, high child poverty, high COVID-19 impact, and high child maltreatment zip codes.

Table 5. Statewide Differences in Exiting and Entering Licensed Providers by Priority Zip Code Factors

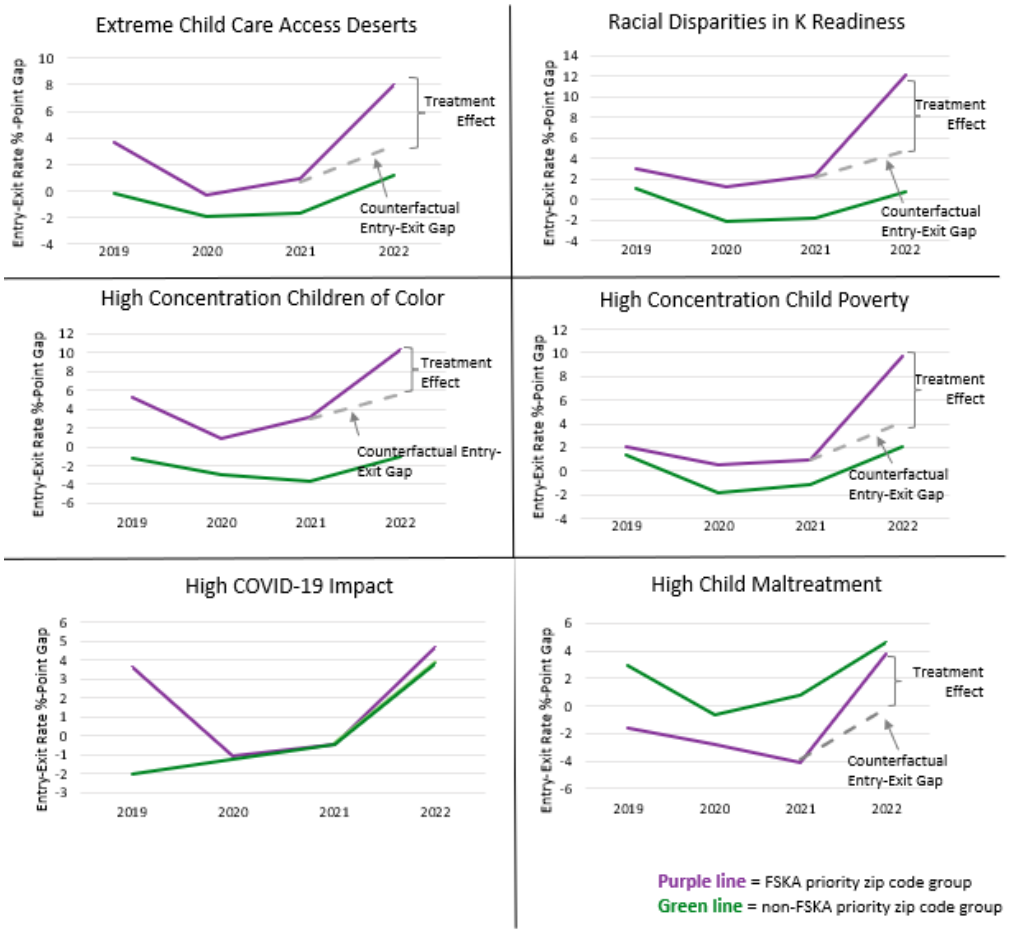
	2019		2020		2021		2022	
	N	Rate	N	Rate	N	Rate	N	Rate
Extreme Access Desert Zips								
Providers Start of Year	2,507		2,613		2,609		2,635	
Entering Providers	351	14.0%	184	7.0%	231	8.9%	410	15.6%
Exiting Providers	257	10.3%	192	7.3%	210	8.0%	201	7.6%
Entry-Exit Rate Gap		+3.7		-0.3		+0.9		+8.0
Not Identified as an Extreme Access Desert Zips								
Providers Start of Year	2,967		2,960		2,900		2,848	
Entering Providers	271	9.1%	185	6.3%	231	8.0%	264	9.3%
Exiting Providers	276	9.3%	244	8.2%	280	9.7%	232	8.1%
Entry-Exit Rate Gap		-0.2		-1.9		-1.7		+1.2
Racial Disparities in Kindergarten Readiness Zips								
Providers Start of Year	1,656		1,703		1,721		1,770	
Entering Providers	217	13.1%	127	7.5%	153	8.9%	314	17.7%

	Exiting Providers	168	10.1%	107	6.3%	112	6.5%	100	5.6%
	Entry-Exit Rate Gap		+3.0		+1.2		+2.4		+12.1
Not Identified as a Racial Disparities in Kindergarten Readiness Zips									
	Providers Start of Year	3,818		3,870		3,788		3,713	
	Entering Providers	405	10.6%	242	6.3%	309	8.2%	360	9.7%
	Exiting Providers	365	9.6%	329	8.5%	378	10.0%	334	9.0%
	Entry-Exit Rate Gap		+1.0		-2.2		-1.8		+0.7
High Portion Children of Color Zips									
	Providers Start of Year	2,405		2,525		2,538		2,615	
	Entering Providers	345	14.3%	185	7.3%	259	10.2%	434	16.6%
	Exiting Providers	220	9.1%	165	6.5%	178	7.0%	165	6.3%
	Entry-Exit Rate Gap		+5.2		+0.8		+3.2		+10.3
Not Identified as a High Portion Children of Color Zips									
	Providers Start of Year	3,069		3,048		2,971		2,868	
	Entering Providers	277	9.0%	184	6.0%	203	6.8%	240	8.4%
	Exiting Providers	313	10.2%	271	8.9%	312	10.5%	268	9.3%
	Entry-Exit Rate Gap		-1.2		-2.9		-3.7		-1.0
High Child Poverty Zips									
	Providers Start of Year	1,587		1,618		1,626		1,634	
	Entering Providers	179	11.3%	115	7.1%	129	7.9%	263	16.1%
	Exiting Providers	145	9.1%	107	6.6%	114	7.0%	104	6.4%
	Entry-Exit Rate Gap		+2.1		+0.5		+0.9		+9.7
Not Identified as a High Child Poverty Zips									
	Providers Start of Year	3,887		3,955		3,883		3,849	
	Entering Providers	443	11.4%	254	6.4%	333	8.6%	411	10.7%
	Exiting Providers	388	10.0%	329	8.3%	376	9.7%	329	8.5%
	Entry-Exit Rate Gap		+1.4		-1.9		-1.1		+2.1
High COVID-19 Impact Zips									
	Providers Start of Year	3,557		3,690		3,650		3,630	
	Entering Providers	443	12.5%	231	6.3%	324	8.9%	455	12.5%
	Exiting Providers	315	8.9%	273	7.4%	342	9.4%	284	7.8%
	Entry-Exit Rate Gap		+3.6		-1.1		-0.5		+4.7
Not Identified as a High COVID-19 Impact Zips									
	Providers Start of Year	1,917		1,883		1,859		1,853	
	Entering Providers	179	9.3%	138	7.3%	138	7.4%	219	11.8%
	Exiting Providers	218	11.4%	163	8.7%	148	8.0%	149	8.0%
	Entry-Exit Rate Gap		-2.0		-1.3		-0.5		+3.8
High Child Maltreatment Zips									
	Providers Start of Year	1,536		1,514		1,473		1,414	
	Entering Providers	129	8.4%	89	5.9%	99	6.7%	152	10.7%
	Exiting Providers	153	10.0%	131	8.7%	160	10.9%	98	6.9%
	Entry-Exit Rate Gap		-1.6		-2.8		-4.1		+3.8
Not Identified as a High Child Maltreatment Zips									
	Providers Start of Year	3,938		4,059		4,036		4,069	
	Entering Providers	493	12.5%	280	6.9%	363	9.0%	522	12.8%
	Exiting Providers	380	9.6%	305	7.5%	330	8.2%	335	8.2%
	Entry-Exit Rate Gap		+2.9		-0.6		+0.8		+4.6

Data Source: DCYF Child Care Licensing data

Using the knowledge of the gap between provider entry and exit rates (calculated as entry rate minus exit rate) in each of these categories allows us to compare them, and to determine impact of the FSKA investments in each priority group. Figure 12 details the gap trends between 2019 and 2022 for the six priority zip code groups against their non-priority comparison zip code groups.

