



Early Childhood Care & Education Commission

November 1, 2022

Agenda

- I. Call to Order
- II. Roll Call
- III. Approval of the Minutes of the September 14, 2022 Meeting
- IV. Consideration of a Report on the Preschool Development Grant Birth Through Five Grant Application (PDG B-5)
- V. Consideration of a Status Report Regarding Revenue Generation Strategies



I. Call to Order

II. Roll Call





III. Approval of the Minutes of the September 14, 2022 Meeting

**IV. Consideration of a Report on
the Preschool Development Grant
Birth Through Five Grant
Application (PDG B-5)**



PDG B-5 Planning Grant Application 2023

The Department is applying for the competitive 2023 PDG B-5 Planning Grant.

The 2023 Preschool Development Grant Birth through Five (PDG B-5) Planning Grant provides funding for states to develop, update, and implement a strategic plan to strengthen the state's integrated early childhood system to prepare children to enter kindergarten.

The grant focuses on the following priority activity areas:

- EC Workforce
- Family Engagement
- Program Quality Improvement
- Sustainability

PDG B-5 Planning Grant Application 2023

The PDG B-5 Planning Grant specifically requests applicants to establish innovative plans to support the early childhood education workforce.

If selected, the LDOE intends to use the funding to support workforce through:

- Exploring the development of a teacher apprenticeship pipeline by
 - working with high schools to provide coursework that enables students to begin their careers in early childhood education
 - partnering with Community Network Lead Agencies and Ready Start Network Lead Agencies to create workforce development programs and supports
 - developing strategic plans for sustainability of workforce development initiatives beyond the grant period
- Establishing a Teacher Pay study group responsible for
 - developing recommendations related to appropriate pay for early childhood educators
 - creating recommendations for addressing existing pay gaps
 - establishing guidance for the cultivation of stakeholder and community-level partnerships that can address teacher pay



V. Consideration of a Status Report Regarding Revenue Generation Strategies



**Current Preschool Development Grant (PDG)
and COVID-19 Stimulus Dollars**



Preschool Development Grant (PDG) and COVID-19 Dollars Birth to 3 Seats

Fund Source	2020-2021 667 Seats	2021-2022 2,539 Seats	2022-2023 3,201 Seats
PDG	\$6,304,063.00	\$4,979,258.00	\$9,146,696
CRRSA		\$19,848,670.00	
ARPA CCDBG			\$33,315,024
Total	\$6,304,063.00	\$24,827,928	\$42,461,720

