I was charged with talking with you about developments in the winners of Early Learning Challenge Grants. I am going to spend some time on this interesting work and then, given the assignment of speaking about how to ensure good-quality programs for a diverse group of children and support for the early childhood profession, I am going to focus on the broader issue of what early-childhood choices most parents still face, our responsibility to improve these choices and to develop a plan for 2025 and demand what steps and resources are necessary to move it forward.

Early Learning Challenge states provide a wealth of compelling strategies. Given the emphasis on quality rating and improvement systems (QRIS), we see states in very different stages of development. North Carolina, a pioneer that built QRIS into its licensing system many years ago, will be strengthening and revising its system while a number of other states that are in an earlier stage will require all licensed early leaning programs to participate in their QRIS and/or all early learning programs receiving state or federal funds. California, a state in indescribable chaos facing both unfathomable cuts and the dismantling of its child care system, will develop 16 separate QRIS systems. This is not necessarily a plan to emulate. Like Massachusetts, many states plan to increase the percentage of programs serving high-need children that participate in their QRIS as well as the numbers of programs in the top tiers. States offer varying levels of financial support to providers to help them move up and remain in the higher tiers—most not enough.

Several states, given the charge to have more low-income children in high-quality settings, are focusing resources on the most underserved areas. North Carolina has designated transformation zones
which are made up of a connected set of rural counties with high needs. Maryland will place a special focus on programs located in Title 1 attendance areas, and in particular, the schools in school improvement. It will establish two community hubs to provide and coordinate existing services for families with children birth to five in two highly under-resourced communities in Baltimore City through an Early Learning Intermediary Organization, and establish five Preschool for All sites where prekindergarten programs that are integrated in child care or Head Start settings, in Title 1 attendance areas. Maryland will expand its comprehensive Judy Centers by establishing two center satellite sites at Title 1 schools in school improvement and expand comprehensive services for children birth to six from the existing Judy Center Partnership sites to other Title 1 schools.

Rhode Island will give priority to technical assistance, improvement contracts, and professional development opportunities to those programs serving low-income children, English learners, and children with special needs, and in areas where it is determined that facility or special improvements will result in higher program quality or a safer, healthier environments for children.

Minnesota will focus on four high-need target communities where they will use grant funds as an incentive or match for districts to invest Title 1 in high-quality early learning programs. They will also use their School Readiness scholarships, which are state- and privately funded, in these communities.

States, like Massachusetts, will also focus on coordination with and strengthening the early grades. Delaware will create readiness teams in target communities to strengthen coordination and transition planning between early childhood and early elementary grades. Maryland will establish Leadership in Early Learning Communities. Other efforts will focus on developing K-3 standards in key areas such as social-emotional development and physical well-being and health, and improving the use of classroom and assessment data. Washington will continue to work to make full-day kindergarten
available for all children. Rhode Island will focus on creating scalable solutions to chronic absences and summer learning loss.

Professional development is a significant focus of the Challenge grants. A number of states will expand their T.E.A.C.H. programs or use other strategies to increase access to higher education. Unfortunately but not surprisingly, increased compensation for early childhood educators is not a highlight of many state plans. Massachusetts’ potential tax credit and Delaware’s recruitment bonus and wage enhancements tied to their QRIS system stand out. Coaching and mentoring will be used in a number of states, with some states also putting an emphasis on more training and requirements for the coaches and mentors. Washington will create training hubs and learning communities using their Head Start and state-funded ECAP program, which is similar to Head Start.

North Carolina, which has not only in its QRIS but also in its professional development and local coalition efforts been a leader, has much to admire. It will expand T.E.A.C.H. ® and wage enhancements beyond classroom teachers and offer these supports to TA providers, Child Care Resource and Referral staff, child care licensing consultants and home visitors. Responding to the concern that there is insufficient attention paid to directors and the importance of strong leaders at the helm, a leadership and online master’s degree in early childhood program leadership and management will be developed by North Carolina’s higher education system. Delaware also will create communities of practice for program directors including monthly meetings and weekly visits from trainers.

