

# **Shovel Ready Virginia Task Force 2025 Findings & Recommendations on Child Care**

## **Executive Summary**

### **Introduction**

In every corner of the US – including right here in Virginia – there are shortages of accessible, quality child care. These shortages are not just a challenge for working parents but they present a significant constraint on our workforce, our economy, our quality of life, and our democracy. The constraint impacts citizens in every neighborhood and locality in the Commonwealth.

Child care access is:

- as critical to Virginia's labor force as transportation, broadband, and affordable housing
- as essential to our future as the K-12 system, and
- a crucial element of a functioning modern economy.

Launched in 2024 to support Virginia Business Roundtable for Early Education (VBREE) efforts, the Shovel Ready Virginia Task Force sought to more deeply understand the root causes of persistent gaps in child care supply, specifically in (1) the physical spaces (environments, classrooms, and facilities) and (2) an early educator pipeline. After conducting a 12-month exploration of strategies and solutions that specifically address these gaps, the Task Force has endorsed this report outlining recommendations to advance its priorities for child care progress across all regions in Virginia.

### **Background**

Despite progress, driven by higher demand for publicly funded child care by low- to moderate-income working families in Virginia, challenges and gaps in child care supply and affordability doggedly persist across the state. The Task Force has developed these recommendations to enable Virginia to accelerate momentum on early childhood solutions that yield strong return on investment.

### **Task Force Recommendations**

Through the lens of robust business practice, economic development and workforce and talent priorities, the Shovel Ready Task Force has identified three key strategies that Virginia can mobilize to achieve the triple-bottom line ROI from accessible, affordable quality child care.

**Virginia must:**

- 1. Promote child care as essential to Virginia's modern economy and quality of life priorities**
- 2. Accelerate the expanded supply of classrooms, sites, and environments to deliver game-changing childcare services**
- 3. Substantially upgrade the capabilities within the child care industry and the stature of the early educator profession.**

## **Recommendations In More Detail**

- 1) **Promote child care as essential to Virginia's modern economy and quality of life priorities, by:**
  - **Establishing child care as a policy priority for Virginia's top leaders:** Virginia's most influential decision-makers must recognize the connection between accessible quality child care and the economic success of the Commonwealth.
  - **Identifying a dedicated, robust, and permanent revenue source** to ensure access to quality child care for all Virginians.
  - **Take a "child care in all plans and policies" approach** to cement the connection between accessible child care and the acceleration of Virginia's economic growth and diversification.
- 2) **Accelerate the expanded supply of classrooms, sites, and environments to deliver game-changing childcare services, by:**
  - **Increasing speed to market for enabling new and expanding existing child care operators**, including seeding entrepreneurial ventures in areas of high demand.
  - **Supporting employers** to address child care needs of employees (e.g., raising awareness of available supports for employees; exploring cost-sharing models, employer-child care business partnerships and family child care networks; and identifying operator/contractors for near- or on-site microsites or centers).
  - **Identifying and implementing collaborative partnerships** with symbiotic initiatives, for example affordable housing efforts where child care centers can be woven into these projects.
- 3) **Substantially upgrade the capabilities of the child care industry and the stature of the early educator profession, by:**
  - **Leveraging private sector approaches and ingenuity** to improve the child care business model. Virginia can identify partnerships with philanthropy, model best practices, and create a suite of tools/supports for a more resilient child care business model.
  - **Identifying and enacting policies leading to a more favorable business climate** for existing and new child care operators to create, expand, and sustain child care businesses.
  - **Valuing, retaining, and advancing the early educator workforce** through professional development and reward and recognition programs.

## **Conclusion and Next Steps**

Virginia now has the opportunity to take action in FY26 on key recommendations proposed by the Task Force to accelerate momentum on early childhood solutions that yield a triple bottom line return on its investment, creating stronger futures that accrue to all citizens in the Commonwealth. This report and set of recommendations are intended as a framework for Virginia to lead on this critical issue, leveraging high-level engagement and accountability from the many constituencies that rely on and benefit from child care. The Task Force charges VBREE to serve as the steward of this cross-sector set of recommendations, while recognizing that senior leaders from all key stakeholders, sectors, and regions will need to lean in to enact these initiatives and thereby deliver the full impact and value that will accrue to all Virginians.

Together, Virginia can ensure a strong child care ecosystem that serves as the foundation of workforce talent, economic success, and quality of life in the Commonwealth.

**Shovel Ready Task Force co-chairs are Jason El Koubi, VEDP and Mike Chinn, Endicott Capital. Members include Richard Bynum, PNC Bank; Debbie DiCroce, Hampton Roads Community Foundation; David Dore, VCCS; Linda Fremouw, Bridging Virginia; Linda Green, SVRA; Cathie Vick, Virginia Chamber; and Sonya Waddell, Federal Reserve Bank of Richmond.**