

Goals and Priorities for the Commission on ECCE: Recent Progress in VA

Key	
Private Sector Contributions	<i>Text is purple</i>
Legislation or budget language continued or not passed	<i>*Text is italicized</i>

Key Strategy	Commission Recommendation	Recent Achievement
Build on Strong Fundamentals	Leverage the strong fundamentals of Virginia’s existing ECCE system that have been recognized by national experts	<ul style="list-style-type: none"> Virginia has completed its first full year of VQB5, the statewide measurement and improvement system, with nearly 30,000 observations and other key data for 3,400 sites entered into LinkB5. The online portal for families will launch Fall 2024. Ready Regions is Virginia’s regional early childhood network, with lead agencies responsible for communication, coordination, integration of early childhood services and resources and prioritizing families’ access to high-quality early childhood care and education (ECCE) services.
	Continue to maximize funding and match slots to family demand, recognizing which options are oversubscribed and which are undersubscribed.	<ul style="list-style-type: none"> SB54/HB419 ensures and maximizes sustainable, stable funding that is responsive to parent choice, requiring the VDOE to report funding needs based on cost-of-quality formula to match slots to parent demand and eliminate waitlists. <i>Introduced bill language included creation of a nonreverting fund which was removed from final version.</i> Signed by Governor and effective July 1, 2024. The FY25-26 Biennial Budget funds slots for all state-administered ECCE programs (VPI, CCSP, and MD) based on current parent demand using cost-of-quality methodologies. Signed by Governor and effective July 1, 2024. FY25-26 Biennial Budget prioritized publicly funded programs in private settings, which have experienced the most significant growth in family demand in recent years.¹
	Continue to target funding towards those in most need, with a focus on underserved communities, and align eligibility.	<ul style="list-style-type: none"> All budget investments continue to be targeted towards those in greatest need. FY25-26 Biennial Budget aligns eligibility between CCSP² and MD³ while allowing for regional flexibility for MD and prioritizing services for families working toward self-sufficiency.
	Develop commitment with business community on their unique role in providing innovative solutions to workforce needs that include child care models and permissive funding mechanisms to	<ul style="list-style-type: none"> <i>VECF, partnering with VDOE, is piloting a cost-sharing model via Mixed Delivery in 1-2 Ready Regions with innovative employers in FY25. Employers and parents will contribute a significant portion of costs to ECCE sites and the state will make up the difference.</i> <i>In FY25, VECF will begin the Child Care Supply Building Pilot, which will place a liaison in local/regional chambers of commerce/EDAs in up to two Ready Regions. This pilot will be dedicated to building childcare supply. The liaison and lead organization will work with the Ready Region lead agency, leveraging deep knowledge of the ECCE landscape and connections to families and providers.</i>