North Carolina plans to address an issue that merits attention in other states by creating an educator efficacy endorsement for TA providers and trainers in order to increase accountability and the efficacy of training. The state has, through over ten years of operating T.E.A.C.H., worked extensively with their institutions of higher education and will continue to do so. An innovative fund for community colleges will expand access allowing for more courses in Spanish and online. To ensure higher quality, all
of the state’s community colleges will be incentivized to achieve the NAEYC Early Childhood Associate Degree credential. North Carolina, like Massachusetts, will work to ease the transition between two- and four-year colleges. Stipends will be provided to a group of highly trained coaches to support birth-to-K teacher licensure for teachers working with children with high needs in non-pre-k classrooms. An online master’s degree will also be made available.

With an increased focus on CLASS, training will be available in the use of CLASS in 4- and 5-star facilities. In addition, new training and continuing education units will be developed to support the use of the CLASS instrument as well as cultural competence and family engagement. Health and development screening will be expanded in North Carolina for all children and for more children in other states as well. Maryland and Washington, like Massachusetts, will focus attention on family and community engagement. Many states mention a focus on health and mental health issues but not as a centerpiece of their efforts. Maryland is working to build mental health capacity in primary care facilities.

North Carolina is fortunate in that it has Smart Start coalitions in place that are funded to support the early childhood needs in their community and “fill in the gaps.” Maryland plans a new role for local coalitions that had been a strategy that Massachusetts used in the past. Maryland plans to create 24 local early childhood councils to develop plans for the implementation of the Challenge Fund.

Child care assistance is obviously a core issue for Challenge Fund states as without help, low-income families cannot access high-quality early learning opportunities. There is not much attention on this front, however. Some states plan to tie subsidy benefits to highly rated programs. Delaware will increase its reimbursement rates for all participating programs that serve children living in poverty with the highest-rated programs reimbursed at 100 percent of the market rate.
Maryland is introducing a copayment differential based on the center’s quality level. If a family chooses a level 5 center, the copayment would be 75 percent less than if they choose a level 1 center and the level 5 program would receive 44% above the base reimbursement rate. Ohio will pilot the elimination of copayments for subsidized child care when parents choose a tier 2 or 3 program.

North Carolina’s legislature voted last year to prohibit children receiving a subsidy to be in a 1 or 2 star program. This is something that other states are considering but it has a downside. This approach can make it challenging for the many low-income mothers who work odd hours and are in shift work to access help in paying for child care.

Several states receiving Early Learning Challenge grants will partner to consolidate their efforts. There is also much focus on developing kindergarten assessment and data systems.

Now I want to move on and focus this talk on where we have been and where we are now in supporting the pillars of an early childhood system. There is no way that we can reach the goal of serving all low-income children in high-quality systems if we continue to dismantle the fragile early childhood system now in place and if we do not have an audacious plan that can win a significant increase in funding over time.

This is an exciting yet very challenging time for young children and early childhood with the growing discussion about the need to lay a strong foundation in the early years. Yet with all this talk in this extraordinarily hostile economic and political climate, we walk a tightrope in terms of sustaining forward momentum while avoiding the danger of promising to do more with less. While we lay the foundation for the future, we must continue to focus on what children and their families truly need, what the most effective components should be of that foundation, and be clear with policy makers what that will take and why investing much, much more in early childhood should be a top priority. We cannot overpromise. We must be adamant that for more low-income children to be in high-quality early
childhood settings that will improve their chances for better life outcomes there must be increased investments to support parents, early childhood educators, and programs.

There is indeed an increasing awareness that we cannot close the achievement gap without paying attention to the needs of young children at a very early age. Yet, there may be a diminishing awareness that without stable child care, it is challenging for parents to get and keep a job. We have to ensure that both of these messages are delivered to policy makers. There is also simply not enough discussion about the resources necessary to create and sustain a high-quality early childhood system and its parts including child care, prekindergarten, home visiting, and parental leave.

