

Norwich Child Care Committee
Approved Minutes
October 4, 2021

Persons present: Rebecca Holcombe, Mary Layton, Brian Loeb, Neil Odell, Jamie Rosenfeld (present a few minutes into agenda item #2), Taryn Morrissey, Linda Cook

1. Layton moved, second by Odell, to **amend the agenda** to move the Taryn Morrissey item up to number two on the agenda. Vote: Loeb, Holcombe, Odell, Layton Yes. Rosenfeld not present for the vote but present for almost all of item #2.
2. **A presentation and discussion was given by and with Taryn Morrissey** of American University who described herself as “an academic who relishes speaking with people on the ground.” She gave an introduction using a slide deck that will be included as correspondence with the next agenda. Much of the material was familiar to the committee in that the structural problems noted by our local research are also present nationally. She had several informative graphs including an analysis from a “cost modeling” viewpoint. It was striking to see in graphic form the proportion of costs for childcare assigned to labor in juxtaposition with overhead and capital costs. Early childhood educators are earning a third of the compensation of unionized public elementary teachers in spite of comparable education and licensing requirements. Even at this non-livable wage 60% of costs of the business model are attributed to labor, with a greater need for labor and higher costs for children that are newborn to age three. As is the case locally, attempts to subsidize the childcare system have been targeted at preschool age children and ignoring the more labor intensive infant and toddler cohort. This has affected the business model for centers and especially home based care nationally as well in our local area. The preschool age children are less expensive to care for and could “subsidize” the cost of the infants. Because of the high proportion of labor costs, subsidizing capital and overhead costs is not adequate to solve the problem of inadequate compensation for early childhood educators. Supply of early childhood educators has decreased as they move to other fields with higher compensation. These effects have been exacerbated by the COVID pandemic. According to Morrissey one third of centers nationally have closed during this time.

Morrissey described three economic requirements for universal, high quality childcare as being Supply, Cost, and Quality. The industry will need more funding and to increase supply to meet demand. A promising alternative to vouchers as a mechanism to subsidize the system is grants and contracting which award funds or other resources to childcare systems and require a certain number of “slots” in return. This system is able to target diverse populations, leverage quality and teacher pay, fund quality programs, cut administrative costs, and take into account parental needs and choice. The statute under which Federal block grants (1996 Childcare Welfare Grants) are administered allows contracting but this system is not widely used. The State of Georgia initiated a pilot program that was successful but not continued during the pandemic.

Rosenfeld asked if in giving recommendations to the Norwich Selectboard, “is funding at the state level?” Holcombe replied yes, through state subsidies. Loeb noted that the Vital Communities corporate leaders group looked into contracting but were concerned that if businesses and corporations created childcare options with better compensation for educators that they would “poach” teachers from existing programs. Morrissey stated that there is no research regarding the effect of contracting on salaries. The industry nationally consists of 10% contracting and 90% vouchers. There has to be an additional mechanism to bring more funding into the industry. Loeb wondered, “What can one town do?” Rosenfeld wondered if there are examples of early childhood educators unionizing. Morrissey described programs in Washington D.C. and West Virginia that used the Head Start program to increase funding.

At this point Morrissey signed off and the Committee continued the discussion. Odell asked if our Provider Survey included educator compensation data. Rosenfeld said no, except for anecdotal evidence that “reaching” \$15/hour was a goal for many centers. Odell would like to determine the specific “salary gap” between an average early childhood educator in the Upper Valley and an average Marion Cross School teacher. Rosenfeld asked Holcombe for statistics about early childhood educators who are leaving the field due to inadequate compensation. Holcombe said she would check with the licensing division of the Vermont Department of Education. Rosenfeld said that if we recommend advocacy to the Selectboard, should we include the issue of Parental Leave, which in effect allows parents to provide child care without being penalized by their employer? Rosenfeld also couched the Parental Leave idea as an “alternative for employers.” Odell stated that investment in early childhood education could have a similar social and economic investment to that of Special Education. Holcombe said that intervention for disadvantaged children could be shown via this analogy, not so much for other children. Holcombe mentioned that Quebec research might be relevant that showed the impact on tax revenue when parents were forced out of the workforce to care for their children.

At this point the Committee discussed various important themes that should be considered in the final report to the Selectboard, along with supporting research. The themes mentioned were Public Investment, the Salary Gap, Resource Management, the Broken Funding Mechanism, Contracting, and Equity. Holcombe and Rosenfeld will develop an outline with these broad themes to be discussed at the next meeting. This concluded the discussion and proposed actions and questions that came out of the Taryn Morrissey conversation.

3. **The Minutes** were amended to include Sara Kobylenski as attending. Moved by Loeb, Second by Odell. Vote: Unanimous Yes
4. **Public Comments:** Linda Cook asked if increased funding would be based on the property tax or the income tax? Holcombe replied that the state legislature would have to decide on the funding sources, though existing funding comes through the Federal block grant and to some extent through public schools.
5. **Correspondence:** Correspondence was accepted from Doug Wilberding and Sara Kobylenski. Moved by Layton, Second by Rosenfeld. Vote: Yes, unanimous.
6. **The Teachers’s Perspective:** this agenda item tabled until the next meeting.

7. **The Act 11 PreK Study Report:** this item tabled until the next meeting.
8. **Norwich Recreation Childcare support:** tabled until the December meeting.
9. **Burlington use of contracting** to expand access to childcare. Layton stated that the city of Burlington provided grants to several childcare centers to increase access and that the funds helped leverage increased state funding.
10. **Norwich Public Library:** The Library and Norwich Recreation are collaborating to create an after school program in the Community Room of the Library as health conditions allow.
11. **RNESU/ARC** childcare partnership tabled until next meeting.
12. **Review steps and action for Selectboard report.** See agenda item #2, paragraph four.
13. **Next agenda:** Review draft report document including blocking out sections on advocacy and contracting, review research on Quebec tax impact, D.C. study, Vt licensing division regarding educators leaving the field.
14. Layton moved to **Adjourn**, second by Rosenfeld, Vote: Unanimous Yes