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<p>Build on Strong Fundamentals</p>	<p>support quality early learning child care for its employees.</p>	<ul style="list-style-type: none"> • *HB1216 (2024) allows an employer to pay on the behalf of their employees for child care, with the incentive of matching funds. Priority is given to small businesses. Passed in House, Left in Senate Finance and Appropriations.
	<p>Establish a toolbox of existing innovative models, approaches, and resources to support access and opportunities for families.</p>	<ul style="list-style-type: none"> • Each Ready Region, with public funding, employs at least one full-time equivalent (FTE) to support family engagement and one FTE to focus on coordinated enrollment strategies. • VECF/Ready Regions continue to pilot and expand an online platform (BridgeCare) streamlining family awareness of ECCE options available to them and supporting them to apply. Currently in 3 Ready Regions with plans to scale statewide by FY27. • *VDOE is developing a pilot for “digital wallet” technology platform to make it easier for families, businesses, philanthropy and local government to contribute towards the cost of quality child care. The Governor’s introduced budget included \$1,000,000 to pilot a digital wallet but funding was not included in final budget.
	<p>Provide regulatory and local code options that allow for flexibility in physical capacity.</p>	<ul style="list-style-type: none"> • FY25-26 Biennial Budget under Budget Item 125.10.G includes ratio flexibility for licensed and subsidy-participating centers. This flexibility will also be codified into regulation via proposed changes to the Standards for Licensed Child Day Centers. • HB281/SB13 (2024) permits localities to waive zoning permit requirements for the operation of child care programs in office buildings, making it easier for employers to offer on-site child care. Signed by Governor and effective July 1, 2024. • *HB805/SB14 (2024) authorizes all counties and cities to impose an additional local sales and use tax at a rate not to exceed one percent with the revenue used only for capital projects for the construction or renovation of schools if such levy is approved in a voter referendum. Passed House and Senate. Vetoed by Governor.
<p>Explore Public-Private Funding Mechanisms</p>	<p>Encourage businesses to provide dependent care accounts, child care scholarship and other incentives to build partnerships in funding early learning child care for employees</p>	<ul style="list-style-type: none"> • VECF Cost-Sharing Pilot in partnership with VDOE • Virginia Business Roundtable for Early Education (VBREE) was launched in FY24 by VECF with the support of the VA Chamber, GO VA, and VEDA, comprised of executives in business/employers, local and regional chambers, and EDAs representing all RRs in Virginia. • *HB1216 (2024) • *VDOE Digital Wallet
	<p>Create innovative ECCE models that empower businesses to lead in developing child care solutions that address the unique needs of their employees. (e.g., Ballad Health model in southwest Virginia</p>	<ul style="list-style-type: none"> • VA continues to make progress on public-private innovations where local/regional businesses play a key role in developing child care solutions that address employees’ needs. • VECF Child Care Supply Building Pilot • Budget Item #103U allocates \$1,000,000 from the general fund to enter a Memorandum of Understanding with Reynolds Community College to establish a child care facility for the benefit of state employees near the seat of the state government in Richmond, VA. <i>*This was included in the Governor’s</i>

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	<p>or VCU health system in central Virginia)</p> <p>Continue to convene stakeholder groups to scale and replicate successful business partnerships that help generate start up and sustain funding for early childhood efforts.</p>	<p><i>introduced budget as \$25,000,000, to increase the supply of quality of early learning spaces in early childcare and early learning deserts.</i></p> <ul style="list-style-type: none"> • Virginia Business Roundtable for Early Education (VBREE) • Shovel Ready Virginia Task Force: Convened by the Virginia Business Roundtable for Early Education in FY25, this task force of business, workforce & economic development, and philanthropic executives across Virginia will focus on building the supply of high-quality ECCE services and workforce. By using private sector ingenuity, supporting entrepreneurialism, and driving innovative solutions, the Shovel Ready Task Force aims to resolve longstanding challenges that have limited the supply of quality affordable child care for many families.
Apply Innovative Business Sector Approaches	<p>Establish integrated funding model that allows all stakeholders to incorporate funds into child’s account</p> <p>Provide incentives for businesses that develop onsite child care or other innovative partnerships.</p> <p>Research benefits models (e.g., realtor’s law) that allow small business to pool resources to develop competitive benefits for workforce.</p> <p>Develop state tax incentives for businesses who are engaging in innovative early childhood care and education models.</p>	<ul style="list-style-type: none"> • VECF Cost-Sharing Pilot in partnership with VDOE • *HB1216 (2024) • <i>*VDOE Digital Wallet</i> <p>• VECF Cost-Sharing Pilot in partnership with VDOE</p> <ul style="list-style-type: none"> • Ongoing research and exploration of programs like WiseChoice Healthcare Alliance, an employer-based group insurance to members of affiliated local associations conducted by Virginia Chamber of Commerce in partnership with Anthem, and Virginia Shared Services Network, a program from Child Care Aware of Virginia to assist in supporting and strengthening the quality of early learning settings and to improve financial stability. • Exploration of policy approaches underway.
Streamline Regulation	<p>Increase regulatory freedom while employing commonsense quality controls.</p>	<ul style="list-style-type: none"> • HB508 (2024) requires upon request, the VDOE to provide written certification that prove individual staff members of a child day program satisfy requirements of the law, stating the date of a new background check, no certification will reveal the nature of disqualifying barrier crimes, and these written certifications may be shared among child day programs to create and maintain a program substitute staff pool system. Signed by the Governor and effective July 1, 2024. • HB739/SB702 (2024) exempts child care service providers serving the children of military personnel or on a base from duplicative licensure provided that the service is certified by a branch of the Armed Forces. Signed by the Governor and effective July 1, 2024.