There is not a brand new understanding of the need to support children early in their development. As we move ahead, it is important to understand our history so we understand why it has been so challenging to win the level of investment and the high-quality standards for children that we seek, the progress we have made, and the need to take advantage of windows of opportunity to create the financing for a system.

During World War II, the nation enacted the Lanham Act which provided high-quality child care and a web of supports to mothers so they could fill the jobs that their husbands left when they enlisted. In 1965, the creation of Head Start with its comprehensive services was a core component of the Johnson Administration’s War on Poverty. Many policy makers now unfortunately fail to see why a more narrow focus on early education is not sufficient.

In 1971, President Nixon vetoed a comprehensive child care bill with federal standards that would have laid the foundation and the funding for a strong system. He argued that it would Sovietize the American family. This put a chill on moving child care legislation for many years to come.
Yet, the recognition of the value of investing early led states to begin investing in prekindergarten in the 1970s. A number of states in the early 1980s included a prekindergarten program as a component of their education reform efforts. Kentucky and Texas put preschool squarely in the middle of their school reform efforts in the late 1980s. We all cheered when a court in New Jersey ordered not only prekindergarten for all poor school districts but also high-quality prekindergarten as part of a remedy following a lawsuit regarding education equity. In many states, community-based programs played a significant role in the delivery of prekindergarten services but regrettably not all prekindergarten programs have reached the level of quality that research and experience tell us is necessary.

In 1981, President Reagan’s budget put Head Start in a safety net but cut funding for Title XX, then the major source of child care assistance in the states for low-income families and eliminated the federal standards tied to these funds.

President Reagan finally understood the connection of child care to work and supported Congress in 1987 when it made child care an entitlement for mother receiving welfare and mothers leaving welfare and required states to pay the market rate for child care.

In 1988, child care was one of the key issues in the Presidential election. I could not pick up a newspaper when I traveled in those years that did not have a child care story on the front pages. We enacted the Child Care and Development Block Grant in 1990 after almost three years of debate. It was heralded as a program not only to help families pay for child care but also one to improve the quality of care. Unfortunately, the legislative process always requires compromises—even more so now, but always a factor. In order to get CCDBG enacted, many states demanded that the program include only minimal standards, and negotiations with the Bush Administration shrunk the amount of funds set aside to bolster the quality of care.
President Clinton did much to support early education, greatly expanding funding for Head Start and creating Early Head Start. Some advocates were not all happy with his priority for a Head Start expansion that did not include new funding for child care while some argued that Head Start could be woven into child care programs to enhance their quality. President Clinton also championed welfare reform, which led to a mixed bag for child care and families. In 1996, after a prolonged fight, there was broad agreement among the governors, advocates for low-income women and children, Congress, and the Clinton Administration that if “welfare as we know it” was going to end and Congress would eliminate both the welfare and the child care entitlement, they needed to increase funds significantly for a revamped CCDBG. If low-income mothers were going to work, there was a consensus that they needed help in paying for child care. Here too there was a huge battle over what the new CCDBG would look like. A number of governors worked hard, and luckily unsuccessfully, to eliminate the quality set-aside and the minimum standards in the statute.

Cuts in the Child and Adult Care Food Program at the same time led to a loss of monitoring and support as well as nutritional benefits for children to a number of family child care homes—monitoring and support that most states did not then and still do not offer. In many ways, family child care, which is essential to building a strong infant and toddler system of child care, continues to lose ground.

In the late 1990s, Rob Reiner led a vigorous campaign that focused on the importance of the earliest years—birth to three. Both Newsweek and Time published cover stories on this issue and there was a one-hour prime-time special. The unfortunately here was that the Reiner campaign did not include a policy ask and as today there was not a clear plan for how to support infants and toddlers. We quickly scurried about and won a small set-aside for infants and toddlers in CCDBG on the annual appropriations bill and a $50 million targeted increase for Early Head Start, which was clearly not enough.
In 1997, President Clinton convened a White House Conference on Child Care and supported a $20 billion child care plan. This led to a $5 billion increase in child care funding over five years. And in the years between 1996 and 2001 as child care funding grew, states improved their child care assistance policies, began new professional development initiatives, and overall made progress. Money does matter.