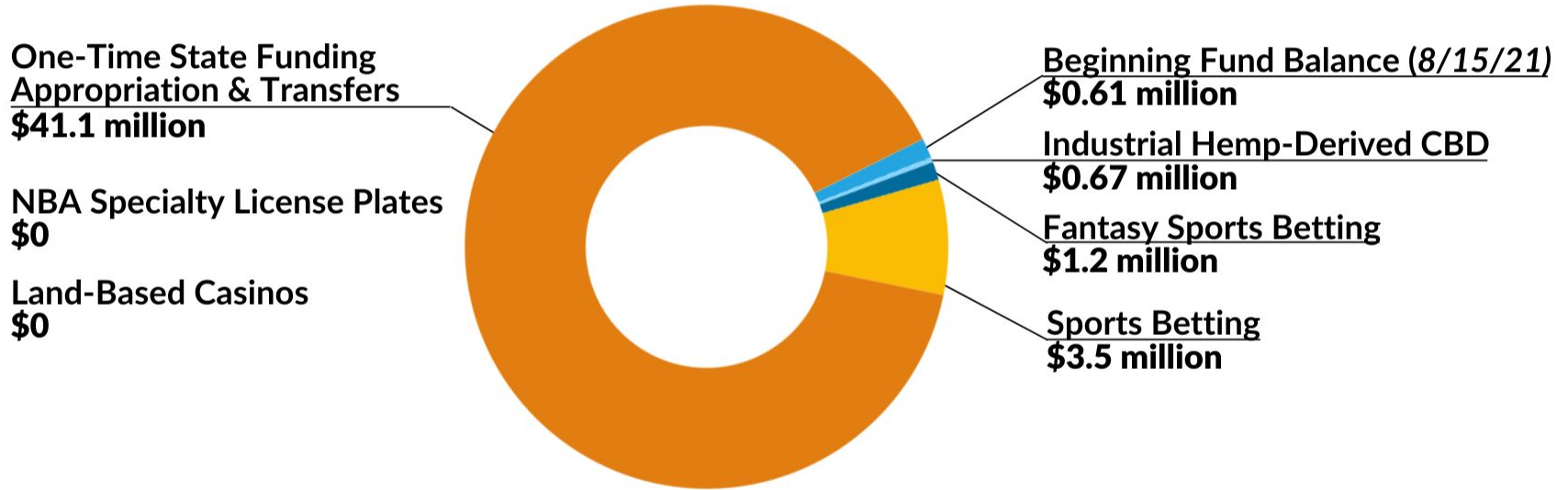


Louisiana Early Childhood Education Fund

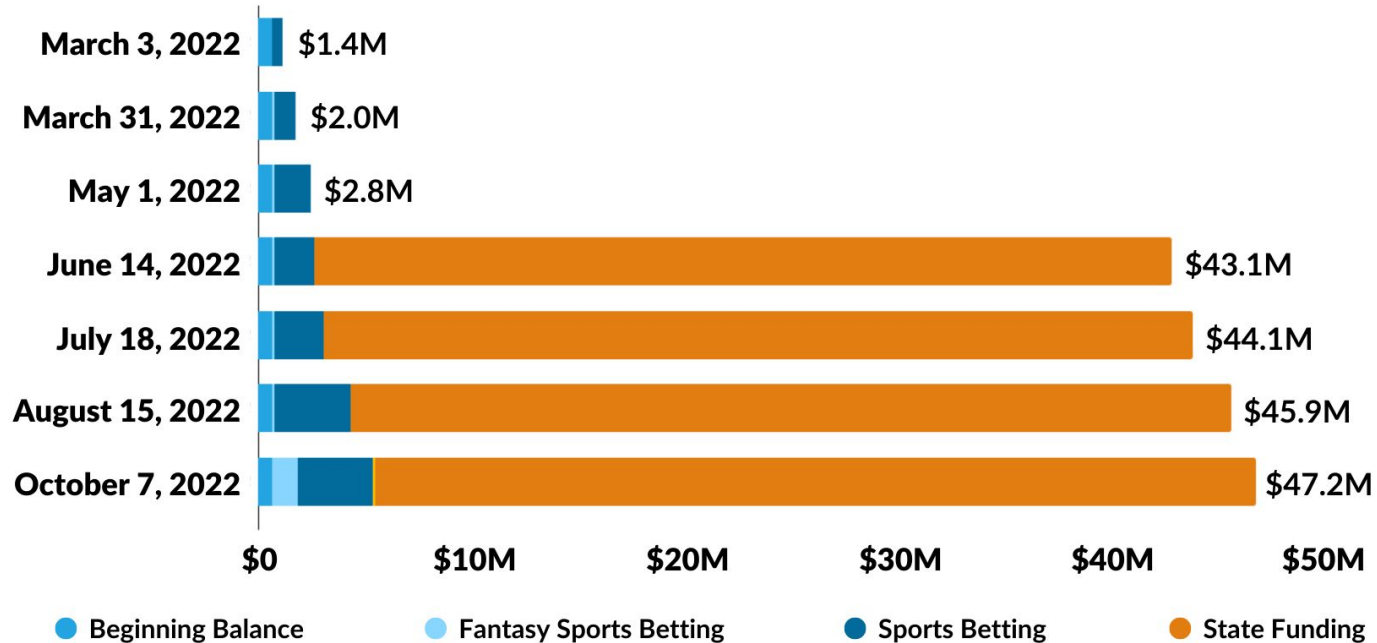


Louisiana Early Childhood Education Fund

Total Balance as of October 7, 2022: \$47.2 million



Monthly Breakdown: Louisiana Early Childhood Education Fund





Local Revenue Generation by Ready Start Networks



Ready Start Networks

2021-2022 Local Investment

The state ECE Fund matches local investment (e.g., parish or city general funds, a millage or other dedicated revenue source, philanthropic funding, etc.) to fund B-3 seats in high-quality child care.

Three Ready Start Networks secured more than 4.5 million dollars for additional local B-3 seats for 2021-2022:

Network	Local Funds	ECE Match Funds	Total for new ECE B-3 Seats
Orleans	\$3,458,000	\$3,458,000	\$6,916,000
Caddo	\$1,029,587	\$1,029,587	\$2,059,174
Jefferson	\$225,000	\$225,000	\$450,000

Ready Start Networks

2022-2023 Local Investment

Four Ready Start Networks secured funding totaling over \$3.5 million for additional local B-3 seats for 2022-2023:

Network	Local Funds	ECE Match Funds	Total for new ECE B-3 Seats
Orleans	\$3,000,000	\$3,000,000	\$6,000,000
Caddo	\$200,000	\$200,000	\$400,000
Jefferson	\$225,000	\$225,000	\$450,000
Bossier (NSU)	\$51,000	\$51,000	\$102,000

Additional Ready Start Networks are developing local funding and revenue generation plans.

Ready Start Networks

2023-2024 Potential Local Investment

As of September 30, 2022, eight Ready Start Networks anticipate locally raised funds that will provide additional local B-3 Seats in 2023-2024..

The LDOE still needs to evaluate the applications by each Ready Start Network, to ensure every claim meets the ECE Fund requirements for a state match. However, if all dollars qualify, the maximum total amount to be matched will be \$25,757,734.

The eight networks anticipating a state match in 2023-2024 are as follows:

Ascension	Bossier	Caddo	Jefferson
Orleans	Sabine	Pointe Coupee	Vernon



Generating Local Revenue in Orleans Parish



Expanding Public Funding for High Quality ECE in Orleans Parish

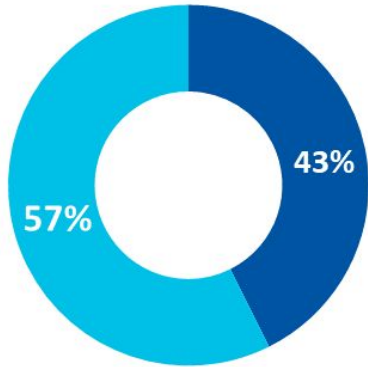
Jen Roberts
jroberts@agendaforchildren.org



New Orleanians can't afford child care.

\$9,360

MEDIAN COST OF INFANT CARE (TYPE III CENTER)



■ Remaining Budget ■ Cost of Infant Care

PUBLIC UNIVERSITY SEMESTER FEES

\$6,630



\$5,980



\$5,315



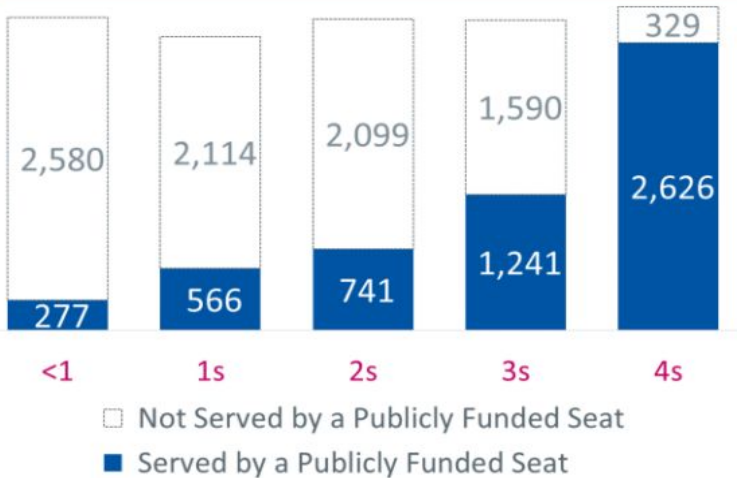
\$4,677



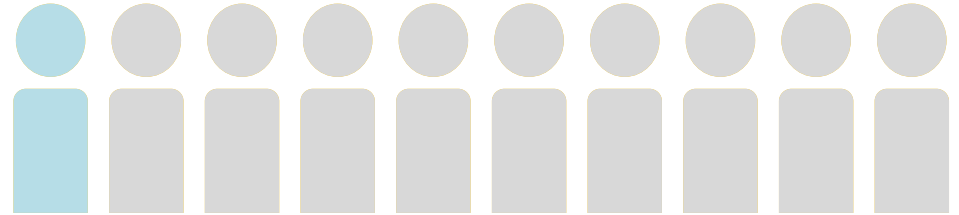
New Orleans cannot currently meet demand.