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		<ul style="list-style-type: none"> • HB1024 (2024) requires the VDOE to review its Virginia Preservice Training for Child Care Staff course for appropriateness based on the age range of children served by staff who are required to complete such course and to consider excluding portions of such course that are solely relevant to providing care for students in a certain age range for staff whose duties do not include the care of children in such age range. Signed by the Governor and effective July 1, 2024. • <i>*HB222/SB74 (2024) fully exempts child day care centers operated by religious institutions from licensure given that the institution qualifies as a nonprofit under the tax exemption § 501(c) or owns property exempt from local taxation, still preserving requirements for background checks and prohibiting individuals convicted of barrier crimes from employment at such centers. Laid on the table.</i>
	Make it easier to open early childhood options in dual-purpose settings, including in homes, churches, and other community settings.	<ul style="list-style-type: none"> • SB69 (2022) allows for a rental agreement to contain provisions allowing for a tenant to operate properly licensed and authorized child care services. • HB281/SB13 (2024)
	Ensure consistent regulatory expectations in all localities of the Commonwealth.	<ul style="list-style-type: none"> • Exploration of policy approaches underway.
	Provide regulatory clarity and reduce red tape barriers for early learning providers who want to take public funds.	<ul style="list-style-type: none"> • VDOE has established a system of Navigators, state staff who work closely with private providers to help them become licensed, registered and participate in Child Care Subsidy Program (CCSP). • Nearly 3,000 private child care and family day home providers are now participating in the CCSP or Mixed Delivery, representing the highest level ever of public-private participation.
	Reduce timelines for employee background checks.	<ul style="list-style-type: none"> • HB1277 (2024) allows prospective employees to begin working for child care centers and family day homes pending the results of their full background check. Signed by the Governor and effective July 1, 2024.
Address Workforce Challenges	Pursue benefits package flexibility to provide health care, retirement, and/or other benefits to the early childhood workforce.	<ul style="list-style-type: none"> • <i>*HB627 (2024) expands the Child Care Subsidy Program to assist employees of any licensed child care provider with the costs of child care given that they meet the eligibility criteria set forth, with no cost nor copay required. Continued to 2025 and referred to ECCE Commission.</i>
	Provide business incentives to companies offering innovative benefits packages.	<ul style="list-style-type: none"> • VECF Cost-Sharing Pilot in partnership with VDOE
	Create professional development ladders that allow early childhood educators to earn more as they	<ul style="list-style-type: none"> • FastTrack recruits new talent into the early education workforce, building the child care supply by offering compensation and competitive wages, introductory and accelerated preservice training, and retention and ongoing professional development.