Figure 12. Difference-in-Difference Analysis of Provider Entry-Exit Rate Gaps in Priority Zip Code Groups Statewide, 2019-2022



Data Source: DCYF Child Care Licensing data

The difference-in-difference analytic method,[16] using the zip codes in each group that were not identified as high priority as comparisons, allows us to calculate the size of the impact of the investments, which is the difference between the trend line between 2021 and 2022 that we

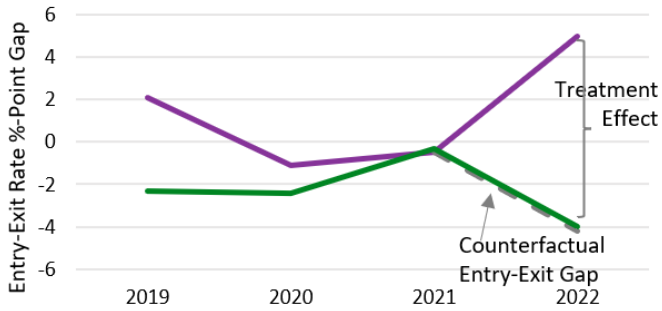
[16] Difference-in-difference is a quasi-experimental method that relies on the panel structure of the data at two points in time, before and after implementation of the intervention. It allows us to control for unobservable characteristics, and to attribute causality. See Angrist & Pischke (2009).

would have expected in the absence of the investments (labeled the "counterfactual entry-exit gap"), and the 2021-2022 trend line observed. The "treatment effect" represents the size of the gap in the entry rate over the exit rate that we can attribute to the targeted investments.

- The treatment effect for extreme access deserts zip codes is +4.6 percentage points in the entry-exit rate gap, representing 121 additional licensed providers in extreme access deserts in 2022, over what would have been expected in the absence of the targeted investments.
- The treatment effect for zip code areas with racial disparities in kindergarten readiness is +7.4 percentage points in the entry-exit rate gap, representing 132 additional licensed providers in 2022 in zip codes with racial disparities in kindergarten readiness, over what would have been expected in the absence of the targeted investments.
- The treatment effect for zip codes with high portion children of color is +4.7 percentage points in the entry-exit rate gap, representing 123 additional licensed providers in 2022 in zip codes with high concentration children of color, over what would have been expected in the absence of the targeted investments.
- The treatment effect for zip codes identified as high child poverty is +5.6 percentage points in the entry-exit rate gap, representing 91 additional licensed providers in 2022 in zip codes identified as high child poverty, over what would have been expected in the absence of the targeted investments.
- The treatment effect for zip codes identified as high COVID-19 impact is +0.8 percentage points in the entry-exit rate gap, representing 30 additional licensed providers in 2022 in zip codes identified as high COVID-19 impact, over what would have been expected in the absence of the targeted investments. [Note: this treatment effect is so small as to be almost not visible in Figure 12.]
- The treatment effect for zip codes identified as high child maltreatment is +3.9 percentage points in the entry-exit rate gap, representing 56 additional licensed providers in 2022 in zip codes identified as high child maltreatment, over what would have been expected in the absence of the targeted investments.

Finally, because these high priority zip codes often overlap, we examined the statewide impact of the FSKA targeted investments in high priority zip code areas altogether, compared with those zips not identified in any of the six high priority zip code groups. As shown in Figure 13, using the same difference-in-difference analytic method, we estimate an overall treatment effect of +9.1 percentage points in the entry-exit rate gap, representing 465 additional licensed providers statewide in 2022 in high priority areas of the state, over and above what would have been expected in the absence of the targeted investments.

Figure 13. Difference-in-Difference Analysis of Provider Entry-Exit Rate Gaps in Priority Zip Codes as a Whole Statewide, 2019-2022



Data Source: DCYF Child Care Licensing data

Table 6 details the 2019-2022 data used to generate the statewide analysis.

Table 6. Statewide Differences in Exiting/Entering Licensed Providers for Priority Zip Code Groups Altogether

	2019		2020		2021		2022	
	N	Rate	N	Rate	N	Rate	N	Rate
Any Priority Zip Code Group								
Providers Start of Year	5,090		5,208		5,160		5,136	
Entering Providers	589	11.6%	332	6.4%	427	8.3%	650	12.7%
Exiting Providers	482	9.5%	387	7.4%	453	8.8%	396	7.7%
Entry-Exit Rate Gap		+2.1		-1.1		-0.5		5.0
Not Identified in Any Priority Zip Code Group								
Providers Start of Year	389		368		352		349	
Entering Providers	46	11.8%	42	11.4%	38	10.8%	24	6.9%
Exiting Providers	55	14.1%	51	13.9%	39	11.1%	38	10.9%
Entry-Exit Rate Gap		-2.3		-2.4		-0.3		-4.0

Data Source: DCYF Child Care Licensing data

Overall, we find that FSKA stabilization grants targeting high-need zip codes have helped to stabilize the population of providers serving the highest need areas of the state.

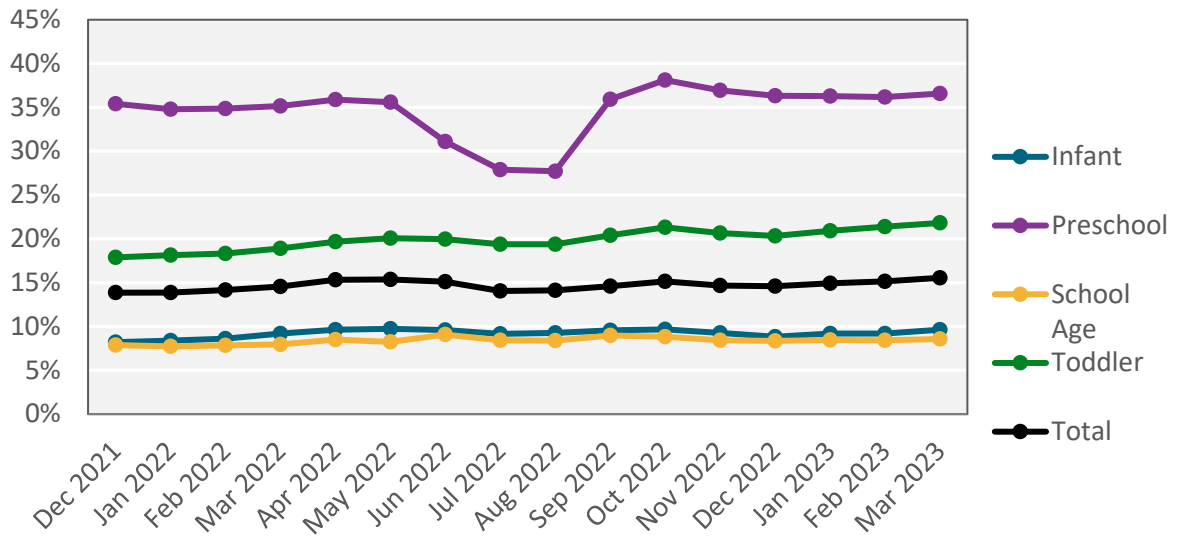
Need Met

One way that DCYF measures availability of child care and early learning for working families is through examining the percent of child care and early learning need met. DCYF estimates that families of about 278,000 children age birth through age 5, not yet in school, need access to child care because all available parents in the home are working. Only about 26% of these children are known or estimated to be served by licensed child care, preschool, and/or subsidized child care. Additionally, we estimate that families of over 495,000 school-age

children (kindergarten through age 12) are in need of care, and only about 12% of these children are known or estimated to be served by licensed child care, preschool, and/or subsidized child care. The percent of need met for licensed child care, preschool, and/or subsidized child care for children of all ages varies widely across the state. To capture the variability of percent of need met across the state, DCYF's OIAA maintains and regularly updates an interactive Child Care and Early Learning Need and Supply map that includes a variety of filters such as age and income bracket.