The enactment of No Child Left Behind in 2001 made investments in prekindergarten more pressing as states and schools struggled to ensure that children received a strong foundation in order to perform well on their 3rd grade tests. Prekindergarten investments also grew as they were fueled by a campaign supported by a major foundation. Some advocates were mixed about the growth of prekindergarten as they were about Head Start, wanting a seamless birth-to-five system. While the Bush Administration encouraged the development of early learning standards, they fought hard against increases in child care funding even while supporting tougher new work requirements for families receiving TANF, arguing that we have “plenty” of child care funds. They also proposed moving Head Start to the states to govern without including the comprehensive performance standards that are the hallmark of Head Start or new funding.

The case for early childhood continued to gain “big time” cheerleaders. Art Rolnick, a Vice President at the Federal Reserve in Minneapolis spoke around the country arguing that investing in early childhood has an extraordinary payoff and far outweighs the benefits of investments in football stadiums. James Heckman, a Nobel Prize-winning economist, said that the logic is quite clear from an economic standpoint: “We can invest early to close disparities and prevent achievement gaps, or we can pay to remediate disparities when they are harder and more expensive to close. Investing early allows us to shape the future; investing later chains us to fixing the missed opportunities of the past.”
Law enforcement officials agreed with the economists. According to a Denver Police Chief, “when Congress fails to support child care programs; it forces police to fight crime with one hand tied between our backs. By investing now in our most vulnerable youth we can guarantee they never grow up to be our most wanted adult. To win the fight against crime, we need to be as willing to guarantee our kids a place in a good child care program as we are to guarantee a criminal room and board in a prison cell.”

As a candidate, President Obama offered an encouraging campaign platform. His economic stimulus package (the American Recovery and Reinvestment Act, or ARRA) included a $4 billion increase in child care, Head Start, and Early Head Start funding and he supported the Early Learning Challenge. Unfortunately, very little of the ARRA child care funds were made permanent.

Despite all of these developments and continually expanding awareness about the importance of better-quality experiences for young children, we still haven’t found the will to ensure that all our children, especially the most vulnerable, have the early childhood opportunities they need. We owe our young children better. The gap between rhetoric and the reality is stunning given the research, the support of our top economists, and the growing public understanding of the importance of our children’s earliest years not only for school success, but for our nation’s economic success. And with the current focus on deficit reduction, we face backsliding in our investments in young children and families in a way that they cannot afford.

Unlike K-12 education, there is no financing stream that undergirds early childhood. The bulk of support comes from parents. And we cannot build a high-quality system that ensures children are in safe and supportive environment and early childhood educators are well compensated if parents are picking up the majority of the costs because they are already stretching themselves as far as they can.
Meanwhile, we only reach one out of six children eligible for federal child care assistance and the number of children getting help is sharply declining. With ARRA or economic stimulus funds, 1.7 million children were served in fiscal year 2010. It is likely that by the end of this year, we will be reaching only about 1.5 million children. This is hard to fathom. It is the smallest number of children served since 1998. While the Challenge Fund gives us an opportunity to test new strategies if we are honest, the cupboard for children who need high-quality child care while their parents struggle to work is bare. Every year, the National Women’s Law Center surveys states about their key child care assistance policies. As of February 2011, families were worse off in 37 states under one or more child care assistance policy than they were in 2010. States are making Solomon-like choices between serving fewer children, asking parents receiving child care assistance to contribute more toward the cost of care, or paying child care providers lower rates. Waiting lists continue to grow—75,000 children in Florida, 10,500 children in New Jersey. Maine just cut its state child care funding in half. Challenge fund winners do not have much to be proud of here. Maryland is a small state and every month its waiting list grows. It now has 16,000 children. California had close to 200,000 children on a waiting list and made it easier by just deciding not to keep one. Minnesota has over 4,500 families on its waiting list and North Carolina over 52,000 children. As you know, your state now has over 36,000 children waiting for child care assistance. It will be hard for low-income children to attend more high-quality programs if waiting lists continue to grow.