In Fall 2021, there were 10,641 economically-disadvantaged children age birth to three living in New Orleans. Of that number, 8,383 lacked access to a publicly funded ECE programs.

Economically Disadvantaged Children's Access to Publicly Funded ECE in New Orleans (Fall 2021)



Source: Agenda for Children's Analysis of data collected through the Oct. 1, 2021 Child Count and data provided by the LA Dept. of Education



Only 1 in 10 low-income **infants** had access to a publicly-funded early childhood seat.

A five year journey of expanding access begins in 2017...

2017: Advocates lobby Mayor Mitch Landrieu and City Council to support an investment in early care and education — and succeed!

2018: First year of City Seats program launches with 50 children

2019-2021: City Seats program expands rapidly.

2020: Community advocates launch unsuccessful millage effort.

2022: Voters pass a 20-year property tax to support early care and education

NOEEN

CITY SEATS

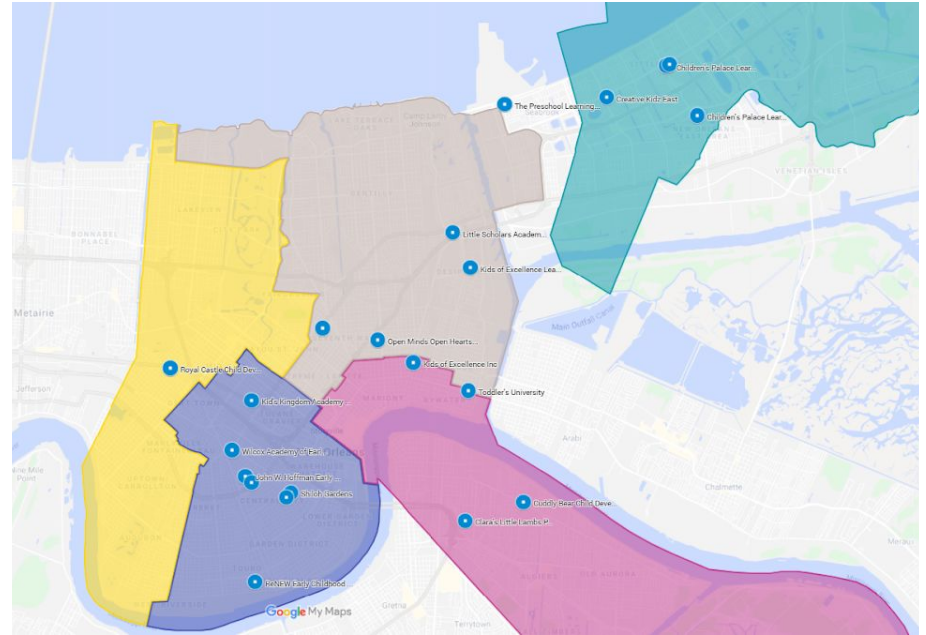


What is City Seats?

City Seats provides high-quality early care and education to 400 infants and toddlers in Orleans Parish whose families earn less than the federal poverty threshold.

Seats are contracted with 22 Type III centers across the city that agree to meet quality standards and participate in professional development and ongoing monitoring at \$12,000 per student.

NOEEN CITY SEATS 



How does City Seats work?

New Orleans subcontracts with Agenda for Children in its capacity as the co-lead agency for the New Orleans Early Education Network (NOEEN) through an annual Cooperative Endeavor Agreement.

NOEEN and its Steering Committee establish quality standards, payment rates, and plans for professional development, wraparound supports, and evaluation.

The NOEEN Steering Committee conducts an annual coordinated funding request process to solicit new providers and determine the allocation of seats, using a rubric that balances quality, geographic need, program demand and administrative competence.

In its capacity as co-lead agency, Agenda for Children oversees program coordination and quality control. It also contracts with an independent evaluator to assess program impact.

2022 ECE Millage Campaign



The **EARLY CHILDHOOD EDUCATION** proposition language reads:

“Shall the City of New Orleans be authorized to enhance early childhood development and education in New Orleans through the levy of a special tax of 5 mills on all taxable property within Orleans Parish for a period of twenty years (January 1, 2023 through December 31, 2042), with all tax proceeds dedicated exclusively to programs and capital investments that provide childcare and educational opportunities for Orleans Parish children who have not yet entered kindergarten, and with an estimated collection during the initial year of \$21,274,959 if the foregoing special tax is levied in full?”

Millage Key Messages: Ensuring Accountability & Results

- This program is administered by the New Orleans Early Education Network - our lead agency and Ready Start Network - administered by Agenda for Children and NOLA-Public Schools.
- Builds on proven New Orleans City Seats program that is modeled after Early Head Start and includes an independent annual evaluation.
- Operates under a Cooperative Endeavor Agreement (CEA) between the City of New Orleans and the two co-lead agencies for the state-recognized New Orleans Early Education Network (NOEEN), approved by the City Council.
- Requires monthly reporting on use of funds and progress toward achieving benchmarks as well as an annual report and presentation to the City Council.
- Annual plans and partners are also approved by the NOEEN Steering Committee, which is made up of local early childhood experts and stakeholders and complies with all public meeting laws.
- Independent Evaluation of the Program annually

The millage will make a difference...

The millage will allow up to 2,000 children to be served (1,000 from the millage + 1,000 from state match), up from just 50 children served in 2018.

70%

of the funding will go towards:

- 1,000 **high-quality seats** with wraparound supports

30%

of the funding will go towards :

- **Center expansion and startup** grants
- **Family outreach and enrollment coordination, executed by NOLA-PS** to help create more classrooms and spaces for high-quality seats for children
- **Teacher training and professional development** to help ensure we have the high-quality teachers we need
- **Staffing, program evaluation and oversight**

An increasing percentage of the funds will be invested in seats over time as capacity is built.



The millage will make a difference...

2018



2019



2020



2021



2022



2023



What is the impact on taxpayers?

- According to City Council Fiscal Office, five mils is equivalent to approximately **\$5.20 per month** for a home valued at \$200,000 with a homestead exemption.
- The five mills will NOT result in an increase in overall millage rates given several recent expirations and roll backs.

Analysis by the New Orleans City Council Fiscal Office, November 2021.