A key question OIAA endeavored to answer for this report was whether FSKA investments helped narrow or close gaps in supply/demand in subsidized child care. Figure 14 shows the overall percent of child care and early learning need met estimates over time. The earliest data in this series begins in December of 2021, five months after FSKA funding was initiated. For the all ages line, from December 2021-March 2023, the percent of child care need met remains relatively consistent between about 13.9% and 15.3%. The small dip between June-August of 2022 to 14.1% need met is likely related to child care and early learning seasonality. Preschool aged children had the highest percent in child care need met, followed by toddlers, infants, and school age children. OIAA will continue to report on additional months and years to examine whether FSKA is helping narrow or close gaps over time.

Figure 14. Percent of Child Care Need Met Over Time, by age group, December 2021-March 2023



Data Source: "Need" estimates are from American Community Survey, defined as children with all available parents in the workforce. "Supply" estimates are from DCYF subsidy warrant data, ECEAP enrollment, Head Start slot counts, and estimates of private pay child care participation. Supply estimates to do not include Transitional Kindergarten programs operated by school districts.

It is important to note that available research and experience suggest that the upper limit of take-up of licensed child care is not 100%. For preschool age children, the Washington State Caseload Forecast Council estimates that if options were universally available the take-up rate for public preschool would likely be approximately 80%. Estimates for younger children are not

as clear in the research. We have some insight however from the 2021 DCYF Parent Survey (referenced in the first section of this report) where we found that among working parents of infants/toddlers, 42% of those families in lower income housholds (<=200% FPL) and 53% of those in housholds >200% FPL reported that their infant/todders were in out-of-home care (licensed and unlicensed) prior to the COVID-19 pandemic.

Building on the data above, we sought to answer the question of where child care need/supply gaps are narrowing or widening. Therefore, we examined descriptive 2021 and 2023 data on need/supply for children residing in FKSA priority zip codes to see if the level of child care need met has increased over time and in which locations. In Table 7 presented below, the numerator is the number of children receiving all forms of subsidized and licensed care (e.g., ECEAP, WCCC, HS and private pay licensed child care), and the denominator is the total population birth through age 12 eligible for this care (served and unserved). Results for children in households <=60% SMI are detailed in Table 7. Overall, we find that percent in child care need met was highest for preschool age children, and that infants, toddlers, and school age children experienced increases in most of the FSKA priority zip code areas between 2021 and 2023. The FSKA priority zip codes groups where improvements were greatest for all age groups included those living in extreme child care access deserts, those with racial disparities in kindergarten readiness, those with high concentration children of color, and those with high child poverty. The only FKSA priority zip code groups where this trend did not hold were high COVID-19 impact and high child maltreatment zip codes.

Table 7: Percent Child Care Need Met in Designated Priority Zip Code Groups, Children in Households <=60% SMI, 2021 & 2023

	Infant		Toddler		Preschool age		School Age	
	2021	2023	2021	2023	2021	2023	2021	2023
Extreme Child Care Access Desert	5.7%	6.4%	10.9%	13.4%	33.2%	33.7%	5.7%	6.1%
Racial Disparities in K Readiness	5.7%	7.1%	11.1%	14.4%	35.0%	36.7%	6.0%	6.9%
High Concentration of Children of Color	5.7%	6.9%	11.1%	14.4%	34.7%	36.4%	6.1%	7.0%
High Concentration of Child Poverty	6.0%	6.7%	10.9%	13.8%	37.0%	37.1%	5.6%	6.2%
High COVID-19 Impact	5.6%	5.9%	10.8%	13.1%	33.1%	32.9%	5.4%	5.9%
High Rate of Child Maltreatment	5.6%	5.5%	10.2%	12.2%	33.9%	33.4%	4.6%	4.6%

Data notes: “Need” estimates are from American Community Survey, defined as children with all available parents in the workforce. “Supply” estimates are from DCYF subsidy warrant data, ECEAP enrollment, Head Start slot counts, and estimates of private pay child care participation. Supply estimates to do not include Transitional Kindergarten programs operated by school districts.

3. Promoting Kindergarten Readiness

School readiness or kindergarten readiness skills (i.e., the skills children develop before entry to the K-12 system) are essential for success in school as well as outcomes later in life. Common dimensions of kindergarten readiness include physical, cognitive, social-emotional, language, and pre-literacy development, as well as self-control/focus (executive function) skills. Kindergarten readiness also means schools are ready for children and families to support their unique needs.

Each year about 80,000 children enter kindergarten in Washington's public-school system. Across all groups in 2022, 54% of children in Washington are assessed as meeting criteria for kindergarten readiness on all six domains. Children from families with higher income are most likely to be assessed as ready for kindergarten, while children from families with middle income and lower income are assessed as ready for kindergarten at lower rates. The Washington Office of Superintendent of Public Instruction (OSPI) reports that 34.8% of children from households with low-income (i.e., those participating in the free/reduced lunch program) were assessed as ready in Fall 2022, compared with 56% of children not from households with low-income. There is also variation in kindergarten readiness when disaggregated by race and ethnicity, with 61.3% of Asian children and 54.9% of white children assessed as ready in Fall 2022, compared with 30.1% of Native Hawaiian/Pacific Islander, 34% of Hispanic children, 34.2% of American Indian/Alaska Native children, and 40.5% of Black/African American children.[17]

Strategies

Complex Needs Funds

In addition to the strategies already noted in previous sections, the FSKA directs DCYF to coordinate the Complex Needs Fund[18], which promotes inclusive, least restrictive environments and support providers serving children with developmental delays, disabilities, behavioral needs, or other unique needs. Supports outlined in the Complex Needs Fund bolster children's social-emotional development (a dimension of kindergarten readiness). Two streams of funding were created from the Complex Needs Fund: 1) The Child Care Complex Needs Fund and 2) The ECEAP Complex Needs Fund. A total of $9.7 million dollars was available for both grants.

Round one of the Child Care Complex Needs Fund opened on May 10, 2022, and closed on June 21, 2022. DCYF received 1,400 applications in this first round, requesting $87 million. DCYF awarded $7.38 million dollars in funding to 131 applicants. Round two application opened on

[17] See OSPI Kindergarten Readiness Report Card https://washingtonstatereportcard.ospi.k12.wa.us/ReportCard/ViewSchoolOrDistrict/103300

[18] According to the Budget Bill, $2,535,000 of the general fund—state appropriation for fiscal year 2022, $2,535,000 of the general fund—state appropriation for fiscal year 2023, and $4,604,000 of the general fund—the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSAA) are provided solely for the implementation of complex needs funds. State dollars were used for the ECEAP Complex Needs Fund and the CRRSA dollars were used for the Child Care Complex Needs Fund.

Sept. 26, 2022, and closed Nov. 10, 2022. DCYF's budget for Round two was $5.3 million. DCYF received 1,153 applications requesting more than $149 million in funding. Round two total grant awards funded 101 applications (58 child care centers, 35 licensed family child care homes, 4 family, friend, and neighbor (FFN) providers, and 4 tribal programs) for a total of $5.29 million. Additional opportunities via the FY24 Child Care Complex Needs Fund will be available Fall 2023.

