

Testimony in Support of HB-7680
Updating the Early Childhood Categorical Fund
House Committee on Finance
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The Economic Progress Institute supports Representative Donovan's HB-7680, which updates the Early Childhood Categorical Fund in the school funding formula law to clarify that funds can be used to support both Rhode Island Pre-K program and Head Start. Additionally, HB-7680 mandates the Rhode Island Department of Education and the Rhode Island Department of Human Services to work together to allocate funding for Pre-K and Head Start to support a mixed-delivery model for early child care and education.

All children deserve access to high-quality education. Early care and education programs, such as Pre-K, Head Start, and the Child Care Assistance Program (CCAP), are critical tools in connecting families with babies and young children with educational and developmental supports. Rhode Island has a severe staffing crisis in early care and education programs that has destabilized high-quality care and support for infants, toddlers, and their families. Updating the Early Childhood Categorical Fund would preserve the supply of early child care, expand the retention and compensation of high-quality early childhood educators, and improve the quality of care. These programs support the growth and development of Rhode Island's babies and young children and their families. Additionally, a mixed delivery system has many benefits, including increasing capacity to serve more children; providing families with choice in the environment they prefer for their children; and supporting small businesses.¹

An accessible, affordable, and high-quality Early Care and Education system has been proven to improve parents', especially mothers', employment and improve children's academic success, social-emotional development, and lifelong employment and health outcomes.² Quality early care and education are the building blocks for children's academic success, social-emotional development, and lifelong employment and health outcomes.³ The current child care workforce faces issues with recruitment, wages, and retention. Qualified early educators are necessary for Rhode Island's children to have the best outcomes in their future. Competitive wages are necessary for retaining and recruiting highly qualified early educators. Rhode Island needs to invest in our early educators to reopen classrooms, decrease childcare costs, and shorten waiting lists.

¹ [State Preschool in a Mixed Delivery System: Lessons From Five States, Learning Policy Institute, 2023](#)

² [Children's Learning and Development Benefits from High-Quality Early Care and Education: A Summary of the Evidence, ACF, 2023](#)

³ [Investing Early Taking Stock of Outcomes and Economic Returns from Early Childhood Programs, RAND, 2017](#)

These investments in Rhode Island's youngest children will yield great long-term benefits for infants and toddlers, their families, the communities they live in, and our state's economy. The Economic Progress Institute urges passage.