



January 23, 2025

Senator Brian Hardin, Chairman
Members of the Health and Human Services Committee
Nebraska Legislature

RE: LB71

Chairman Hardin and Members of the Health and Human Services Committee,

My name is Jen Goettemoeller Wendl. I am a contract lobbyist representing First Five Nebraska, a statewide public policy organization focused on supporting policies that promote the early care and education of our state's youngest children, and am also here on behalf of the Nebraska Chamber of Commerce & Industry. Thank you for the opportunity to testify in support of LB71.

We all know how important it is for young children to have stimulating interactions with loving adults at home, as well as in high-quality early care and education environments when they aren't at home. These interactions literally build the foundation for cognitive, emotional and social skills that help children succeed now and in the future.

Quality early childhood experiences are those in which children are physically safe and emotionally supported through frequent, warm, one-on-one interactions with caring adults who engage them in language-rich and educational activities. Helping very young children develop self-awareness, encouraging them to explore, developing their listening and phonological awareness and many other skills are built through quality early childhood experiences. Children who experience these kinds of interactions have better reading and math skills in K-12, are more likely to graduate high school, attend college, have a job and earn higher wages.

Quality is the difference-maker and it isn't achieved by accident.

To assess, improve and communicate to parents the level of quality in early childhood programs, states use Quality Rating and Improvement Systems (QRIS). The QRIS framework was developed in the 1990s to incentivize and reward accredited providers with higher subsidy reimbursement rates.

History of Step Up to Quality in Nebraska

Back in early 2013, when the Nebraska Legislature introduced LB507, the Step Up to Quality Act, not every state had a Quality Rating and Improvement System. Now, nearly every state does. Step Up to Quality (SUTQ) officially launched in 2014 as Nebraska's QRIS. It supports all types of providers: licensed family child care homes and child care centers, Head Start and Early Head Start programs, school-based early childhood programs and licensed preschools.

Step Up to Quality is voluntary for nearly all child care and early childhood education programs. Only programs that receive more than \$250,000 annually in public child care subsidy dollars are required to participate.

SUTQ Participation

Since September 2020, participation in Step Up to Quality has grown from 474 to 979 programs,¹ an increase of 106.5%.² Those 979 early childhood programs enrolled in Step Up to Quality have achieved the following step levels.

- Step 1 Programs: 406
- Step 2 Programs: 368
- Step 3 Programs: 107
- Step 4 Programs: 35
- Step 5 Programs: 63

The Benefits of Step Up to Quality Participation

Supports and resources that improve quality are available to all participating programs. These resources enable any provider or educator, big or small, to take quality to the next level.

- Coaching: SUTQ coaches are early childhood experts. They help programs create individualized goals and action plans to improve quality. Coaches identify and maximize the strengths of each child care program and support them along their path to quality improvement. Child care programs are not required to have a coach. However, most participating programs agree that coaching is the most beneficial form of support offered by SUTQ.
- Professional Development and Training: SUTQ offers a variety of professional development and networking opportunities. Most training opportunities are available at little to no cost.
- Incentive Bonuses: Child care programs receive a financial incentive bonus when they move up a step for the first time. Incentive bonuses are awarded once per step level achieved.

	Incentive Bonus Amount - Child Care Centers	Incentive Bonus Amount - Family Child Care Homes
Step 2	\$500	\$250
Step 3	\$750	\$400
Step 4	\$1,000	\$500
Step 5	\$1,250	\$600

- Tiered child care subsidy reimbursement: Child care providers who receive child care subsidies from the Nebraska Department of Health and Human Services receive increases to their subsidy rates once they achieve Step 3, 4 or 5. Each step level increase earns a provider an additional 5% in their subsidy reimbursement rate.

¹ Krull, Morgan. January 10, 2025. NECPRS Weekly Update.

² Krull, Morgan. September 2020-January 2025. NECPRS Weekly Updates. Analyzed by First Five Nebraska.

The Need for LB71

Nebraska designed Step Up to Quality with the supports any provider would need to make measurable quality improvements to their program. **Development of each step level was based on research and evidence-based practices, with collaboration and input from stakeholders across the state.** The design team believed that Nebraska providers would be able to work their way to a Step 3 rating if the right supports were in place. What we didn't know was how much it would cost a provider to move from one step to the next, and if we put the right amount of supports in the right place to make it worth a provider's time and effort to pursue.

With 10 years of experience and consistent data, we know a lot more now. We know that while overall participation has grown, the ability of early childhood programs to achieve Step 3 or higher has not kept pace. In fact, the proportion of enrolled programs reaching Step 3 has never surpassed 30% and has decreased over time. LB71 recognizes that providers need additional support to move from Step 2 to Step 3.

This bill targets funds where they are needed most. While all children need stimulating, language-rich and attentive environments, tight budget times sometimes call for more targeted approaches. LB71 will help stabilize the early childhood workforce caring for children who are most at risk of struggling in the K-12 system and later in life. Please advance LB71 to General File for full consideration by the Legislature.

Thank you,



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