ECEAP began receiving Complex Needs Funding in 2020-2021 to better support the increasing needs of children furthest from opportunity in our state. Since then, the legislature increased this funding annually, and included these increases in the FSKA legislation. See Table 8 for more details:

Table 8. ECEAP Complex Needs Funding Requests, Awards, and Number of Contractors

Year	Requested Amounts	Awarded Amounts	Number of Contractors Awarded
2020-2021	$3,914,000	$2,200,000	26
2021-2022	**Continued Staffing Supports** $1,935,000 **New Projects** $4,560,000	$$1,123,000 $3,564,000	18 36
2022-203	$8,355,000	$4,622,000	43
2023-2024	$11,635,000	$6,965,000	47

*Note: A few contractors represent a double count if they provide Early ECEAP and ECEAP

Contractors applied for this funding during the spring of each programming year so that staffing positions created with this funding could continue from one fiscal year to the next. Noted in the table above, contractor requests for ECEAP Complex Needs Funding have consistently been greater than the amount of funding available. 2023-2024 funding amounts were awarded to eligible ECEAP contractors and payment of this funding has been folded into the ECEAP payment processes. Here are some examples of how this Complex Needs Funding was used:

- Additional classroom staff
- Increased mental/behavioral health consultation
- Supportive and adaptive materials and equipment
- Adaptive curriculum
- Teacher coaching and training
- Filling unique transportation needs

For one contractor using ECEAP Complex Needs Funding, a Classroom Support Specialist (CSS) was assigned to provide one-on-one support during class time to teach and model emotional regulation, safe behaviors, and how to engage in safe play with others (see quote on the right). This child exhibited harming and dangerous behaviors towards themself and others.

"The CSS visited the boy's developmental preschool class to learn about strategies the Special Education Teachers use to support his growth. Specialized materials were purchased to support social/emotional regulation in his ECEAP class, including a body sock that is used in his developmental class, a crawl and calm tunnel, and sensory pop tubes. The CSS also talked with the mom about his highly developed gross motor skills and suggested a gymnastics class for him. Mom was interested in gymnastics, but it was not affordable for her. The CSS worked with a local gymnastics gym and arranged for a 50% fee reduction and then submitted a Village Fund request through the Educational Opportunities for Children and Families non-profit to cover 25% of the class fee. This arrangement made it possible for him to attend a gymnastics class." – ECEAP Contractor

Outcomes

Kindergarten Readiness

To investigate the impact of FSKA funding on children's kindergarten readiness skills, OIAA analyzed the association between kindergarten readiness scores using publicly available 2022-2023 OSPI WaKIDS data and areas of the state where providers were receiving the 2021-2022 FSKA Child Care Stabilization Grants (Child Care Stabilization Grants are described in detail in Section 2). We reasoned that 2021-2022 FSKA grants may have stabilized access to high quality child care, thus supporting the development of 4-year-olds who started kindergarten and were assessed on the WaKIDS in Fall 2022. We found no significant association between stabilization grants and percent ready for kindergarten at the zip code level. There are several limitations/notes for this analysis. In general, kindergarten readiness rates have been stable over quite some time, and are impacted by multiple, complex factors. Another limitation of this analysis is that it also includes kindergarten readiness scores for children who may not have had a full year of FSKA-impacted care.

Additionally, the mechanism by which high quality child care and early learning may potentially improve kindergarten readiness is primarily through high dosage, or exposure to high quality early care and education. The Early Start Act of 2015 required providers serving children and families receiving subsidy or state-funded preschool to participate in Early Achievers, Washington State's quality rating and improvement system. This act also created timelines and rating milestones for providers required to participate in Early Achievers. The Joint Select Committee on the Early Achievers Program was created to monitor implementation progress. The committee submitted recommendations to the legislature in January 2019. Since 2019, Early Achievers, has included a 3+ rating to recognize the progression of quality per the committee's recommendations. In its December 2020 report evaluating the relationship between child care quality and kindergarten readiness, the Washington State Institute for Public Policy found that child care and early learning Early Achievers quality ratings need to be high in order to be significantly associated with greater kindergarten readiness for providers serving children from low-income households. In 2022, just 14% of providers enrolled in Early

Achievers (763 providers) were rated at 3+ or above. During the years included in these analyses, Early Achievers has been undergoing numerous changes, and a large portion of enrolled licensed providers (over 2,800 or 53%) were unrated in 2022.[19]

Currently, FSKA funding appears to have had little impact on children's kindergarten readiness. We will continue to explore different methods to use to analyze kindergarten readiness and FSKA policy in future reports.

[19] DCYF Agency Performance webpage, Early Achievers Rated Providers: https://www.dcyf.wa.gov/node/4157

4. Supporting the Child Care and Early Learning Workforce

Child care providers and early childhood educators play an important role in the lives of children. Research shows high-quality early learning opportunities are key to ensuring children start school ready to succeed. Children need stable, high-quality interactions with adults to ensure improved outcomes for children, youth, and families. An early learning workforce that is well qualified and in stable employment will best support children to reach their full potential and best support DCYF's goal to eliminate race and income as predictors of school readiness.

Strategies

A professional development system is a comprehensive framework of professional preparation and ongoing learning support for early childhood and school-age professionals across a variety of roles, settings, and sectors. Professional development encompasses the methods of adult learning and training, supporting higher education qualifications, and fair and competitive compensation.

Components of the FSKA funding include supporting Washington's child care and early childhood workforce via professional development initiatives listed in Table 9 below:

Table 9. FSKA professional Development Strategies

Activity	Braided Funding	Instances	People
Increase no cost access to required training	$3,000,000	479	Data not available
Increase delivery of Trauma-informed care training	$500,000	142 (21 in Spanish 23 in Somali)	3,828
Increase Early Achievers scholarships by $1 Million per year	Data not available	Not Applicable	Data not available
Update, revise, and develop required and prioritized content for access to quality professional development	$935,000	Not applicable	Not applicable
Increase supports for state-approved trainers	$90,000	Data not available	Data not available
Implement early math PD strategy	$115,000	12	Data not available

Development of data system and learning management for training delivery	$100,000	Not applicable	Not applicable
Invest in provider co-design groups for content development	$180,000	12	Data not available

Trauma Informed Care

Through the FSKA, DCYF is growing trauma-informed care supports for eligible workers. This includes rulemaking and distributing financial awards for completing DCYF-recognized trauma-informed education and training. DCYF uses the Substance Abuse and Mental Health Services Administration (SAMHSA) definition of trauma informed care – the "Four 'Rs." According to SAMHSA, a trauma informed organization:

- **Realizes** the widespread impact of trauma and understands the potential paths for recovery.
- **Recognizes** signs and symptoms of trauma in clients, families, staff, and others involved with the system.
- **Responds** by fully integrating knowledge about trauma into policies, procedures, and practices.
- Actively **resists** re-traumatization.

DCYF provided financial awards of up to $1,200 to individual eligible providers with trauma-informed knowledge and skills gained through recognized training and education. Eligibility means that the individual satisfies legislative criteria, including having an active job role and account in the Managed Education Registration Information Tool (MERIT) database, is employed by a subsidy provider, and has completed DCYF-approved training that is recorded in their professional record.

DCYF was allocated $2.2 million to distribute for FSKA trauma informed care awards. The agency authorized $2.1 million in awards for 3,077 eligible participants, with an average award amount of $717 per participant.

