Governor's Task Force on Child Care 2024 Report #2

Prepared by Denali Daniels + Associates Submitted September 30, 2024

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Executive Summary

Governor Mike Dunleavy, under the authority of Article III, Sections 1 and 24 of the Alaska Constitution, issued Administrative Order 346 (AO 346), establishing the Governor's Task Force on Child Care (the task force). The task force presented an initial <u>report</u> to the Governor on December 31, 2023, and this final report on September 30, 2024, encompasses several key deliverables outlined in AO 346.

A robust child care system is critical to ensure the healthy development of Alaska's young children and families, to enable parents to participate in the workforce, and drive economic growth across all sectors. Over half of young children in Alaska live in households where all parents are employed, underscoring the critical role of child care for young families and the barriers many parents face in participating in the workforce. 61% of Alaskans reside in communities considered to be child care deserts, meaning that, in these communities, there is an insufficient number of licensed child care facilities for the number of children who need care. Alaska has lost nearly 10% of its licensed child care providers since January 2020, and more licensed facilities are anticipated to close after federal pandemic relief is used up.

The Governor's Healthy Families Initiative, which recognizes that strong families are the foundation for a healthy society and vibrant economy, has three pillars: Healthy Beginnings, Health Care Access, and Healthy Communities. The task force supports the Healthy Beginnings pillar to develop policies that recognize that our children are our future, and policies that make Alaska the best place to raise a family. The purpose of the task force is to develop a plan to improve availability and affordability of quality child care throughout Alaska. The task force consulted existing resources, including strategic plans and needs assessments on child care, to develop specific policy recommendations for the Governor to consider, with the goal of increasing the accessibility, affordability and high-quality child care for Alaskan families.

To accomplish the purpose of the task force, the members engaged subject matter experts, nonprofit organizations, child care providers, elected officials, and the public to receive input and feedback. In the <u>first report, 33 recommendations</u> were made to address child care challenges related to background checks, licensing, and workforce. This is the <u>second and final report, there are 23 additional recommendations</u>, focusing on the topic areas of accessibility, affordability, and quality.

On behalf of the task force, we present this final report to the Governor.

Acknowledgments

The Task Force on Child Care, under AO 346, was tasked with the following:

- Identify evidence-based policy solutions to key child care workforce constraints, including recruitment, retention, compensation and benefits.
- Identify child care regulations that pose barriers to increasing availability of licensed child care slots, without compromising quality and safety.
- Develop solutions to incentivize employer-sponsored child care facilities or benefits.
- Identify opportunities to foster public-private partnerships in addressing child care workforce and affordability challenges.
- Develop framework for a pilot program to offer on-site child care facilities in a State of Alaska office to serve as a model for employer-provided child care benefits.
- Identify any other innovative solutions that the task force recommends to deliver affordable, quality child care to Alaskans.

Task Force on Child Care Members

- Commissioner Heidi Hedberg (Chair), Department of Health
- Kathy Moffitt, Department of Education and Early Development
- Commissioner Cathy Munoz, Department of Labor and Workforce Development
- Robert Barr, local government official with experience developing local/communitybased solutions to child care issues
- **Stephanie Berglund**, representing an Alaska nonprofit supporting licensed child care programs
- Matthew Bitinas, parent who has navigated Alaska's child care system, representing parents/the general public
- Kati Capozzi, representing an organization for business communities throughout Alaska
- Representative Julie Coulombe, Alaska House of Representatives Ex-Officio
- **Kim Hays**, representing an organized labor group
- **Jennifer Patronas**, representing faith-based or community-based child care programs (including in-home programs)
- **Jennifer Taylor**, representing a licensed child care program
- Senator Löki Tobin, Alaska State Senate Ex-Officio
- **Bridie Trainor**, representing a Tribal child care program
- **Heather Weafer**, representing a military child care program
- Child Care Program Office Staff (Dependent on topic)

The Task Force on Child Care appreciates the federal, state, Tribal, and local governments, community organizations, families, and individuals who contributed their time and efforts to address the child care crisis in Alaska.

