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### Rhode Island House Committee on Finance House Bill 5200 Informational Testimony on Behalf of the Prenatal-to-3 Policy Impact Center May 13, 2025

Chair Abney, Vice Chairs Slater and Marszalkowski, and members of the committee,

Thank you for the opportunity to provide informational testimony on H.B. 5200, which proposes continued funding for child care educator bonuses through the Child Care WAGE\$ model and provides statutory language for T.E.A.C.H. and apprenticeship programs. Early educators are essential to high-quality child care and children's healthy development. Bonuses are an evidence-based strategy to reduce turnover and grow the workforce, and recruitment efforts are key to expanding care options for families.

At Vanderbilt University's Prenatal-to-3 Policy Impact Center, we empower state leaders with rigorous evidence on state policies proven to improve outcomes for children, their families, and the economy. We focus on identifying state policies and programs that are backed by the most rigorous evidence available, with a particular emphasis on the policies that help children and families thrive. As a nonpartisan organization, we do not take official positions on any particular piece of legislation, and our testimony reflects the research on any given topic, rather than the views of the University.

# The Importance of the Early Educators

The earliest years of life are the most sensitive period of brain and physical development, shaping all future learning, behavior, and health.<sup>1,2</sup> Children's experiences during this time, particularly those with responsive caregivers, support healthy development and buffer against stress.<sup>3</sup> Yet, child care workers commonly earn wages that are insufficient to meet their basic needs, experience high rates of food insecurity, and report poor mental wellbeing.<sup>4</sup> The national median wage for early educators is \$13.07 per hour—lower than 97% of all other occupations and below a living wage in every state.<sup>5</sup>

Low wages contribute to high turnover, with national estimates indicating that 15% to 25% of early educators leave their jobs each year.<sup>6</sup> This instability affects the quality of care and creates broader economic costs. A lack of infant and toddler care results in estimated annual losses of \$122 billion in earnings, productivity, and revenue for the US economy.<sup>7</sup> These challenges underscore the need for workforce supports that promote retention and stability.

# Child Care WAGE\$

Child Care WAGE\$ provides education-based bonuses every six months to infant and toddler educators earning \$23 or less per hour and working at least 10 hours per week in licensed programs. Bonus amounts

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range from \$3,000 for a Child Development Associate to \$12,000 for a bachelor's degree with 24 early childhood credits.

Recent research suggests that workforce bonuses, similar to Child Care WAGE\$, reduce turnover and grow the workforce.

- In Virginia, a \$1,500 cash incentive reduced staff turnover by 11 percentage points.<sup>6</sup>
- In the District of Columbia, a \$14,000 cash incentive for lead teachers increased the number of early educators by 3.2%.<sup>8</sup> One year later, the workforce had grown by 7%, or approximately 219 early educators.<sup>9</sup>

### Workforce Pathways

The RI Early Childhood Registered Apprenticeship program and the T.E.A.C.H. Early Childhood Workforce program are complementary strategies to build the early educator workforce. These strategies have the potential to increase the number of educators entering the field and the qualifications of those already working in it.

- **Apprenticeship programs** offer paid, on-the-job training combined with education, providing a pathway into the field with mentorship and hands-on learning. Graduates typically earn a credential that can lead to higher wages and career advancement.
- **T.E.A.C.H. scholarships** allow current educators to pursue credentials or degrees, potentially improving their knowledge of child development and helping them advance professionally.

High-quality care during the infant and toddler years is essential for healthy development. Supports for early educators promote the stability and quality needed to deliver that care. Lower turnover also helps ensure families have more consistent access to child care options.

Thank you for the opportunity to provide testimony.

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<sup>&</sup>lt;sup>1</sup> Shonkoff, J. (2017). Breakthrough impacts: What science tells us about supporting early childhood development. *YC Young Children*, 72(2), 8–16

<sup>&</sup>lt;sup>2</sup> National Scientific Council on the Developing Child. (2020). Connecting the brain to the rest of the body: Early



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childhood development and lifelong health are deeply intertwined. Working paper No. 15.

https://developingchild.harvard.edu/wp-content/uploads/2024/10/wp15\_health\_FINALv2.pdf

<sup>3</sup> Centers for Disease Control and Prevention. (2020). Early brain development and health.

https://archive.cdc.gov/#/details?url=https://www.cdc.gov/ncbddd/childdevelopment/early-brain-development.html

<sup>4</sup> Otten, J. J., Bradford, V. A., Stover, B., Hill, H. D., Osborne, C., Getts, K., & Seixas, N. (2019). The culture of health in early care and education: Workers' wages, health, and job characteristics. Health Affairs, 38(5), 709-720. <u>https://pubmed.ncbi.nlm.nih.gov/31059354/</u>

<sup>5</sup> Center for the Study of Child Care Employment. (2024). The early childhood educator workforce. https://cscce.berkeley.edu/workforce-index-2024/the-early-childhood-educator-workforce/early-educator-pay-economicinsecurity-across-the-states/

<sup>6</sup> Bassok, D., Doromal, J. B., Michie, M., & Wong, V. C. (2021). The effects of financial incentives on teacher turnover in early childhood settings: Experimental evidence from Virginia. Virginia Early Childhood Foundation. <u>https://vecf.org/wp-content/uploads/2021/12/6de6fd54-e921-4c88-a452-ad7cabccc362.pdf</u>

<sup>7</sup> Council for a Strong America. (2023). \$122 billion: The growing, annual cost of the infant-toddler child care crisis. https://www.strongnation.org/articles/2038-122-billion-the-growing-annual-cost-of-the-infant-toddler-child-care-crisis

<sup>8</sup> Schochet, O. (2023). Jobs in the balance: The early employment impacts of Washington, DC's early childhood educator Pay Equity Fund. Mathematica. <u>https://www.mathematica.org/publications/jobs-in-the-balance-the-early-employment-impacts-of-washington-dcs-early-childhood-educator-pay</u>

<sup>9</sup> Schochet, O. (2024). Jobs in the balance: the two-year labor market impacts of Washington, DC's early childhood educator Pay Equity Fund. Mathematica. <u>https://www.mathematica.org/publications/two-year-labor-market-impacts-of-washington-dcs-early-childhood-educator-pay-equity-fund</u>