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	develop expertise in building quality learning experiences.	
Address Workforce Challenges	Incentivize innovative staffing structures that enable private providers to maximize available funds.	<ul style="list-style-type: none"> • RecognizeB5 provided more than \$43 million to ~17,000 child care and family day home educators to address teacher shortages and help retain talent. Biennial Budget provides \$20 million in state general funds for family child care and child care educators via RecognizeB5. • Biennial Budget Item 125.10. and SB54/HB419 each assume that cost-of-quality methodologies are used to set rate for private providers for CCSP, Mixed Delivery and the Community-Provider Add-On for the Virginia Preschool Initiative. This approach assumes competitive compensation but provides maximum flexibility to private providers as they determine how to maximize funds to attract and retain talent. <i>Language in bill introduction included a nonreverting fund which did not pass.</i> Signed by Governor and effective July 1, 2024. • Ratio Flexibility Waiver under Budget Item 125.10.G
	Continue to scale innovative efforts for fast-tracking educator preparation, leveraging apprenticeships, and retaining top talent.	<ul style="list-style-type: none"> • FastTrack • The Get Skilled, Get a Job, Give Back Program (G3) is allotted \$34,500,000 for the first year and another \$34,500,000 second year from the general fund by Budget Item 201.D.1. G3 is a tuition assistance program for any Virginia resident who qualifies for in-state financial aid and whose family income falls below an identified threshold, specified for Virginia’s most in-demand industries, including Early Childhood Education. • Budget Item 124 S.2 provides \$1,000,000 the 1st year and another \$1,000,000 for the 2nd year to operate the scholarship program, Project Pathfinders, to increase the skills of Virginia’s ECCE workforce. Funding is provided to ECCE professionals looking to receive credentials within the ECCE field and prioritizes individuals already employed in ECCE, particularly those working with at-risk students. • The Virginia Child Care Provider Scholarship Program is available for childcare educators working towards a certificate or associate degree, as well as any equivalents, in early childhood development, supporting increased education for early childhood educators by awarding college scholarships for undergraduate courses at Virginia Community Colleges that focus on the care and education of young children. • Registered Apprenticeship is a workforce training model that is a structured, intentional professional development pathway with mentorship, combining supervised on-the-job training with related instruction at no cost to employers. • Fast Forward is a short-term workforce training program run by Virginia’s Community Colleges which helps Virginians earn industry credentials and certifications for the most in-demand jobs across the Commonwealth, with a potential pathway for Early Childhood Educators. • *HB627 (2024)

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	Establish substitute pools to address temporary staffing shortages that disrupt children’s learning and parents’ work.	<ul style="list-style-type: none"> • HB508 (2024) • <i>*HB372 (2024) requires the Department of Education (if funds are appropriated) to establish and administer the Child Care Implementation and Substitute Employee Pool Grant Program whereby any existing child day program provider or group of such providers may apply for a grant, on a competitive basis, for the establishment of a substitute employee pool or prospective child day program may apply for a grant, on a competitive basis, to cover costs associated with implementing such program. Continued to 2025 and referred to ECCE Commission.</i>
Use Family Demand and Choice to Drive Funding	Ensure sustainable and stable growth of the public-private system by codifying family demand-driven growth and choice into Virginia law. Develop flexible funding uses and eliminate regulatory burdens that prevent full family choice.	<ul style="list-style-type: none"> • SB54/HB419 directs VDOE to annually report on the projected amount of state general funds needed to sustain current levels of enrollment, meet family demand by eliminating wait lists, and expand access based on a growth rate for the upcoming two fiscal years. Funding projections are to assume appropriate cost-of-quality methodologies and will be used to inform state general funds for direct services to address family demand and preferences. The bill also gives VDOE the authority to reallocate funding across programs after initial Fall enrollment based on family preferences. <i>Language in introduced bill included creation of a nonreverting fund which was removed from final version.</i> Signed by Governor and effective July 1, 2024. • Mixed Delivery increases family’s access to their choice for affordable, high-quality child care by providing public funding to private, community-based classrooms, supporting family choice in the type of private ECCE settings that best meet their needs.
	Explore a business-match model that would enable Virginia to expand impact of public funds	<ul style="list-style-type: none"> • VECF Cost-Sharing Pilot in partnership with VDOE • <i>*HB1216 (2024)</i>
	Ensure data systems provide clear and actionable information for family choice.	<ul style="list-style-type: none"> • LinkB5, the data system for VQB5, now contains data on 100% of publicly funded options (3,400 sites) which will be made available to families in Fall 2024, through VQB5 Quality Profiles enabling them to have a one-stop shop for information about the health, safety and learning quality of all early childhood options. • SB54/HB419 and the FY25-26 Biennial Budget include language obligating VDOE to work with state, regional, and local partners to manage wait lists for state-administered programs and track unmet need. Signed by Governor and effective July 1, 2024. • BridgeCare
	Allow for flexible spending accounts that enable family	<ul style="list-style-type: none"> • VECF Cost-Sharing Pilot in partnership with VDOE • <i>*HB1216 (2024)</i>