Introduction

Alaska's child care system is facing a substantial crisis, with multifaceted and complex challenges that obstruct access, affordability, and quality of care. These barriers make it difficult for working parents to sustain employment and seek economic opportunities, with the impact felt most severely in rural areas where geographic isolation exacerbates the challenges of establishing and maintaining child care facilities. A 2021 report by the U.S. Chamber of Commerce Foundation estimated that Alaska's economy was suffering an annual loss of \$165 million due to these child care-related issues, underscoring the far-reaching effects on workforce participation and the well-being of Alaska's children.

In response to these challenges, the task force has engaged in extensive public input, deliberation and collaboration to develop a second set of recommendations for the final report to the Governor in 2024. This report focuses on three critical areas: accessibility, affordability, and quality. Improving accessibility involves expanding child care options across the state, with a particular emphasis on underserved and rural communities. Affordability seeks to make child care financially accessible to all families, ensuring that cost is not a barrier to high-quality care. Quality focuses on ensuring that child care providers are well-trained, adequately supported, and fairly compensated, which in turn enhances the overall standard of care for Alaska's children.

Achieving these goals will require a coordinated effort involving government, private sector stakeholders, and communities. By concentrating on accessibility, affordability, and quality, this report lays out recommendations that aim to build a resilient child care system that supports Alaskan families and the workforce and promotes the healthy development of children.

Development of Recommendations

To enhance the early childhood education and care landscape in Alaska, a total of eight meetings were conducted between January and August 2024 to develop a comprehensive set of recommendations. These recommendations cover areas of accessibility, affordability, and quality. One of the most crucial steps in this process was engaging with and hearing directly from Alaskans to gather diverse perspectives and insights. Through a public comment hearing and a robust written comment process, Alaskans were given a platform to voice their concerns, share experiences, and suggest potential improvements. This inclusive approach ensured the recommendations reflect the varied needs and expectations of Alaskans who directly engage with early childhood education and care services.

Further, the process included presentations by experts and stakeholders in the child care field at the local, state, and national levels. These presentations served as a knowledge-sharing platform, providing task force members with focus group and research findings, shared experiences, and valuable insights from many professionals. Alongside this effort, others in Alaska have been in discussions about the need to adopt a common definition of the system that serves Alaska's young children; while this report uses the term "child care," it also considers the entire early childhood education system in these recommendations. By hearing the expertise of these individuals and their findings, the task force gained a deeper understanding of the complexities within the child care landscape, which equipped it to develop informed recommendations.

To review a detailed schedule of the meetings, please refer to *Appendix B: 2024 Task Force on Child Care Meeting Schedule*. As of the completion of this report, presenter recordings are posted on the project landing page here.

Collaboration played an important role in the development of recommendations, as task force members worked together throughout the task force meetings to integrate community input and expert knowledge. The task force is pleased to present the following 23 well-informed and thorough recommendations, organized into the areas of, accessibility, affordability, and quality.

Recommendations on Accessibility

The task force made the following recommendations:

- Adopt culturally responsive practices and services, such as expanding resources, materials, and methods of delivery in multiple languages.
- Improve access through the Alaska IN! program, considering de-linking from the Child Care Assistance Program for children with special needs.
- Ensure child care is included as part of Community Health Improvement Plans (CHIPs).
- Complete a comprehensive assessment for leveraging school spaces for child care to increase access and identify ways to incentivize school districts.
- Provide technical assistance to school districts and municipalities that want to provide child care in schools.
- Expand licensed exempt provider types to include a non-relative provider type, so that
 families who are eligible for subsidy can select their family, friend or neighbor as their
 child care provider. This provider type requires meeting background check requirements
 and health and safety standards.
- Streamline the process to becoming a license exempt provider to increase access.
- Implement outreach to Family, Friend, and Neighbor (FFN) providers, to inform them of increased eligibility and streamlined process.