It will also be challenging for child care providers serving low-income children to provide high-quality care if reimbursement rates continue their downward spiral. Only three states now pay rates that are at the federally recommended level, the 75th percentile of current market rates, compared to 22 states in 2001. Challenge fund states are not among the three states paying at the recommended level. Another stunning fact is that while 31 states report that they pay higher rates for higher quality
care or tiered rates, in approximately four-fifths of these states, the reimbursement rate at even the highest quality level was below the 75th percentile of current market rates.

With such low rates, you well know that child care providers who serve families receiving child care assistance must make sacrifices as they stretch their already tight budgets. Families receiving child care assistance may have difficulty finding a high-quality child care provider willing to accept the low reimbursement rates. We hear that in low-income neighborhoods, some formal providers are shutting their doors. In more middle-income neighborhoods, centers find it all but impossible to serve families receiving child care assistance.

Other policies affect providers’ ability to maintain their businesses and parents’ ability to work. When a state eliminates child care assistance for a mom whose child has been sick for five consecutive days or provides no funding for any absent days if the mom is using a family child care provider (who care for most of our infants), her life can unravel. How many of us have had children who have had pneumonia or strep throat or a broken arm and missed five days of child care or class? A provider who loses a child also faces a gap in her budget. Wisconsin will now not pay family child care providers for any absent days.

These gaps are a serious issue. Another serious issue is the discussion around access versus quality. These are not and should not be competing issues. Conversations continue about what early childhood investments should accomplish. There has been a debate about whether the focus should be on child care and early education’s role as a support to help families work or as a support for child development, and whether the whether the focus should be on increasing access to child care assistance and early education or increasing quality. In truth, these are all equally important and interrelated goals. When parents do better, children do better, and when children participate in high-quality early learning programs there is also a payoff for them and our society. Challenge fund states
cannot serve more children in higher-quality care by shrinking the number of children and families who receive help in paying for child care.

Helping families pay for child care not only benefits families financially, but it also promotes the well-being of children. It does this in several ways: By helping families to afford good-quality care that nurtures their children’s growth and development, by enabling parents to work or to further their education and provide more economic security for their children, and by reducing parents’ stress, which allows them to have more positive interactions with their children. Child care assistance is a twofer. It can help improve of a child’s child care environment, especially if it is robust enough to support high-quality care as well as lead to positive effects on a child’s home environment, both of which have a significant impact on children’s development. When Smart Start was created in North Carolina, 30 percent of its funds were dedicated to child care assistance because its authors saw it as a family support.

Nearly two decades of research shows that increasing family income can positively affect child development, especially for younger children. Programs that increase family income through employment and earnings supplements have consistently shown improvements in school achievement among elementary school-age children. Other studies have shown links between increased income and improved school readiness in young children. Studies have also found connections between increased income and reductions in behavioral problems in low-income children and youth.

Families on waiting lists tell the stories about the impact of trying to meet their child care expenses on very limited resources. In New York City, three-quarters of families on the waiting list responding to a 1999 survey reported that their current child care arrangements were negatively affecting their children. One parent said, “I go to bed every night nervous or crying with frustration wondering if the money left will make it to my next paycheck. I’m finding myself short with the kids
more and then stop myself and say, ‘Think. It’s not fair; they are only kids...’ So, I give them hugs and say I’m sorry.” One parent from Hennepin County, Minnesota noted in a 1995 study, “The babysitter leaves Alicia with her son who is 17 years old and very immature. It bothers me to come and get her and she’s crying hysterically and he just ignores her and she’s hungry.” Another parent said, “My child is six months old and has been in three horrible daycares in two-and-one-half months.”

Research is clear that parents are more likely to work when they have reliable child care, and they find it very challenging to work when they do not. Simply put, helping families pay for child care makes it more likely they can get and keep a job. Without this help, parents may try to turn to welfare—and even this is no longer an option in many cases given that TANF benefits are now time-limited.