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	members and potentially businesses to pay into personal child care accounts (similar to college flex spending accounts).	<ul style="list-style-type: none"> • <i>*VDOE Digital Wallet</i>
Recognize Early Childhood as Essential Economic Development	Develop clear marketing strategies to leverage business interest in supporting workforce development.	<ul style="list-style-type: none"> • Virginia Business Roundtable for Early Education (VBREE) • FastTrack
	Utilize workforce development focus to leverage business interest and partnership in ECCE solutions.	<ul style="list-style-type: none"> • Shovel Ready Virginia Task Force
	Ensure that home-based care is also considered a quality early learning experience that provides options for young families to enter workforce.	<ul style="list-style-type: none"> • 16% increase in licensed family day homes participating as Child Care Subsidy Program vendors from start of FY23 to end of FY24. 752 family day homes participated in VQB5 this year, representing 25% of the sites in VQb5. • Virginia Alliance of Family Child Care Associations Strategic Plan: To ensure active engagement, representation, and leadership of family child care providers, private funds supported the development of a robust strategic transformation plan for the future of VAFCCA, enabling home-based care to thrive and remain accessible for families.
	Ensure that small businesses have options in providing innovative early childhood solutions.	<ul style="list-style-type: none"> • Exploration of options underway.
Ensure Data-Driven Decision Making	Use best-in-class data to inform parents about their options when making early childhood care and education decisions.	<ul style="list-style-type: none"> • LinkB5 • VQB5 Quality Profiles • Coordinated Enrollment Strategies • Ready Regions Data Dashboards and ECCE Data Ecosystem Mapping to support acquiring and integrating data for dashboards to monitor the supply and demand of ECCE within each region and at the state level.
	Provide online dashboards that demonstrate how funding follows the child according to parental preference.	<ul style="list-style-type: none"> • LinkB5 • VQB5 Quality Profiles • Ready Regions Data Dashboards and ECCE Data Ecosystem Mapping • BridgeCare
	Build data analysis capacity at the local and regional level to ensure	<ul style="list-style-type: none"> • VDOE distributed 100+ data files to regional and local stakeholders in FY25. • Ready Regions Data Dashboards and ECCE Data Ecosystem Mapping

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	that all communities are supported to use their own data to inform decisions.	
	Use data to build and scale strong early learning models across the Commonwealth	<ul style="list-style-type: none"> • Ready Regions Data Dashboards and ECCE Data Ecosystem Mapping

^[1] [Child Care Development Fund \(CCDF\)](#) funding for FY 2025 is \$390,569,399 and for FY 2026 is \$424,884,041.

[Mixed Delivery Grant Program \(MD\)](#) funding for FY 2025 is \$38,837,720 and for FY 2026 is \$38,837,720.

[Virginia Preschool Initiative \(VPI\)](#) funding for FY 2025: \$157,638,026, and for FY 2026: \$156,352,996.

^[2] **Eligibility for [Child Care Subsidy Program \(CCSP\)](#)** includes Virginians whose income exceeds eligibility requirements for locality but is below the 85% state median income (SMI), is actively employed or engaged in a job search, participating in an education or training program, receiving child protective services (CPS), participating in an assigned activity for the Virginia Initiative for Education and Work (VIEW), or participating in a Supplemental Nutrition Assistance Program Employment and Training (SNAPET) plan of participation. They must provide documentation of household income that does not exceed the limits of the locality in which they reside.

^[3] **Eligibility for the [Mixed Delivery Program \(MD\)](#) and [Virginia Preschool Initiative \(VPI\)](#)** includes children who demonstrate specific economic/educational factors that put them at risk for not entering kindergarten ready, such as: family income at or below 200% of Federal Poverty Guidelines, homelessness, student’s parents or guardians are high school dropouts, or children with disabilities or delays who are eligible for special education services under the Individuals with Disabilities Education Act (IDEA), regardless of household income. 15% of slot eligibility is determined by each locality.