Recommendations on Affordability

The task force made the following recommendations:

- Utilize the cost of care study and tools to inform decisions regarding the utilization of resources to best increase affordability, accessibility, and quality of child care.
- Implement a geographic differential deduction to income eligibility calculations for the child care subsidy.
- Restructure child care assistance benefits to taper support for families transitioning off of child care assistance.
- Increase income eligibility for the Child Care Assistance Program (CCAP).
- Cover the full cost of child care for children in Office of Children's Services (OCS) custody.
- Offer incentives for child care providers through the Child Care Grant Program for providers that meet certain criteria, including:
 - Quality Recognition and Improvement System (QRIS) Levels
 - Operation during non-traditional hours

And/or provide care for:

- o Infants
- Children with special needs
- Children experiencing homelessness
- Children in protective services
- Children of teen parents
- Offer tiered reimbursement through the Child Care Assistance Program (CCAP) for children meeting certain criteria, including:
 - Enrolling in a child care facility with a Quality Level Rating

- Infants and toddlers
- Children with special needs
- Children experiencing homelessness
- Children of teen parents
- Establish guaranteed eligibility for a child care subsidy and an increased reimbursement rate for children of parents who work in a licensed or approved child care setting.
- Update Child Care Assistance Program (CCAP) regulations, so that age categories align with licensing age categories.
- Assess the feasibility of adopting a Tri-Share model in Alaska, to include partnerships among the State of Alaska, the private sector, and parents to share costs of child care. Consider an appropriate administrative model for implementation to meet Alaska's unique needs.

Recommendations on Quality

The task force made the following recommendations:

- Recognize and adopt the Learn & Grow early childhood program standards, high quality framework, and support system as Alaska's Early Childhood Quality Recognition and Improvement System (QRIS).
- Complete the development of Learn & Grow to make all five levels available.
- Expand the opportunity for all licensed, licensed exempt, regulated or Department of Education Early Development (DEED) approved early childhood programs to participate in Learn & Grow.
- Educate families about the QRIS system.
- Expand resources and supports to all provider types.

Conclusion

Alaska's child care challenges were addressed by the task force through evidence-based policy solutions, which informed recommendations in the areas of accessibility, affordability, and quality. The recommendations recognize the role of innovative solutions in ensuring affordable, quality child care for all Alaskans.

To enhance accessibility, the task force recommends adopting culturally responsive practices, improving access through the Alaska IN! program for children with special needs and integrating child care into Community Health Improvement Plans (CHIPs). Additional key strategies the task force recommends include leveraging school spaces for child care and expanding licensed exempt provider types, such as non-relative providers. Streamlining the process for becoming a licensed exempt provider and conducting outreach to Family, Friend, and Neighbor (FFN) providers will also increase access across the state.

To make child care more affordable, the task force suggests using cost of care studies to guide resource allocation, implementing geographic differential deductions in subsidy eligibility, and restructuring benefits to taper support as families transition off assistance. Increasing income eligibility for the Child Care Assistance Program (CCAP), covering the full cost of care for children in state custody, and offering incentives and tiered reimbursements to providers serving high-need populations are also recommended. Establishing guaranteed eligibility and updating CCAP regulations will further ensure affordability.

For quality, the task force recommends adopting the Learn & Grow program standards as Alaska's Early Childhood Quality Recognition and Improvement System (QRIS) and completing its development. Expanding participation in Learn & Grow, educating families about the QRIS and extending resources to all provider types will enhance the quality of care statewide.

These targeted recommendations aim to create a more accessible, affordable, and high-quality child care system in Alaska, benefiting families and supporting the state's economic growth. Through innovative solutions and collaboration, the task force seeks to build a sustainable child care infrastructure that promotes the well-being and development of Alaska's children.