Outcomes

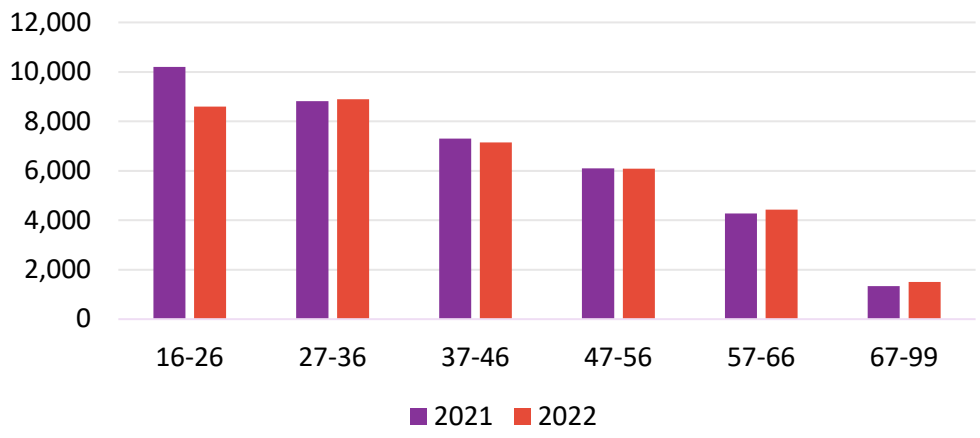
As noted above in the introductory section of this report, the number of employees in the state's child care industry overall has recovered and increased since the onset of the COVID-19 pandemic. Recovery of the number of child care workers is one key outcome metric for evaluating the impact of the FSKA on the child care and early learning workforce. Additionally, we attempt to consider workforce turnover to determine how FSKA funds are impacting the participation of different groups of workers within the early learning workforce. We attempted to assess the extent to which the early care and education profession is recruiting and retaining diverse, experienced, and skilled early childhood workers and under what conditions they stay

and leave. OIAA uses early learning workforce data from the Managed Education Registration Information Tool (MERIT) database; however, due to the limitations of MERIT, only a subset of workers in 2021 and 2022 can be validated as active participants in the child care and early learning workforce. Unfortunately, two years of data are insufficient for understanding trends in turnover. MERIT does not require individuals to provide notice for leaving the workforce, and although WAC 110-300-0115 requires employers to regularly update employee end dates, this is not always consistently done, so it is not always possible to accurately understand when workers exit. During the interim period, we will continue to explore alternative methods to estimate turnover in Washington's child care and early learning workforce using MERIT data.

In 2021, early learning and child care workers became eligible for the Washington Health Benefit Exchange insurance (an initiative created by the FSKA). Starting in 2021, DCYF's Early Learning division generates a weekly list of valid workers from MERIT and shares it with the Washington Health Care Authority. Health benefits are an important intervention that support stabilizing the child care and early learning workforce. Reviewing MERIT records in conjunction with background check data is the most reliable way to validate if the individual is active. The following data come from a curated MERIT dataset that combined weekly lists of active early learning and child care workers eligible for health insurance from October 2021 (*N*=38,787) and October 2022 (*N*=36,799), for a total of 47,458 individual workers as of March 2023. This should not be interpreted as the complete DCYF-affiliated workforce, or a sample of the workforce. It is the full population of the DCYF-affiliated workforce that is eligible to access the health benefit. These two lists were drawn from the MERIT database, combined, and matched for 2021 and 2022 workforce information for each individual. In October 2023, a third year of data will be added, enhancing our capacity to describe changes in the workforce under the FSKA in the future.

Using these validated active MERIT worker lists from 2021 and 2022, Figure 15 shows the number of MERIT workers eligible for health insurance in calendar year (CY) 2021 and 2022 broken down by age group. The average age of the workers in the dataset is 37 years.

Figure 15. Child Care & Early Learning Linked MERIT Workforce Counts by Age Group, 2021 – 2022



The total number of valid, active workers eligible for the health insurance benefit decreased somewhat from CY 2021 to 2022 with a large portion of the decrease attributed to the 16- to 26-year-old age group. This contrasts with the BLS findings, described in the background and context workforce section, which describes child care industry employment as on the rise and having reached pre-pandemic levels. The populations differ among DCYF's active, health care eligible early care and education workforce as captured in MERIT and BLS data. BLS data includes anyone who reports on the Current Population Survey that they work in the child care industry, including unlicensed care, but excluding preschool, while MERIT data are specific to the DCYF-affiliated workforce, including any licensed or ECEAP provider. It may be that there was a greater increase in participation in the unlicensed child care workforce in Washington in 2020-2022 that were simply not captured in MERIT.

Additionally, there is a slight increase in workers in older age groups, specifically age 57 and older. However, this difference does not make up for the decrease in the linked MERIT active workforce. While the active, health benefit-eligible workforce shrank overall by 1,409 individuals from CY 2021 to CY 2022, the proportion of workers in each age range changed little. The validated linked MERIT data are limited to CY 2021 and CY 2022, so any trends and conclusions drawn are tenuous; more data of higher quality will be required to support more detailed and conclusive analyses in future.

In 2020, the state legislature extended the timeline to meet education requirements and create alternative and community-based pathways to encourage workers to meet education

requirement by 2026.[20] There are three options to meet education qualifications: 1) training/Provider Access to a Community Equivalent (PACE), 2) experience, and 3) obtaining educational degrees. For the purposes of this report, the following data only report on educational degrees.

Of the 47,458 active, health benefit-eligible MERIT workers in 2021 and 2022, only 13,774 and 13,122 individuals responded to any educational questions. This represents a missing data rate of 64% of the active workforce's educational attainment. Of those reporting, most workers reported earning at least one degree and close to 20% of these are high school degrees (see Table 10). Of the individuals for whom high school was their highest degree, just over 50% are at least 37 years old. To meet the education requirement of holding a college degree by 2026, the college scholarship incentives may not be appealing for this relatively older age group.

Table 10. Child Care & Early Learning Linked MERIT Workforce Educational Attainment, 2021–2022

	2021		2022	
Degree	N	%	N	%
High School	7,262	19.1%	6,552	17.7%
Associates	2,306	6.1%	2,390	6.5%
Bachelors	3,497	9.2%	3,512	9.5%
Masters	671	1.8%	635	1.7%
Doctorate	38	0.1%	33	0.1%
Total Reporting	**38,107**		**36,699**	

Data Source: DCYF linked health-benefit eligible workforce. Missing data omitted, percentages reported on non-missing data only.
Note: this table only includes degrees and does not include certificates.

The following series of tables display descriptive data on the total number of active, health benefit-eligible MERIT workers in 2021 and 2022, disaggregated by available demographic and setting characteristics (e.g., age, race/ethnicity, language, facility type, program type, and quality rating). We can use these data to observe differences in the workforce between 2021 and 2022 and explore some of the possible effects of the FSKA funding on stabilizing the early learning workforce.

Table 11 shows active, health benefit-eligible child care and early learning workers in the DCYF MERIT database in 2021 or 2022 displayed by race and ethnicity. Race and ethnicity data are missing for 10% of this workforce. Using these data, we see that the number of Black/African American, Asian, and Hispanic workers in MERIT eligible for health insurance decreased from 2021 to 2022, but the differences are relatively small. There were slightly more workers in MERIT who identify as white who were eligible for health insurance in 2022 than in 2021. There were virtually no differences among American Indian/Alaska Native (AI/AN), and Native Hawaiian/Pacific Islander (NH/PI) MERIT workers eligible for health insurance between each year.

[20] WAC 110-300-0100

Table 11. Child Care & Early Learning Linked MERIT Workforce Race and Ethnicity, 2021–2022				
Race/Ethnicity	All MERIT workers in 2021 eligible for health insurance		All MERIT workers in 2022 eligible for health insurance	
	N	%	N	%
AI/AN	735	2.1%	726	2.2%
Asian	3,280	9.6%	2,943	9.0%
Black/African American	3,583	10.5%	3,212	9.8%
NH/PI	423	1.2%	376	1.1%
Hispanic	8,144	23.8%	7,456	22.8%
White	18,027	52.7%	18,059	55.1%
Total	**34,210**		**32,772**	

Data Source: DCYF linked health-benefit eligible workforce. Missing data omitted, percentages reported on non-missing data only.