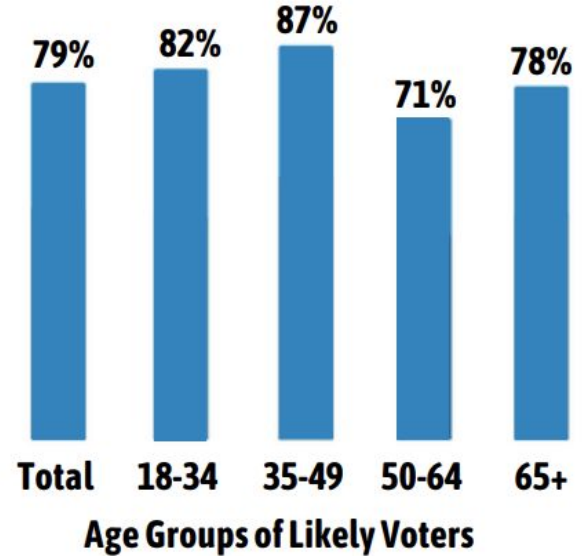
Voters support early care and education...

Voters in every district and demographic want increased access to early care and education.

Strong Support for Early Childhood Education Programs

4-in-5 likely voters feel positively about early childhood care and education programs, including child care and preschool.

Question Asked: Are your feelings toward early childhood education programs, which include child care and preschool, very positive, somewhat positive, neutral, somewhat negative, or very negative?



Calls made to 500 likely voters via landline and cell phone from March 6-9, 2022. Poll conducted by LJR Strategies for Louisiana Policy Institute for Children. Findings are subject to sampling error of plus or minus 4.4%.



YES
FOR NOLA KIDS
Vote YES on April 30th

VOTE
YES
FOR NOLA KIDS



Louisiana
**SECRETARY
 OF STATE**
 R. KYLE ARDOIN



Official Results

Election Sat Apr 30 2022 ▾

[Multiparish](#)

[Parish](#)

[Statistics](#)

Orleans Parish

[change parish](#)

PW Early Childhood Education -- 5 Mills - CC - 20 Yrs.

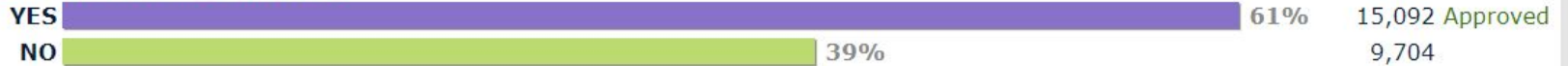
[Voter Stats](#)

[Early Voting](#)

[Precinct Results](#)

Early & Absentee Reporting - 1 of 1 parishes

Election Day Reporting - 351 of 351 precincts



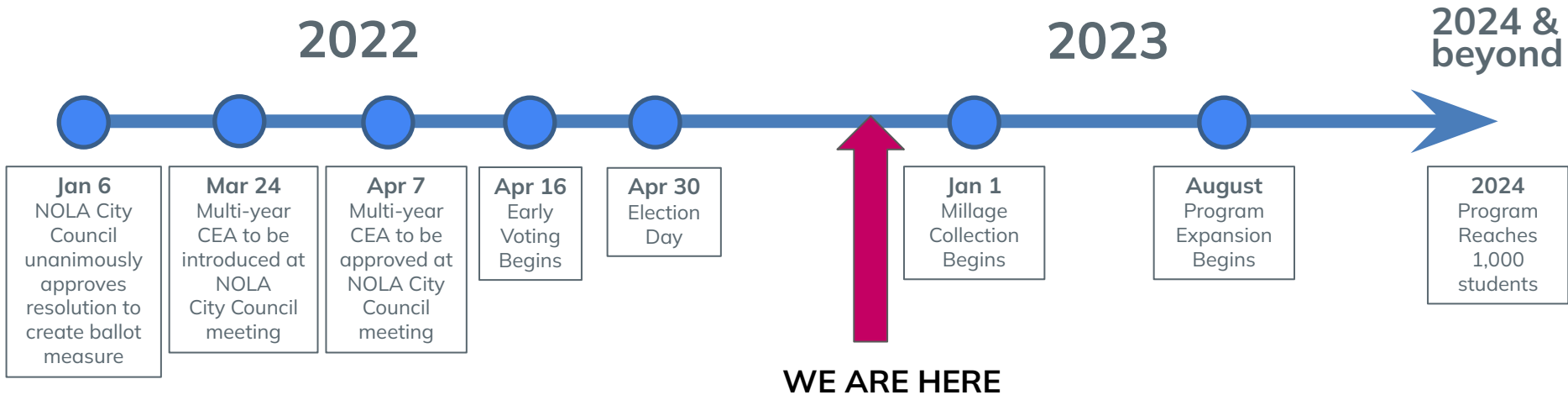
Turnout: 9.3%

Total: 24,796

[Download Results](#)

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Millage Implementation Timeline



Ballot Campaign

Prepare for Implementation

Implementation

Millage Capacity Building + Transition Priorities

1. **Educator Workforce Pipeline and Support:** Rapidly recruit, prepare, and retain an additional up to **800** early educators for year one. Develop pipelines, pathways, and retention strategies to ensure a stable workforce for future years.
2. **Program Expansion:** Identify and resource new and existing high-quality early childhood programs, including new leaders, to serve up to **2,000** City Seats children beginning in July 2023.
3. **Enrollment and Family Support:** Comprehensively inform and support the families of up to **14,000** children to select, apply, and enroll in early childhood education programs.
4. **Wrap-Around Services:** Scale community-wide “wrap-around” services to ensure new students’ and families’ success in early childhood education programming.
5. **System Accountability and Communications:** Immediately **build** Agenda for Children and NOEEN Steering Committee's capacities to meet the demands of the CEA, programming, and community, including transparently communicating on the millage’s planning and impact.

Important Considerations

- Build a **broad, diverse, and influential** community coalition that will lend time, talent, and treasure towards your efforts.
- Make the “juice worth the squeeze”
- **Plan**, plan, plan. And plan more.
- Ensure you have **time and resources** to “turn the ship” before implementation.
- Build **relationships** with national and local experts to support the implementation.
- Be **transparent and communicate** on progress and impact to voters.