Appendix A: Summary of 2024 Public Comment Received

Written Comments

A public comment period was conducted from August 12 - 26, 2024, during which the Governor's Task Force on Child Care sought feedback on a series of recommendations through an online survey. The survey included both open- and close-ended questions addressing 23 recommendations centered on improving accessibility, affordability, and quality in child care. A total of 61 individuals provided written feedback on these recommendations. These comments are organized based on whether they indicated agreement or disagreement with the recommendations or provided additional remarks.

The following three tables represent public comment responses to the recommendations by category.

Analysis: Agree, disagree, no opinion

Respondents were asked to express their level of agreement with each recommendation by selecting "agree," "disagree" or "no opinion."

Table 1
Accessibility Recommendations and Public Comment

Accessibility Recommendation	Agree	Disagree	No opinion
Adopt culturally responsive practices and services, such as expanding resources, materials, and methods of delivery in multiple languages.	46	5	9
Improve access through the Alaska IN! program, considering de-linking from the Child Care Assistance Program for children with special needs.	33	4	22
Ensure child care is included as part of Community Health Improvement Plans (CHIPs).	52	2	6
Complete a comprehensive assessment for leveraging school spaces for child care to increase access and identify ways to incentivize school districts.	46	5	9
Provide technical assistance to school districts and municipalities who want to provide child care in schools.	45	7	8

Accessibility Recommendation	Agree	Disagree	No opinion
Expand licensed exempt provider types to include a non-relative provider type so that families who are eligible for subsidy can select their family, friend, or neighbor as their child care provider. This provider type requires meeting background check requirements and health and safety standards.	49	10	1
Streamline the process to becoming a license exempt provider to increase access.	41	12	7
Implement outreach effort to Family, Friend, and Neighbor (FFN) providers to inform them of increased eligibility and streamlined process.	40	7	13

Table 2
Affordability Recommendations and Public Comment

Affordability Recommendation	Agree	Disagree	No opinion
Utilize the cost of care study and tools to inform decisions regarding the utilization of resources to best increase affordability, accessibility, and	46	2	5
quality of child care.			
Implement a geographic differential deduction to income eligibility calculations for the child care subsidy.	38	7	8
Restructure child care assistance benefits to taper support for families transitioning off of child care assistance.	41	5	6
Increase income eligibility for the Child Care Assistance Program (CCAP).	47	3	4
Cover the full cost of child care for children in Office of Children's Services (OCS) custody.	46	2	6
Establish guaranteed eligibility for a child care subsidy and an increased reimbursement rate for children of parents who work in a licensed or approved child care setting.	44	5	5
Update Child Care Assistance Program (CCAP) regulations so that age categories align with licensing age categories.	44	0	10
Assess the feasibility of adopting a Tri-Share model in Alaska to include partnerships between the State of Alaska, the private sector, and parents to share costs of child care. Consider an appropriate administrative model for implementation to meet Alaska's unique needs.	33	3	18

Affordability Recommendation	Agree	Disagree	No opinion
Offer incentives for child care providers through the Child Care Grant Program for providers that meet certain criteria, including: Achieve Quality Recognition and Improvement System (QRIS) Levels	41	3	10
Offer incentives for child care providers through the Child Care Grant Program for providers that meet certain criteria, including: Operate during non-traditional hours	39	4	11
Offer incentives for child care providers through the Child Care Grant Program for providers that meet certain criteria, including: <i>Provide care for</i> <i>infants</i>	50	1	3
Offer incentives for child care providers through the Child Care Grant Program for providers that meet certain criteria, including: <i>Provide care for</i> <i>children with special needs</i>	48	2	4
Offer incentives for child care providers through the Child Care Grant Program for providers that meet certain criteria, including: <i>Provide care for</i> <i>children experiencing homelessness</i>	47	1	6
Offer incentives for child care providers through the Child Care Grant Program for providers that meet certain criteria, including: <i>Provide care for</i> <i>children in protective services</i>	49	1	4
Offer incentives for child care providers through the Child Care Grant Program for providers that meet certain criteria, including: <i>Provide care for</i> <i>children of teen parents</i>	47	2	5
Offer increased reimbursement rates through the Child Care Assistance Program (CCAP) for children that meet certain criteria, including: Enrolling in a child care facility with a Quality Level Rating	40	7	7
Offer increased reimbursement rates through the Child Care Assistance Program (CCAP) for children that meet certain criteria, including: Infants and toddlers	48	1	5
Offer increased reimbursement rates through the Child Care Assistance Program (CCAP) for children that meet certain criteria, including: Children with special needs	50	1	3
Offer increased reimbursement rates through the Child Care Assistance Program (CCAP) for children that meet certain criteria, including: Children experiencing homelessness	46	4	4

