

September 21, 2015 Testimony before the N.J. Legislature Senate Education Committee
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Good morning. Thank you Madam Chairwoman and committee members for this opportunity.

I'm pleased to be here today representing United Way of Northern New Jersey. Our United Way represents five northern counties – Morris, Somerset, Suburban Essex, Sussex and Warren – which account for 1,700 square miles with 1.2 million residents.

While the perception is often that our region and New Jersey as a whole is wealthy – the reality is we are a state facing a growing crisis with more and more families living paycheck to paycheck and unable to afford basic necessities.

That's why our United Way is laser focused on making sure all residents have access to quality early childhood education for their children – most especially a population we call ALICE. ALICE stands for **Asset Limited, Income Constrained, Employed** and these are our residents who go to work every day, often to more than one job, but struggle to afford basic necessities – let alone a \$1,000+ child care or preschool bill every month.

For us at United Way there is no greater call to action in our state today than to provide access to quality early childhood education.

Our United Way ALICE Report shows that there are 1.2 million households in New Jersey – that's 40 percent of all households in the state – that cannot afford the basics of food, housing, transportation and, yes, child care or preschool. Throughout much of the state, child care and preschool is often the No. 1 most expensive item in a household's budget – more than housing and on par with the cost of a two year college education.

You've heard a lot already about the overwhelming evidence of study after study that quality preschool is a strong predictor of success in kindergarten. But it's so much more powerful than that.

It has far-reaching benefits in shaping our workforce. The evidence says the best predictor for success in college and life is a student's career in high school. But, what's the best indicator for graduating high school? Reading on grade level by the 3rd grade. And the best predictor for being proficient in 3rd grade? The number of words a child has in his or her vocabulary at the age of 2 and 3.

It's not just the pediatricians and the teachers and the advocates like United Way who point to early childhood education as a linchpin for future success. Corporate executives from all those Fortune 500 companies in our state tell us they, too, believe in this in order to produce a highly educated future workforce. And if we want to talk about money – we know it always comes down to that – there are top economists, including a Nobel laureate in economics, who point out that \$1 invested in early childhood education has a 7 to 10 percent return on investment over a lifetime.

Meanwhile, you know what the average portfolio in the stock market yields? These same economists tell us it's 6 percent.

I think we can all do that math.

This is why our United Way is so heavily invested in this issue and has been for more than a dozen years now – to the tune of \$1 million a year currently.

First, we are invested in working with the state to establish and operationalize a quality rating system for child care centers through Grow NJ Kids.

Second, we invest in teacher education and training to reduce turnover rates because teachers matter more to student learning than any other factor in a school. Many of our child care educators are ALICE and are entrusted with the care of our children at this time of greatest vulnerability and of greatest potential. If I may, I'd like to submit one of our recent success stories. Milagros Castro, executive director of El Primo Paso, a NAEYC-accredited center in Dover, is one of those educators who attributes our scholarship with putting her on the path to rise from an assistant teacher to executive director.

Finally, we also fund half-a-million dollars worth of scholarships so ALICE families can access quality care and education that otherwise would be out of reach.

So that's how United Way has been investing its resources. We'd like to see the state consider expanding its investment as well. Today, centers serving families who are ALICE or in poverty receive just \$26 a day from the state voucher system to educate preschoolers.

That's what some of us may spend just on lunch today. And we're expecting centers to provide a safe and engaging atmosphere to educate our children and prepare our future workforce on \$26 a day?

Quality child care and preschool gives parents the peace of mind to go to work and be their most productive. And it ensures that we continue to produce the highly educated workforce business looks for and expects from New Jersey.

Thank you.