Alternatives for Local Public Support of Child Care



Local Taxation in Louisiana

Alternatives for Local Public Support of Child Care



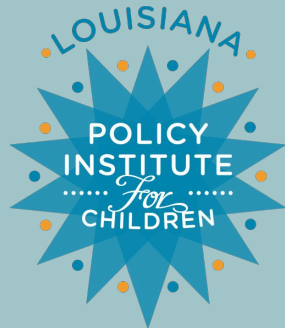
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Public Policy Center



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Acknowledgements

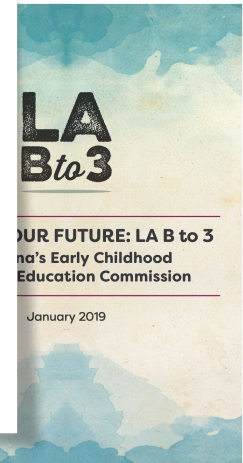
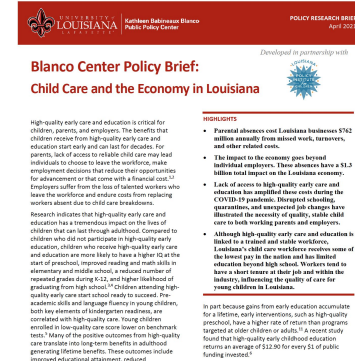
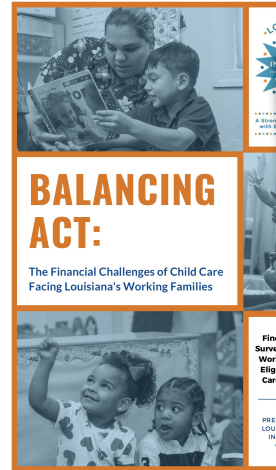
Comments and additional input were provided by Libbie Sonnier, PhD; RuthAnne Oakey-Frost; and Heather Cope of the Louisiana Policy Institute for Children. In addition, we thank the Louisiana Policy Institute for Children for funding that supported the development of this report.

Research Goals

1. Identify the key statutory and constitutional provisions that enable and govern local taxation.
2. Identify and summarize the provisions that create or authorize creation of local governmental subdivisions.
3. Summarize local taxing capacity.
4. Highlight approaches where local revenue could be generated to fund child care initiatives.

Why Local Funding for Child Care?

- Benefits of expanded access to quality care
- Supplement existing state funding
- Close gaps in enrollment
- Flexibility in how funds are used



Sources of Local Government Revenue

Sales taxes and **property taxes** form the basis of local government in Louisiana

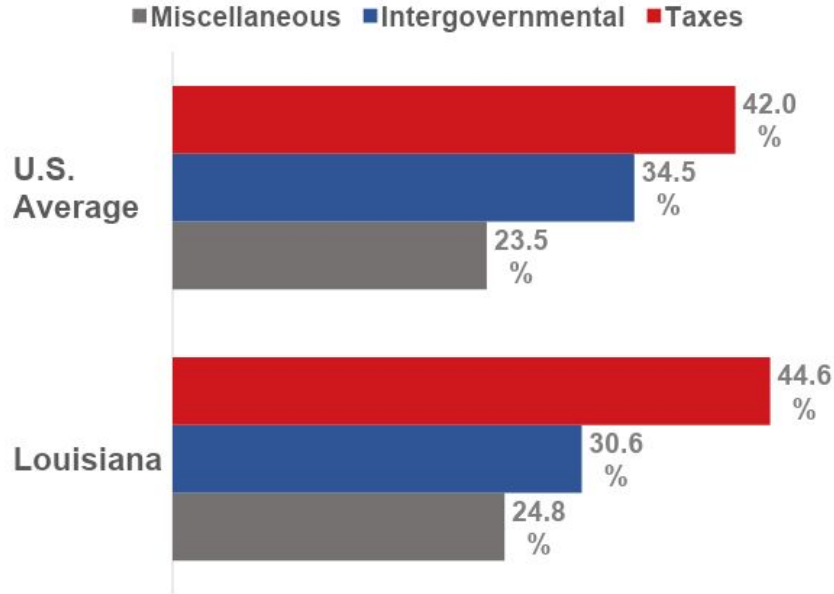
- The LA Constitution prohibits many sources of tax revenue for local governments (income tax, severance tax, etc.)

The majority of local revenues come from taxes and intergovernmental transfers

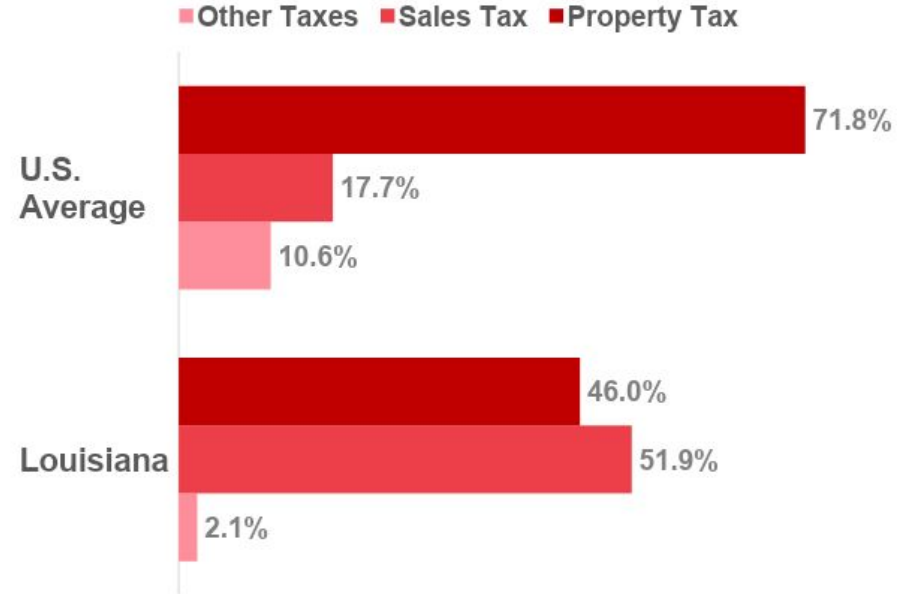
- Local governments have more control over taxes than other revenue sources

