

## **Key Strategies for Sustaining Virginia's ECCE System** **from ECCE Commission 2023 Annual Report**

**Explore Public-Private Funding Mechanisms:** Pursue multiple public and private funding mechanisms to close the gap between demand from working families in need and what current state and federal funds are available, recognizing the cost of quality early education and care for birth to five and what Virginia families can afford to pay. Businesses and local communities can play a meaningful role, developing and implementing innovations and funding approaches to help secure ECCE and defray costs for their employees. Virginia must explore out-of-the-box solutions such as workforce development initiatives, rural development funds, parental leave and family tax credits to support parents as their children's first and most important teachers. Regardless of source, Virginia should ensure ECCE funding is stable, sustainable, based on family demand and preference, and tracked to understand impact.

- Encourage businesses to provide dependent care accounts, child care scholarships and other incentives to build partnerships in funding early learning child care for employees.
- 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 or VCU health system in central Virginia)
- Continue to convene stakeholder groups to scale and replicate successful business partnerships that help generate start up and sustain funding for early childhood efforts.

**Streamline Regulations:** Streamline the state's regulations, zoning, and permitting requirements to make it easier for providers to serve families in need receiving public funds, and to make it easier for families to access and navigate the ECCE services they want. The state should simplify its regulatory oversight, making it easier for providers to receive public funds to do their core work, to expand to meet parent demand, and easier for families to find and choose the right services for their child.

- Increase regulatory freedom while employing commonsense quality controls.
- Make it easier to open early childhood options in dual-purpose settings, including in homes, churches and other community settings.
- Ensure consistent regulatory expectations in all localities of the Commonwealth.
- Provide regulatory clarity and reduce red tape barriers for early learning providers who want to take public funds.
- Reduce timelines for employee background checks.

**Address Workforce Challenges:** Maintain and expand effective initiatives that directly address birth to five teacher shortages and other persistent workforce challenges. This includes increasing investments in [RecognizeB5](#), [FastTrack](#), and other innovative public-private efforts for reducing turnover, eliminating shortages, expanding existing professional development opportunities, and building the educator pipeline. Virginia should also continue to measure and quantify the impact of these efforts.

- Pursue benefits package flexibility to provide health care, retirement, and/or other benefits to the early childhood workforce.
- Provide business incentives to companies offering innovative benefits packages.
- Create professional development ladders that allow early childhood educators to earn more as they develop expertise in building quality learning experiences.
- Incentivize innovative staffing structures that enable private providers to maximize available funds.
- Continue to scale innovative efforts for fast-tracking educator preparation, leveraging apprenticeships and retaining top talent.
- Establish substitute pools to address temporary staffing shortages that disrupt children's learning and parents' work.

**Use Family Demand and Choice to Drive Funding:** The unprecedented level of one-time federal funding rapidly expanded access for Virginia families to choose new options and families predominantly chose private sector learning models. Ensure sustainable and stable growth of the public-private system by codifying family demand-driven growth and choice into Virginia law. Virginia should continue to maximize all available public and private funding sources and explore multiple new funding mechanisms to systematically address family demand and preference by enacting legislation. This will help stimulate business engagement as well as align incentives for the private sector to adapt programming and grow supply in response to family needs -- including building supply in underserved areas -- while meeting all state accountability expectations.

- Develop flexible funding uses and eliminate regulatory burdens that prevent full family choice.
- Explore a business-match model that would enable Virginia to expand impact of public funds.
- Ensure data systems provide clear and actionable information for family choice.
- Allow for flexible spending accounts that enable family members and potentially businesses to pay into personal child care accounts (similar to flex spending accounts).