Summary of the Governor’s 2019-21 Budget for Early Care and Education

Investments in quality, affordable child care provide high returns because quality early education enables children to be ready for school and to reach their full potential. It also enables parents to participate in the workforce, and it’s an important strategy for reducing the unacceptable racial disparities in Wisconsin.

Although Wisconsin has historically had a good early education system, we have a rapidly worsening shortage of skilled early educators, and that problem is becoming especially acute for rural and low-income Wisconsinites. Key factors contributing to that shortage include the very low pay for child care teachers and low reimbursement rates for providers participating in the Wisconsin Shares child care subsidy program.

Increased Investments in Wisconsin Shares and YoungStar

Governor Evers’ proposed budget would make significant progress in improving access to high-quality child care and family well-being by increasing support for YoungStar and Wisconsin Shares. YoungStar is Wisconsin’s Quality Rating and Improvement System that rates child care programs on a five star scale. New resources for these include:

- **$46 million** over two years to increase the Shares reimbursement rates to the 50th percentile for each county. To help address the shortage of child care providers participating in the child care subsidy program, the bill provides an additional $23 million per year so all providers are paid at least the median rate in the county. Federal guidance recommends the 75th percentile. Currently Wisconsin is at just the 15th percentile, among the lowest in the nation.

- **$15 million** over two years to raise rates 5 percent for children up to age 4 (infants and toddlers).

- **$3 million** over two years to increase funding for certified providers, most of whom are in rural areas of the state, such that their rates are 100 percent of licensed provider rates.

- **$1.4 million** over two years for costs to support access to high quality child care for families that reside in a geographic area with high-poverty levels, as identified by the Department of Children and Families, in the City of Milwaukee (the 53206 zip code).

Pyramid Model

The bill invests **$1 million** over two years to expand funding for the Pyramid Model, which is a tiered intervention framework/strategy that enhances social and emotional competence in infants, toddlers, and young children, such as the ability to play well with others, to listen and follow directions, to identify and express emotions, and to problem solve.

Home Visiting

The Proposed budget would also increase TANF funding for home visiting by **$1 million** in the first year and **$2.2 million in** the second year to reduce the incidence of child abuse and neglect through the Family Foundations
Home Visiting program.

**Urban Excellence**

The Governor has also proposed using **$5 million** GPR in fiscal year 2020-21 to support the expansion and creation of early childhood education programs in the five largest school districts in the state. This program is intended to reduce achievement gaps in these districts by ensuring children are ready to start school. Research points to the importance of early childhood investments in improving student readiness and lifelong outcomes.