In North Carolina, about one out of four families on the state’s waiting list responding to a 1998 survey had lost or had to quit their jobs while waiting for child care assistance. In Santa Clara County, California, about 40 percent of the families waiting for child care assistance reported in a 1998 study giving up their job search since they could not find affordable child care.

One-quarter of the families on the waiting list for Hennepin County, Minnesota turned to welfare. In Hennepin County, a parent without assistance explained: “I lost that job after eight months because of upsets in my schedule...due to babysitting problems—although I was very conscientious about lining up child care arrangements, disruptions caused everything that I had carefully planned to come tumbling down.”

We also see that with child care assistance, families have more reliable, higher-quality child care, which gives them the peace of mind they need to be productive at work and reduces the chance that breakdowns in their child care arrangements will interfere with their work.
Child care assistance can put parents on a pathway to economic success. Peter Goodman recently wrote a moving story for the Huffington Post about the country’s starting to abandon a commitment we made when TANF was enacted to help low-income mothers with child care costs so they could work and support their families. One of the mothers that he interviewed is now the assistant director of the resource and referral department at the Community Child Care Council of Sonoma County California. In the early 1990s, while a single mother, she worked as a receptionist at a local car dealership. Every night before work, she found herself frantically dialing friends in search of someone able to look after then two-year old daughter. “Some days, I’d have to use my lunch break to drive over and pick her up at one friend’s house and then take her to another,” she recalls. “Sometimes, these were people I’d known I high school who my daughter didn’t know at all, and I’d be introducing them just as I’m driving off to bet back to work.” She eventually went on welfare and put her daughter in a subsidized child care program, a stable situation that allowed her to complete her studies at a local college. Today, she is self-sufficient having completed her studies and gaining a job at the 4Cs. “The stable child care was the linchpin,” she says. “If I hadn’t had that, I wouldn’t be able to do anything.”

This is pretty much common sense. Parents’ income and education make a difference and child care allows them to work and go to school. Of course, it should be high-quality child care and we have to demand both access funds and quality funds and a much improved early childhood system.

We also have to be insistent that we need to have a laser-like focus on the task of winning both the good policies but also the necessary resources for a birth-to-five system. While it is exciting to work towards a high-quality, aligned birth-to-eight system, we must be clear to policy makers about the fact that so many young children are in totally unacceptable early childhood situations.

Given our early childhood history, we need to consider what strategies might produce the most durable funding base. As we think about 2025, we also have to be flexible, strategic, and pragmatic if
we are to be successful in building a well-funded system. We must continue to struggle to expand financing for child care and improve state policies, and at exactly the same time we might consider a prekindergarten strategy as an approach that could help to ensure that both low-income and middle-income parents get the help they need to afford high-quality care.

Prekindergarten is part of a birth-to-five strategy that will not be achieved by a single funding stream or program. We are going to have to build our system room by room. If we can win the financing for six hours of prekindergarten in a mixed-delivery system for three- and four-year-olds with child care funds to extend the day, that is a victory. It should be part of our plan. It is not perfect for parents but families in Georgia and Oklahoma and DC, which have universal prekindergarten policies, do not complain about having six hours of free care. For middle-income families, who face some of the toughest child care choices, it is a bonus. When I spoke in North Carolina a few weeks ago, a middle-income mom who worked at a local resource and referral agency spoke movingly about the fact that she just could not afford the child care at the quality level she wanted for her young children.

In America, there isn’t always a comprehensive approach to solving problems. If we can build a room that is furnished with high standards and a good compensation package for early childhood educators, that is an important step to take. The public may one day accept financing a universal prekindergarten system before they accept financing a universal birth-to-five early childhood system. After-school and summer programs could also possibly be funded through an education funding stream. This will also mean that we will have to reimagine how to support high-quality care for infants and toddlers as well as support for wrap-around care and care for parents who work odd hours and shift work.