Affordability Recommendation	Agree	Disagree	No opinion
Offer increased reimbursement rates through the	43	5	6
Child Care Assistance Program (CCAP) for			
children that meet certain criteria, including:			
Children of teen parents			

Table 3

Quality Recommendations and Public Comment

Quality Recommendation	Agree	Disagree	No opinion
Recognize and adopt the Learn & Grow early	33	3	16
childhood program standards, high quality			
framework, and support system as Alaska's Early			
Childhood Quality Recognition and Improvement			
System (QRIS).			
Complete the development of Learn & Grow to	37	2	13
make all five levels available.			
Expand the opportunity for all licensed, licensed	36	3	12
exempt, regulated or Department of Education			
Early Development (DEED) approved early			
childhood programs to participate in Learn &			
Grow.			
Educate families about the QRIS system.	38	4	10
Expand resources and supports to all provider	41	2	9
types.			

Analysis: Open ended comments

In addition to the close-ended responses, respondents were asked to provide open-ended comments explaining why they agreed or disagreed with each recommendation, or to share any other relevant feedback. The following summarizes the key themes expressed in these open-ended comments.

Accessibility

A total of 64 written comments were received on the topic of Accessibility: 33 expressed agreement with the recommendations, 13 expressed disagreement, and 18 provided additional feedback. Agreement was strong for adopting culturally responsive practices, integrating child care into Community Health Improvement Plans (CHIPs), and streamlining the process for license-exempt providers. However, there were concerns about the safety and oversight of expanding licensed exempt provider types to non-relatives and the capacity of the state to manage these initiatives.

Affordability

A total of 47 written comments were received on the topic of Affordability: 22 expressed agreement with the recommendations, 12 expressed disagreement, and 13 provided additional feedback. Increasing income eligibility for the Child Care Assistance Program (CCAP) and implementing geographic differential deductions to reflect the higher costs in rural areas were widely agreed upon. Comments emphasized the importance of equitable resource distribution and the need to avoid inefficiencies, particularly in funding non-regulated care.

Quality

A total of 26 written comments were received on the topic of Quality: 10 expressed agreement with the recommendations, 6 expressed disagreement, and 10 provided additional feedback. There was broad agreement on the importance of completing the development of the Learn & Grow system and expanding resources to all provider types. However, some expressed concerns about the cultural relevance and accessibility of the system for school-age providers, and suggested diversifying assessment tools to better meet the needs of various communities. Direct funding for stabilizing and improving quality in child care programs was also highlighted as a critical need.

Letters of Support

The Alaska Early Childhood Advocacy Group (AECAG), a coalition of early childhood experts and leading organizations from across the state, is committed to enhancing the readiness of children for school and future success. This network includes: thread, the Southeast Alaska Association for the Education of Young Children, the Anchorage Association for the Education of Young Children, the Northern Interior Alaska Association for the Education of Young Children, Alaska HeadStart Association, Alaska Infant Learning Program, All Alaska Pediatric Partnership, the Alaska Children's Trust, and Best Beginnings. Collectively, they provided a letter for the 2024 Task Force on Child Care Recommendations, highlighting their unified efforts to address key issues and advocate for effective solutions.