Local General Revenues & Tax Revenues

General Revenues

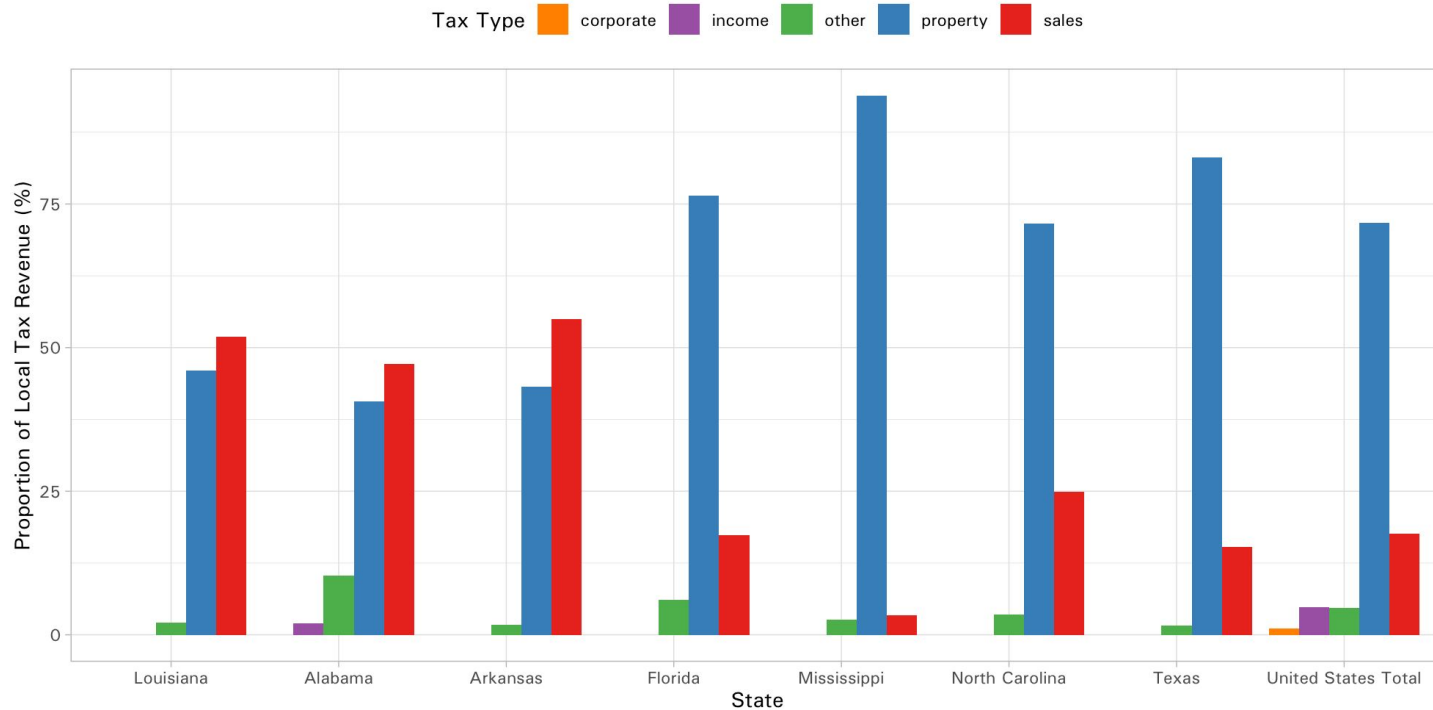


Tax Revenues



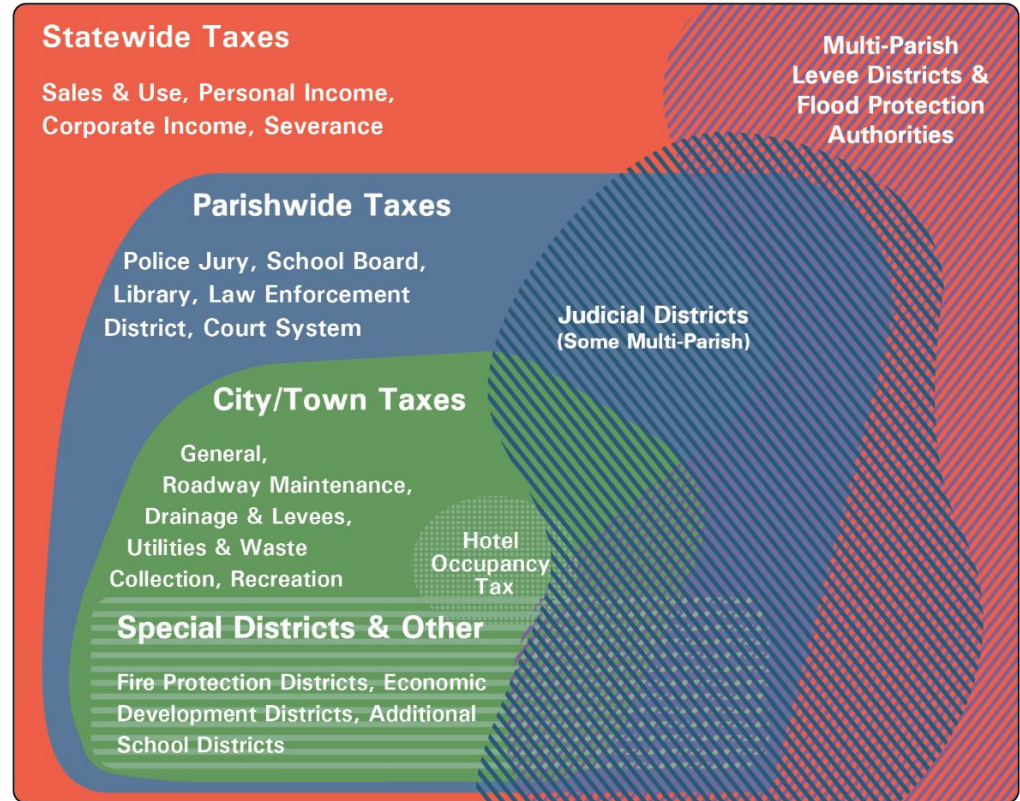
Source: U.S. Census Bureau, Survey of State and Local Government Finances, 2015

Local Tax Revenues by Type



Source: U.S. Census Bureau, Survey of State and Local Government Finances, 2019.

There are many overlapping layers of tax jurisdictions in Louisiana, from the statewide sales tax rate or multi-parish flood protection districts to narrowly drawn economic development districts which can occupy only a few city blocks.