Table 12 displays the primary and secondary languages reported in MERIT, and the count of individuals who were eligible for health insurance in 2021 and 2022. There are far more English speakers in MERIT than other languages (over 50% and 80% English speakers in both years). In 2022, the number of workers eligible for health insurance who listed English as their primary language slightly increased compared to 2021. For primarily Somali-speaking workers in the MERIT workforce, the number eligible for health insurance stayed the same between 2021 and 2022. The number of primarily Spanish-speaking MERIT workers eligible for health insurance slightly decreased in 2022 compared to 2021. The total number of people working in either 2021 or 2022 who indicated a second language is 19,534. Overall, there were fewer people working in 2022 compared to 2021, a similar pattern for workers who listed primary languages. The number of workers eligible for health insurance who listed English, Somali, and Spanish as their secondary languages remained relatively similar between 2021 and 2022.

Table 12. Child Care & Early Learning Linked MERIT Workforce Languages, 2021–2022								
Languages	Primary Language				Secondary Language			
	All MERIT workers in 2021 eligible for health insurance		All MERIT workers in 2021 eligible for health insurance		All MERIT workers in 2022 eligible for health insurance		All MERIT workers in 2022 eligible for health insurance	
	N	%	N	%	N	%	N	%
English	30,716	80.7%	29,911	81.7%	9,157	57%	8,432	57.1%
Somali	838	2.2%	784	2.1%	459	2.9%	339	2.3%
Spanish	3,898	10.2%	3,539	9.7%	3,468	21.6%	3,233	21.9%
Total	**38,042**		**36,622**		**16,054**		**14,772**	

Data Source: DCYF linked health-benefit eligible workforce. Missing data omitted, percentages reported on non-missing data only.

Table 13 displays job and program types and the count of individuals in the early care and education workforce eligible for health insurance in 2021 and 2022. There was a large increase of aides/assistants and teachers eligible for health insurance from 2021 to 2022. The number of administrators in the workforce registry eligible for health insurance slightly increased from 2021 to 2022 as well. Within ECEAP and Head Start programs, there were small increases in the number of MERIT workers eligible for health insurance from 2021 to 2022. The pattern for workers providing care in licensed programs was similar from 2021 to 2022, but the increase was much larger (69% to 84%).

Table 13. Child Care & Early Learning Linked MERIT Workforce Job and Program Type, 2021–2022

Job Type	All workers in 2021 eligible for health insurance		All workers in 2022 eligible for health insurance	
	N	%	N	%
Aide or Assistant	11,082	29.1%	13,284	36.2%
Teacher	9,109	23.9%	10,649	29.0%
Administrator	6,206	16.3%	6,608	18.0%
Total	38,107		36,699	
Program Type				
ECEAP	2,615	6.9%	2,779	7.6%
Head Start	1,949	5.1%	2,078	5.7%
Licensed	26,526	69.6%	30,941	84.3%
Total	**38,107**		**36,699**	

Data Source: DCYF linked health-benefit eligible workforce. Missing data omitted, percentages reported on non-missing data only.

Over the 2021-2022 time period examined here, the number of workers in the workforce registry, MERIT, eligible for health insurance increased for those who were white, English-speaking, hold positions of aides or teachers, and those who work in licensed child care centers. The portion of MERIT workers eligible for health insurance decreased somewhat for those who identify as Black/African American, Asian, Hispanic, Spanish-speaking, and are in the 16 to 20 age group. There was little difference in the populations examined here on either Educational Achievement and Early Achievers quality ratings reported between 2021 and 2022.

Some limitations of this analysis to keep in mind include:

1. Some fields are optional in MERIT, depending on role and monitoring requirements.
2. Licensing WAC and ECEAP performance standards require employers to maintain accurate staff records in MERIT, but roles outside of this requirement may not maintain their records regularly.

3. MERIT functionality has historically driven program administrators to occasionally cross-list job roles, this could result in an overestimate of workforce numbers.
4. MERIT includes job roles for individuals across various early learning settings. Additional analysis needs to occur to determine if changes in employment dates mean the person left the field overall, or only moved from their employer.
5. The health benefits data used for analysis does not include staff employed at license exempt ECEAP providers as they are not eligible for these benefits.

Conclusion

The four main policy objectives of the Fair Start for Kids Act (FSKA) are to 1) advance racial equity, 2) expand access to affordable early care and education, 3) promote kindergarten readiness, and 4) stabilize the child care and early learning workforce. OIAA conducted outcome analyses in these areas to determine how FSKA investments are impacting the FSKA policy objectives.

Overall, we find strong evidence that FSKA investments have helped to stabilize the licensed child care system in Washington, with a disproportionately positive effect in those communities identified as high priority and furthest from opportunity.

Related to the Fair Start for Kids Act equity objective, we find:

- FSKA investments have increased the number of licensed early learning and child care providers in areas of the state with racial disparities in kindergarten readiness and those with high concentration of children of color.

Related to the Fair Start for Kids Act objective to expand access to affordable early care and education, we find:

- FSKA-targeted investments have increased the number of licensed early learning and child care providers in areas of the state identified as high need, especially in those areas identified as extreme child care access deserts, those with racial disparities in kindergarten readiness, high concentration of children of color, and those with high concentration of child poverty.
- FSKA-targeted investments also increased the number of licensed child care providers in areas of the state identified as high COVID-19 impact, and those with high rates of child maltreatment, but the effects in these two zip code groups was more modest.
- FSKA-targeted investments have increased the number of licensed early learning and childcare providers statewide and preserved and expanded licensed capacity.
- Working families with infants and toddlers have the greatest unmet need for child care.

Related to the FSKA objective to promote kindergarten readiness, we find:

- There is no evidence that FSKA investments have (yet) impacted kindergarten readiness.

Related to the FSKA objective to support the child care and early learning workforce, we find:

- The Bureau of Labor Statistics reports that there are more workers statewide in the child care industry now than before the COVID-19 pandemic.

- There were fewer early learning and child care workers eligible for health insurance in October 2022 than October 2021, indicating a recent potential decrease in the DCYF-affiliated child care and early learning workforce.
- Among those eligible for health insurance in October 2022, there were slight decreases in the population of workers who identify as Black, Asian, Hispanic, Spanish-speaking, and in the youngest age group, compared with October 2021.

This is the first of what will be a regular report, published every-other-year, as directed in the FSKA legislation, with the next report anticipated September 2025. In the 2025 report, we expect to include further outcome analysis on expulsions in child care, access to care, kindergarten readiness, provider entry and exits, and child care workforce turnover. In addition, DCYF's OIAA will produce supplemental analyses and data during interim periods, available on the DCYF external website, to help inform FSKA implementation.

References

Angrist, J. D., & Pischke, J. S. (2009). Chapter 5: Fixed Effects, DD, and Panel Data. In Sullivan, T. & Ditchik, S. (Eds.), *Mostly harmless econometrics: An empiricist's companion* (pp. 227-243). Princeton University Press. Retrieved from http://www.newblankets.org/worth_a_look/Mostly%20Harmless%20Econometrics.pdf

Austin, L. J, Edwards, B., Chávez, R., & Whitebook, M. (2019). Racial Wage Gaps in Early Education Employment. *UC Berkeley: Center for the Study of Childcare Employment*. Retrieved from https://escholarship.org/uc/item/0vn9c11c

Bassok, D., & Weisner, K. (2022). *Who are the teachers leaving child care centers? Evidence from Virginia*. University of Virginia: EdPolicyWorks. Retrieved from https://files.elfsightcdn.com/022b8cb9-839c-4bc2-992e-cefccb8e877e/bdc3470c-930e-4dcb-9448-1f6a30c4f0b5/2022-Virginia-Leavers-Report_Final.pdf

Bayly, B. L., Bierman, K. L., Jacobson, L. (2021). Teacher, center, and neighborhood characteristics associated with variations in preschool quality in childcare centers. *Child Youth Care Forum*, *50*(5). 779-803. DOI: 10.1007/s10566-021-09599-0