"AECAG supports the Early Childhood Strategic Direction, which was developed and supported by multiple stakeholders in Alaska's early childhood sector, including state and federal agency partners. The Strategic Direction highlights the need for a comprehensive early childhood system to support Alaska's children and families. The population-level benefit of a comprehensive early childhood system includes a reduced reliance on public assistance, increasing school readiness, and higher parental participation in the workforce."

Verbal Comments

A virtual public hearing took place on August 22, 2024, where three people provided public comments. The recording is available on the project <u>website</u>. This hearing was part of a larger effort that also included a collection of written comments and letters of support to gather robust public input.

Public Testimony

The following topics emerged from public comments at the hearing:

Language Access: Public comment emphasized the need for applications and resources to be available in multiple languages to ensure accessibility. Suggestions were made to improve the transparency and ease of the licensing process.

Licensing Process: Concerns were also raised about the consistency and fairness in the application of licensing standards, with a call for greater accountability in the process.

Cultural and Regional Adjustments: Public comments supported adapting policies and regulations to reflect the unique needs of the different regions in Alaska, including allowing subsistence teachings in child care settings. There was also encouragement to partner with Tribes and Tribal organizations to better serve these diverse communities.

Family, Friend, and Neighbor (FFN) Care: There was support for increasing access through FFN (Family, Friend and Neighbor) care, but there was also emphasis on the need to distinguish between trusted caregivers and professional child care providers who meet the defined high-quality standards. The suggestion was made to include the concept of "trusted caregivers," to recognize the value of unregulated care while still maintaining a focus on quality.

School-Age Child Care: The importance of including school-age child care in the broader system was emphasized, along with ensuring these programs receive sufficient resources. Concerns were raised about the potential negative impact on school-age providers if decisions were to focus solely on early childhood programs.

Funding: There was strong support for recommendations aimed at improving the affordability of child care. However, there was no mention of increasing funding for group homes and other care providers. There were also calls for the task force to ensure that funding decisions do not inadvertently divert resources from existing programs.

Mental Health and Trauma Support: There was public comment on the need to include mental health support for children and providers, especially those dealing with trauma. The importance of coaching and early childhood mental health consultation was also mentioned as vital to maintaining a quality child care system.

Conclusion & Summary of Support

Overall, the public comment period reflected strong support from Alaskans for the recommendations put forth by the Governor's Task Force on Child Care.

Accessibility: 73% agreement on the recommendations. **Affordability:** 82% agreement on the recommendations.

Quality: 71% agreement on the recommendations.

This summary highlights the broad public support for the recommendations, reflecting a shared commitment to enhancing child care in Alaska. There was consensus on the need for systemic improvements in accessibility, affordability, and quality of child care across the state. While substantial agreement was apparent, respondents also offered insights and suggestions and raised important questions for consideration during the implementation of the recommendations.

Appendix B: 2024 Task Force on Child Care Meeting Schedule

Date	Meeting	Presenter
January 17, 2024	Alaska Quality Recognition and Improvement System (QRIS), Learn & Grow	Meghan Johnson, thread
February 21, 2024	Subsidy Presentation	Ambra Mavis, CCPO
March 27, 2024	Recommendations to Maximize Alaska's Federal Funding Allocated to Child Care Subsidy	First Children's Finance
March 27, 2024	Task Force Recommendations Work Session	
April 10, 2024	Cost of Care Presentation	Mckinley Research Group
April 10, 2024	Task Force Recommendations Work Session	
April 10, 2024	Market Rate Study	Institute of Social and Economic Research
April 24, 2024	Federal Rule Changes	Federal Office of Child Care
April 24, 2024	Alaska IN! Program Discussion	
May 22, 2024	Tri-Share Program Discussion	Task Force Process Conversation
June 12, 2024	Family, Friends, and Neighbors Presentation and Discussion	Natalie Renew, Home Grown
June 12, 2024	Task Force Recommendations Work Session	
August 2, 2024	Task Force Recommendations Work Session	
August 22, 2024	Public Comment Hearing	