Meanwhile, we have to be cautious about efforts that will force our sorely underfinanced system to quickly produce results for young children. It is important to be accountable and to be able to
assess how young children are doing when they enter kindergarten. But we must guard against investing the bulk of our limited resources and time in this strategy, which could result in underfunded programs with relatively low standards and poorly paid teachers focused mainly on the fear of losing their funding based on children’s test scores. Louisiana will give letter grades to child care programs based on children’s assessments, and a pilot program in Georgia will interview five-year-olds about their kindergarten teachers as one part of teacher evaluations. These strategies are likely to produce inappropriate and unsuccessful environments for young children.

We also have to support our leaders who step up with plans to raise revenues or taxes. We cannot get to a strong early childhood system or other supports that children and families need by continuing to cut spending. The agreement by Congress to raise the federal debt limit last summer cut nearly $1 trillion over 10 years from the total funding for discretionary programs such as child care and Head Start, making the overall pot smaller and affecting multiple programs that support the same vulnerable families. In addition, it mandated across-the-board cuts or sequestration slated to take effect next year that will require nearly 8 to 9 percent cuts in each discretionary program unless Congress turns this around.

We have a severe shortfall regarding the revenue necessary to support our country. Federal revenue in the decade of the Bush-era tax cuts was, on average, at its lowest level of any decade since the 1950s relative to the size of our economy. In 1950, there was no Medicare or Medicaid, no interstate highway system, no Department of Education, no Head Start or CCDBG. By the end of 2012, the Bush-era tax cuts will have cost us over $3 trillion since 2001. It is important to remember what we get from taxes—child care, Head Start, safe food, clean air, clean water, public schools, air traffic control, medical research, disaster relief, paved roads, and much more.
It is also important to understand who pays taxes. While the corporate tax rate on the books is high, there are so many special interest loopholes, that many corporations pay little or no tax. Taken together, 12 major corporations—including Exon Mobil, Verizon, General Electric and Boeing—earned $171 billion in profits, paid negative taxes, and got back $2.4 billion in tax subsides over three years. The richest 400 taxpayers paid federal income tax at a rate of just 18.1 percent in 2008, down from a two-decade high of almost 30 percent in 1995. A millionaire who gets two-thirds of his income from Wall Street has a 12 percent federal tax rate. A typical middle-income family that gets most of its income from paychecks has about a 15 percent tax rate. Tax cuts do not create jobs. After President Clinton raised taxes, the economy created nearly 240,000 net new jobs each month. After President Bush cut taxes before the recession even began, only 86,000 new jobs were created per month. Ending those tax cuts for the wealthy would save $866 billion in the next decade. We must add a discussion of taxes or revenue to our advocacy agenda or our vision for what our young children and their families need cannot become a reality.

Many of you have heard about the military’s model system. In some ways, it is really an outgrowth of the Lanham Act, although no one refers to it this way. We should take a lesson from the military. The military rightly views child care as a work issue, believing that their high-quality child care program is a factor in readiness. "If our people don’t have reliable child care, they can’t go to work. Like our counterparts in the corporate world, we have found that child care is a major work force issue. Lack of availability of quality child care impacts on productivity and is an increasing factor in work absenteeism and tardiness," According to Mike Berger, who is responsible for the Marine’s Child Care Program, the marines must be able to concentrate. "If you are worried about where your children are, it will absolutely detract from your ability to do your job.” They also understand that our future force needs the benefit of a strong start as well. The military says be all that you can be…and they, and we,
should help all of our children be all that they can be. But, a parent should not have to join the forces to have the child care they and their children need.

That means being more demanding of our policy makers when they talk about the importance of the early years and a lot more planful about how we are going to build an early childhood system. This is a very challenging time for our country and we are in a very unsettling political environment. It is true that we may not see the progress our children need in the near future. However, we must be crystal clear with legislators who claim to be early childhood heroes or heroines that to get real results they must work towards creating and funding real opportunities for young children and their families and the teachers who care for them. And we must set our minds to developing a viable plan for the future.