Brown, L. (2020). Washington state child care industry assessment. Washington State Department of Commerce. Olympia, WA. Retrieved from https://www.commerce.wa.gov/wp-content/uploads/2020/08/Child-Care-Collaborative-Task-Force-Industry-Assessment-Report.pdf

Brown, L. (2022). The true cost of quality child care in Washington: Recommendations to make care more accessible for families and sustainable for providers. Washington State Department of Commerce. Olympia, WA. Retrieved from https://app.leg.wa.gov/ReportsToTheLegislature/Home/GetPDF?fileName=COH_CommerceReports_Child%20Care%20Collaborative%20Task%20Force_3b7a3311-36d0-4c19-a3e1-2ae085d8d41d.pdf

Campbell, F., Conti, G., Heckman, J. J., Moon, S. H., Pinto, R., Pungello, E., & Pan, Y. (2014). Early childhood investments substantially boost adult health. *Science*, *343*(6178), 1478-1485. DOI: 10.1126/science.1248429

Caven, M., Khanani, N., Zhang, X., & Parker, C. E. (2021). Center-and program-level factors associated with turnover in the early childhood education workforce (REL 2021-069). U.S. Department of Education, Institute of Education Sciences, National Center for Education Evaluation and Regional Assistance, Regional Educational Laboratory Northeast & Islands. Retrieved from https://ies.ed.gov/ncee/rel/regions/northeast/pdf/REL_2021069.pdf

Child Care Aware (2022). Demanding Change: Repairing our Child Care System. Retrieved from https://info.childcareaware.org/hubfs/2022-03-FallReport-FINAL%20(1).pdf

Conners Edge, N. A., Kyzer, A., Davis, A. E., & Whitman, K. (2022). Infant and early childhood mental health consultation in the context of a statewide expulsion prevention initiative. *Journal of Educational and Psychological Consultation*, *32*(3), 315-336. DOI: 10.1080/10474412.2021.1983440

Converso, D., Viotti, S., Sottimano, I., Cascio, V., & Guidetti, G. (2018). Musculoskeletal disorders among preschool teachers: analyzing the relationships among relational demands, work meaning, and intention to leave the job. *BMC Musculoskeletal Disorders*, *19* (156), 1-8. DOI: 10.1186/s12891-018-2081-z

Department of Children, Youth, and Families (2019). A Trauma-informed care designation in Early Achievers. Olympia, WA. Retrieved from https://www.dcyf.wa.gov/sites/default/files/pdf/reports/EA-TraumaInformedCare2019.pdf

DCYF Early Learning Data Store 2.0 (ELDS 2.0); April 2023 release. Child Care and Early Learning Need and Supply Data. Olympia, WA. Retrieved from https://www.dcyf.wa.gov/practice/oiaa/reports/early-learning-dashboards/child-care-need-supply-data

Goodvin, R., Rashid, A., & He, L. (2020). Early Achievers evaluation report two: Prekindergarten quality and child outcomes in kindergarten (Document Number 20-12-2203). Olympia: Washington State Institute for Public Policy. Retrieved from https://www.wsipp.wa.gov/ReportFile/1733/Wsipp_Early-Achievers-Evaluation-Report-Two-Pre-Kindergarten-Quality-and-Child-Outcomes-in-Kindergarten_Report.pdf

Jeon, L., Buettner, C. K., & Grant, A. A. (2018). Early childhood teachers' psychological well-being: Exploring potential predictors of depression, stress, and emotional exhaustion. *Early education and development*, *29*(1), 53-69. DOI: 10.1080/10409289.2017.1341806

Kwon, K. A., Ford, T. G., Jeon, L., Malek-Lasater, A., Ellis, N., Randall, K., … & Salvatore, A. L. (2021). Testing a holistic conceptual framework for early childhood teacher well-being. *Journal of School Psychology*, *86*, 178-197. DOI: 10.1016/j.jsp.2021.03.006

Lloyd, C.M., Carlson, J., Barnett, H., Shaw, S., & Logan, D. (2021). Mary Pauper: A historical exploration of early care and education compensation, policy, and solutions. Child Trends. Retrieved from https://earlyedcollaborative.org/assets/2022/04/Mary-Pauper-updated-4_4_2022_FINAL.pdf

Mathis, E., Hartz, K., Berkowitz, M., Carlson, A., Kimport, R., Brown, C., … & Domitrovich, C. E. (2022). Using early childhood mental health consultation to facilitate the social– emotional competence and school readiness of preschool children in marginalized communities. *School Mental Health*, *14*, 1-16. DOI: 10.1007/s12310-021-09486-y

McCoy, D. C., Yoshikawa, H., Ziol-Guest, K. M., Duncan, G. J., Schindler, H. S., Magnuson, K., Yang, R., Koepp, A., & Shonkoff, J. P. (2017). Impacts of early childhood education on medium- and long-term educational outcomes. *Educational Researcher*, *46*(8), 474–487. DOI: 10.3102/0013189X17737739

McLean, C., Austin, L.J.E., Whitebook, M., & Olson, K.L. (2021). Early Childhood Workforce Index – 2020. Berkeley, CA: Center for the Study of Child Care Employment, University of California, Berkeley. Retrieved from https://cscce.berkeley.edu/workforce-index-2020/report-pdf

Meek, S., Iruka, I. U., Catherine, E., Yazzie, D., Gilliam, W., McIntosh, K., Fernandez, V., Blevins, D., Jimenez Castellanos, O., & Garcia, G (2021). Advancing equity in early care and education systems with the American Rescue Plan Act. The Children's Equity Project. Retrieved from https://childandfamilysuccess.asu.edu/sites/default/files/2021-12/CEP-equityARP-121621.pdf

O'Hare, W., & Mayol-Garcia, Y. H. (2023). The changing child population of the United States: First data from the 2020 census. Annie E. Casey Foundation. Retrieved from https://assets.aecf.org/m/resourcedoc/aecf-changingchildpop-2023.pdf

Organization for Economic Cooperation and Development [OECD]. (2021). Methodologies to Measure Market Competition. *OECD Competition Committee Issues Paper*. Retrieved from https://www.oecd.org/daf/competition/methodologies-to-measure-market-competition-2021.pdf

Powers, E. T., (2023). The impact of COVID on Illinois' licensed child care capacity. *University of Illinois System*, *Institute of Government and Public Affairs,* 1-13. DOI: 10.2139/ssrn.4424648

Quinn, E.L.; Stover, B.; Otten, J.J.; Seixas, N. (2022). Early care and education workers' experience and stress during the COVID-19 pandemic. *International Journal of Environmental Research and Public Health*, *19*(2670), 1-23. DOI: 10.3390/ijerph19052670