Considering Who Pays

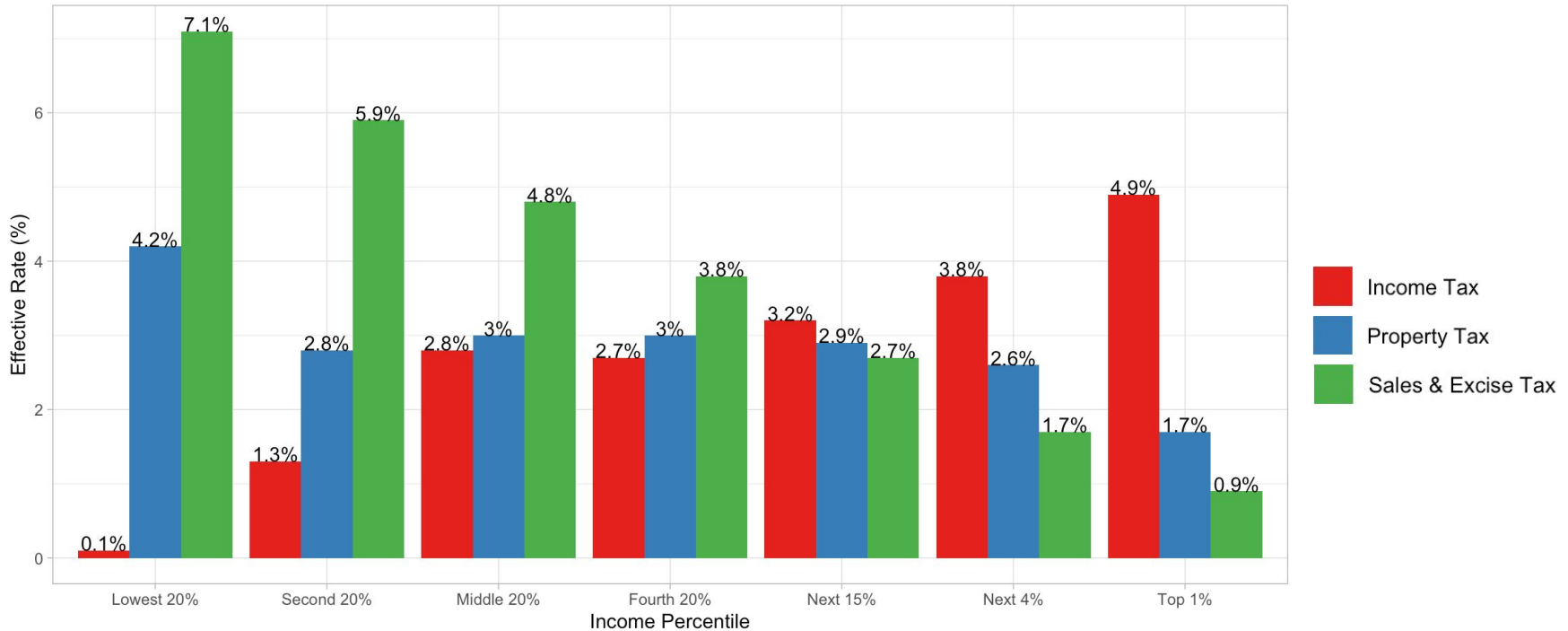
Tax burden – the impact a tax has on the incomes of those who pay

Tax incidence – the manner in which the burden of a tax is shifted to or split among various entities.

Progressive tax – imposes a greater burden on high-income taxpayers than on low-income taxpayers

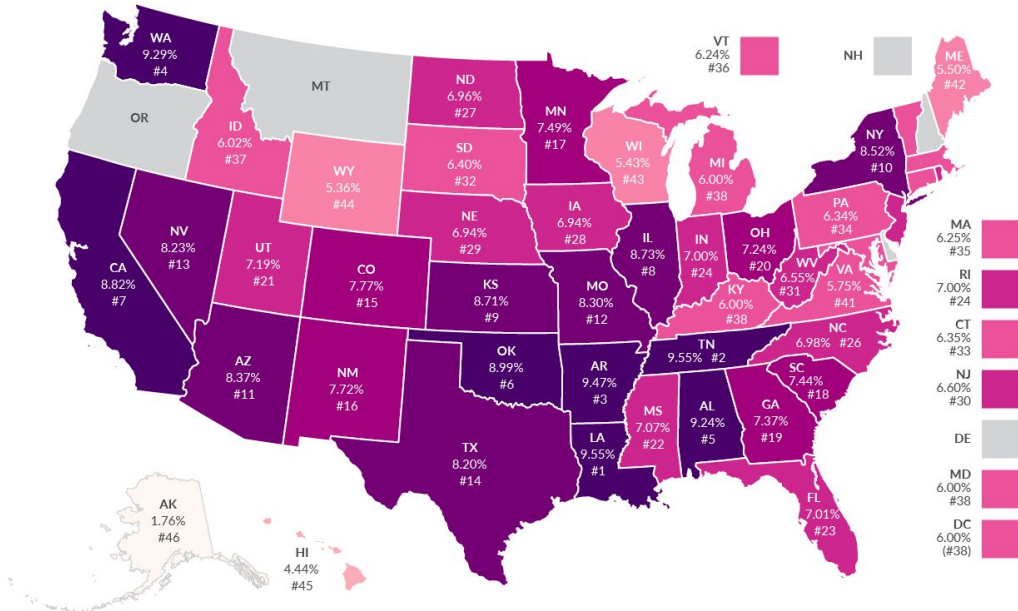
Regressive tax – imposes a greater burden on low-income taxpayers than on high-income taxpayers

Average Effective Tax Rates by Income



Source: Recreated from the Institute on Taxation and Economic Policy's 2018 "Who Pays?" report.