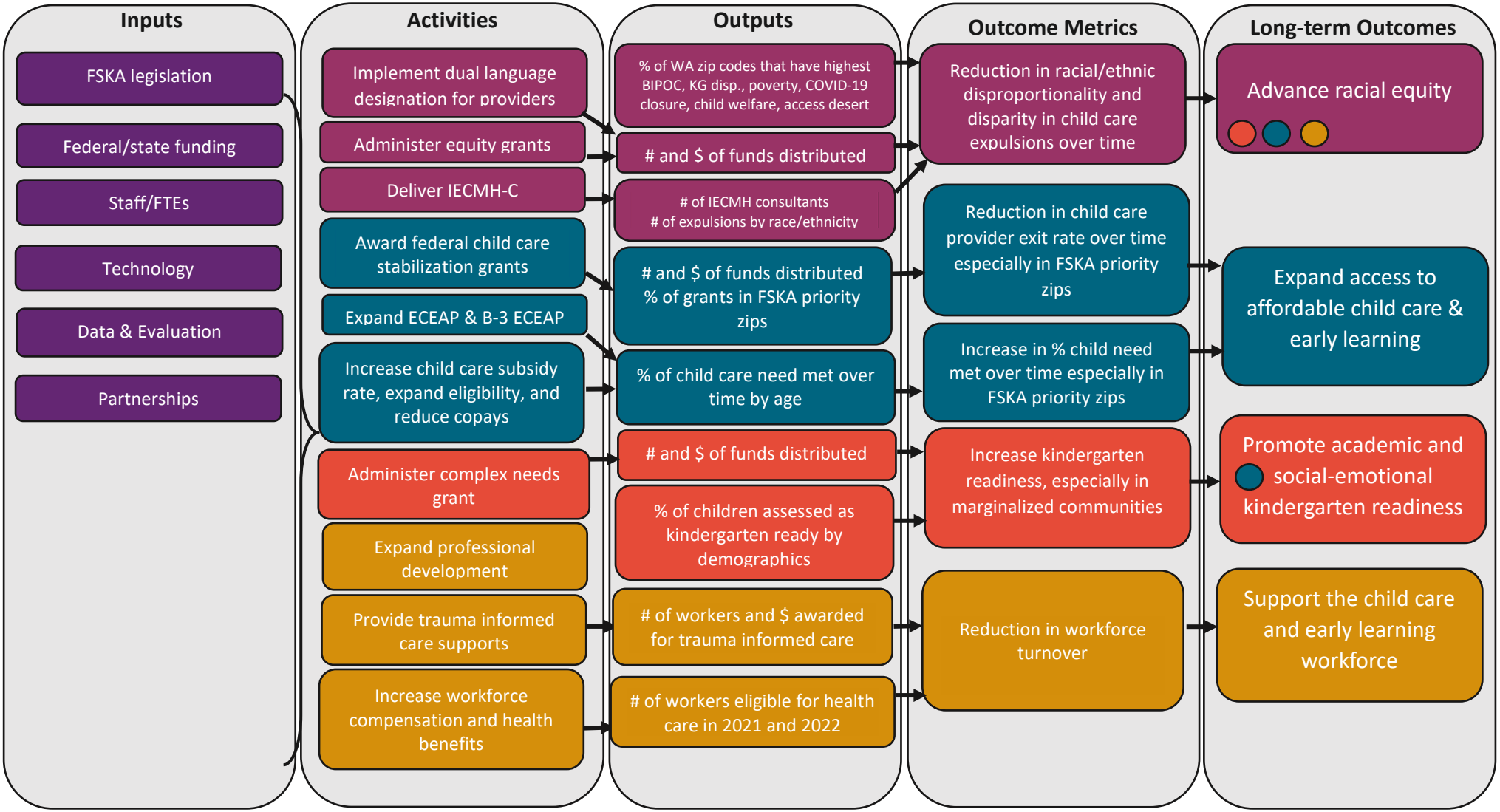
Schochet, L. (2019). The child care crisis is keeping women out of the workforce. *Center for American Progress*. Retrieved from https://www.americanprogress.org/wp-content/uploads/sites/2/2019/03/ECPP-ChildCare-Crisis-report-2.pdf

Schweinhart, L. J. (2004). The High/Scope Perry Preschool Project through age 40: Summary, conclusions, and frequently asked questions. Retrieved from https://nieer.org/wp-content/uploads/2014/09/specialsummary_rev2011_02_2.pdf

Thomson, D., Cantrell, E., Guerra, G., Gooze, R., & Tout, K. (2020). *Conceptualizing and Measuring Access to Early Care and Education*. OPRE Report #2020-106. Washington, DC: Office of Planning, Research, and Evaluation, Administration for Children and Families, U.S. Department of Health and Human Services. Retrieved from https://www.acf.hhs.gov/sites/default/files/documents/opre/conceptualizing_and_measuring_access_508_final.pdf

Zhang, Q., Sauval, M., & Jenkins, J. M. (2023). Impacts of the COVID-19 pandemic on the child care sector: Evidence from North Carolina. *Early childhood research quarterly*, *62*, 17-30. DOI: 10.26300/q1jv-6217

Appendix A


Inputs
FSKA legislation
Federal/state funding
Staff/FTEs
Technology
Data & Evaluation
Partnerships
Activities
Implement dual language designation for providers
Administer equity grants
Deliver IECMH-C
Award federal child care stabilization grants
Expand ECEAP & B-3 ECEAP
Increase child care subsidy rate, expand eligibility, and reduce copays
Administer complex needs grant
Expand professional development
Provide trauma informed care supports
Increase workforce compensation and health benefits
Outputs
% of WA zip codes that have highest BIPOC, KG disp., poverty, COVID-19 closure, child welfare, access desert
# and $ of funds distributed
# of IECMH consultants
# of expulsions by race/ethnicity
# and $ of funds distributed
% of grants in FSKA priority zips
% of child care need met over time by age
# and $ of funds distributed
% of children assessed as kindergarten ready by demographics
# of workers and $ awarded for trauma informed care
# of workers eligible for health care in 2021 and 2022
Outcome Metrics
Reduction in racial/ethnic disproportionality and disparity in child care expulsions over time
Reduction in child care provider exit rate over time especially in FSKA priority zips
Increase in % child need met over time especially in FSKA priority zips
Increase kindergarten readiness, especially in marginalized communities
Reduction in workforce turnover
Long-term Outcomes
Advance racial equity
Expand access to affordable child care & early learning
Promote academic and social-emotional kindergarten readiness
Support the child care and early learning workforce

Appendix B

Table 13. Provider Exit Rate Over Time by County

County	2019	2020	2021	2022
Adams	20.0%	4.2%	8.0%	4.0%
Asotin	0.0%	18.2%	0.0%	0.0%
Benton	9.1%	9.6%	8.7%	7.5%
Chelan	14.2%	8.9%	5.9%	4.7%
Clallam	13.6%	4.8%	9.1%	11.9%
Clark	11.1%	16.2%	11.3%	10.0%
Columbia	25.0%	33.3%	100.0%	N/A
Cowlitz	4.9%	2.3%	4.7%	2.3%
Douglas	10.4%	4.7%	7.5%	14.9%
Ferry	0.0%	0.0%	0.0%	50.0%
Franklin	11.4%	4.7%	3.0%	2.8%
Garfield	0.0%	0.0%	100.0%	N/A
Grant	15.8%	10.8%	4.5%	7.6%
Grays Harbor	6.1%	20.4%	20.5%	7.5%
Island	20.0%	14.3%	12.5%	12.9%
Jefferson	0.0%	0.0%	0.0%	20.0%
King	7.6%	6.1%	7.7%	7.5%
Kitsap	8.7%	8.2%	17.6%	12.1%
Kittitas	14.3%	26.3%	11.1%	5.3%
Klickitat	25.0%	20.0%	0.0%	22.2%
Lewis	14.0%	5.3%	18.4%	8.8%
Lincoln	20.0%	25.0%	0.0%	0.0%
Mason	23.3%	3.4%	21.4%	13.6%
Okanogan	7.7%	18.6%	2.6%	5.1%
Pacific	9.1%	27.3%	0.0%	11.1%
Pend Oreille	33.3%	0.0%	66.7%	0.0%
Pierce	8.6%	8.0%	13.6%	10.4%
San Juan	0.0%	0.0%	14.3%	0.0%
Skagit	11.5%	7.4%	7.4%	4.4%
Skamania	16.7%	0.0%	28.6%	0.0%
Snohomish	11.2%	8.6%	9.3%	9.4%
Spokane	8.0%	7.1%	7.3%	8.8%
Stevens	6.3%	0.0%	5.9%	17.6%
Thurston	11.2%	9.9%	9.5%	11.7%
Wahkiakum	50.0%	0.0%	0.0%	0.0%
Walla Walla	14.6%	8.7%	7.0%	0.0%
Whatcom	12.0%	11.3%	7.6%	8.1%
Whitman	9.5%	10.5%	11.8%	0.0%
Yakima	8.0%	5.1%	6.1%	3.0%

Data source: WaCompass, July 2023