Combined State & Local Sales Tax Rates, 2022



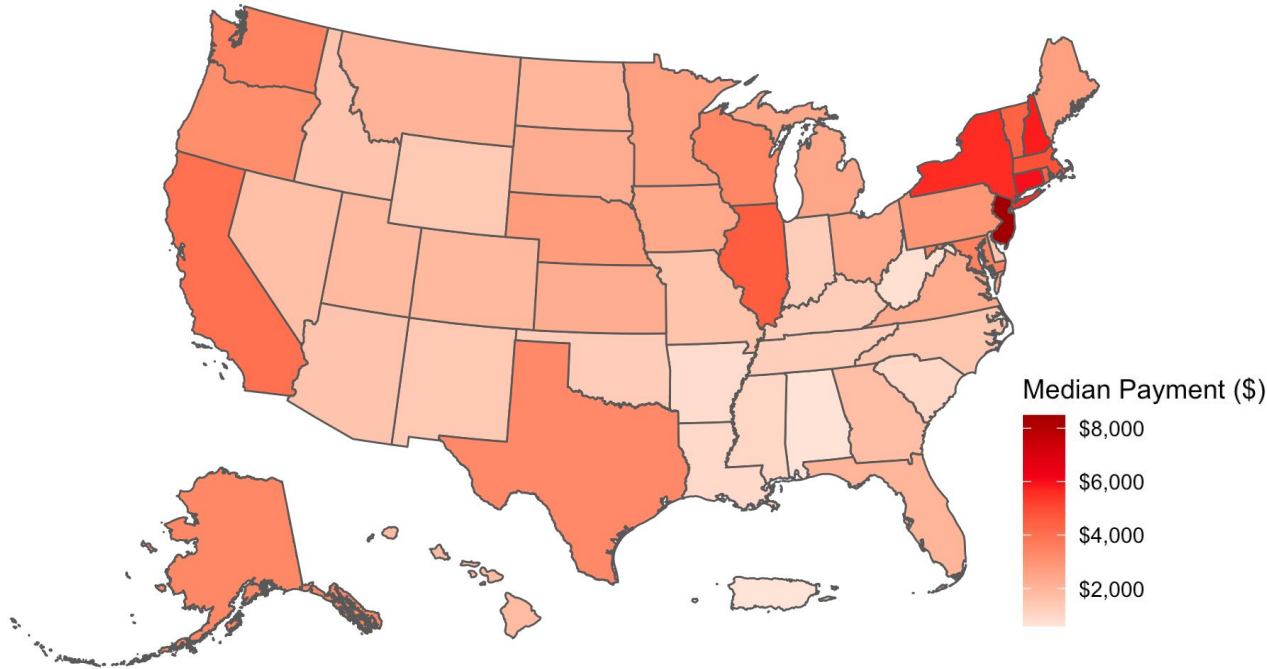
Notes: City, county and municipal rates vary. These rates are weighted by population to compute an average local tax rate. The sales taxes in Hawaii, New Mexico and South Dakota have broad bases that include many business-to-business services. D.C.'s rank does not affect states' ranks, but the figure in parentheses indicates where it would rank if included.
 Sources: Sales Tax Clearinghouse; Tax Foundation calculations; State Revenue Department websites

Combined State & Average Local Sales Tax Rates
 Lower Higher

State	State Tax Rate	Avg. Local Tax Rate	Combined Rate
Louisiana	4.45%	5.10%	9.55%
Tennessee	7.00%	2.55%	9.55%
Arkansas	6.50%	2.97%	9.47%
Washington	6.50%	2.79%	9.29%
Alabama	4.00%	5.24%	9.24%
Oklahoma	4.50%	4.49%	8.99%
California	7.25%	1.57%	8.82%
Illinois	6.25%	2.48%	8.73%
Kansas	6.50%	2.21%	8.71%
New York	4.00%	4.52%	8.52%

Source: Tax Foundation

Median property tax payment in U.S. states, 2020



States with Highest Payment

New Jersey	\$8,489
Connecticut	\$5,966
New Hampshire	\$5,796
New York	\$5,590
Massachusetts	\$4,836

States with Lowest Payment

Alabama	\$608
West Virginia	\$719
Arkansas	\$828
Louisiana	\$926
South Carolina	\$962

Source: U.S. Census Bureau, American Community Survey, 2020

Local Sales Taxes in Louisiana

- 51% of all local government tax revenue
- Over 400 sales tax districts in the state
- Revenues fund schoolboards, roadway improvements, law enforcement, general funds

Sales Tax Considerations

Capacity: many jurisdictions are at or above the *general* limit on sales tax rates, though there are numerous exceptions. Special tax districts allow room for more revenue.

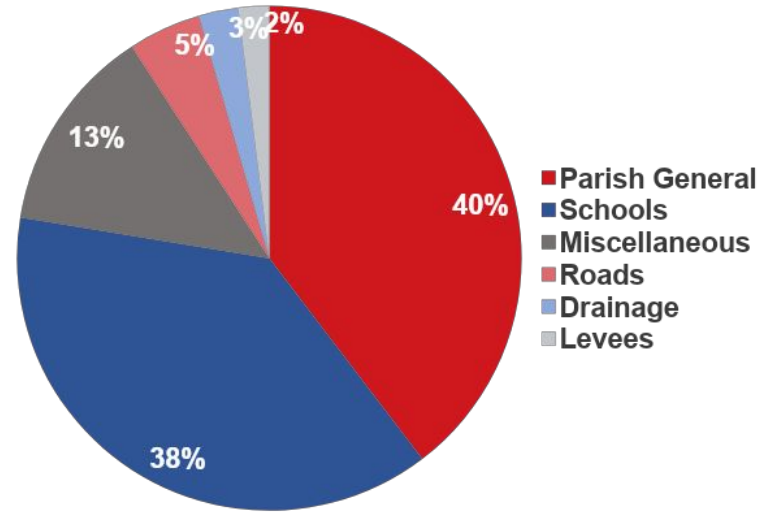
Burden & Progressivity: Sales taxes have a disproportionate effect on low-income residents.

Reliability: The sales tax base provides a predictable revenue stream. Lower collections in times of poor economic health. Keeps pace with inflation.



Local Property Taxes in Louisiana

- 46% of local tax revenues in LA
- Funding for general and specific services
- Based on three factors:
 1. Assessment rate – based on property type
 2. Assessed value – quadrennial
 3. Millage rate



Property Tax Considerations

Taxing Capacity: Tax base depends on mix of property types and values.

Burden & Progressivity: Less regressive than sales tax. Incidence of commercial millage may be passed down to customers.

Reliability: Property values fluctuate less than sales and appreciate reliably over time. “Rolling forward” allows tax authorities to generate more revenue as values rise. Long adjustment times between appraisal cycles.



Other Structures and Methods

- **Special Tax Districts**
- Public Private Partnerships
- Public Trusts
- Bonded Indebtedness
- Tax Increment Financing (TIF)

Questions?

A final draft of the study will be released November 17.

Presenters:

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Additional Information



Upcoming Meetings

ECCE Commission Meeting Dates

September 14, 2022

1 - 4 p.m.

November 1, 2022

1 - 4 p.m.

January 19, 2023

1- 4 p.m.

ECCE Task Force Meeting Dates

September 30, 2022

10 a.m. - 1 p.m.

October 19, 2022

1 - 3 p.m.

November 17, 2022

1 - 3 p.m.

January 10, 2023

1 - 3 p.m.