



ADMINISTRATION FOR
CHILDREN & FAMILIES

Early Childhood Development | 330 C Street, S.W., Washington, DC 20201
www.acf.hhs.gov/ecd

Dear Colleague Letter

Date: March 1, 2023

To: State, Territory, and Tribal Lead Agencies administering the Child Care and Development Fund program; Head Start programs; and Preschool Development Grant recipients

Subject: New Federal Opportunities to Bolster the Early Care and Education Workforce

Dear colleagues,

We are excited to share new resources and funding to support the early care and education (ECE) workforce. We know that many of you continue to struggle with an early childhood workforce shortage. While the job market has largely recovered from the impact of the COVID-19 public health emergency, the number of people working in the child care sector remains [lower than pre-pandemic levels](#). We hear from early care and education providers that they have closed classrooms because they cannot find qualified staff. Staff shortages not only reduce the supply of care, but they also create more stress and burnout for the remaining staff. A recent survey of more than 12,000 early childhood educators found that 1 in 3 respondents reported that they are thinking about leaving the field.

Together, we can address this challenge. The Administration for Children and Families (ACF) applauds the hard work of Child Care Development Fund (CCDF) administrators, Head Start directors, and other leaders from states, territories, tribes, and communities who are maximizing federal funding to stabilize and strengthen the ECE workforce. Already, more than 200,000 child care providers in every state have received [federal relief funds](#), reaching more than 8 out of every 10 licensed child care centers across the country.

According to a [recent National Association for the Education of Young Children survey](#), those who received federal stabilization funds are earning more through pay increases or supplements and are more likely to report they have good mental health than those who didn't receive those funds. Many of them also believe they would have closed their programs were it not for the federal resources. Head Start programs are also using relief funds to improve the [compensation, wellness, and career advancement of their workforce](#). But clearly, there's more work to do. As an early childhood community, we need to identify opportunities for sustained increases in wages and benefits and build a pipeline of diverse, qualified early childhood educators across all early childhood settings, including Head Start programs, home visiting settings, child care centers, and family child care homes.

This letter outlines new federal opportunities for states, local programs, and communities to sustain and build on their efforts to strengthen the ECE workforce. The most recent federal funding bill for fiscal year (FY) 2023 includes:

- An increase of \$960 million for Head Start programs, up to \$860 million of which will be invested primarily in the workforce. This includes \$596 million for a cost-of-living adjustment (COLA), \$262 million for quality improvement, and a \$2 million increase for the Tribal College and University-Head Start (TCU-HS) Partnership program. ACF released a new [Program Instruction](#) about how these funds can support the workforce. Head Start programs can also reference this previous [guidance](#) from ACF on ways to improve staff compensation as a key strategy to stabilize the workforce.
- An increase of \$1.85 billion in CCDF Discretionary funding. The Office of Child Care has released estimated FY23 funding allocations for [states](#) and [tribes](#). ACF also released [guidance](#) about how CCDF funds can strengthen the child care workforce.
- An increase of \$25 million for Preschool Development Grant Birth through Five.
- Increased funding for the Maternal, Infant, and Early Childhood Home Visiting (MIECHV) program, with a doubling of the tribal set-aside from 3% to 6%.
- In addition, ACF [awarded](#) nearly \$300 million in [Preschool Development Birth through Five Planning and Renewal Grants](#) to 42 states. States and territories are using these funds to accelerate short- and long-term strategies at the state and local levels to recruit, retain, and support the ECE workforce.
- We also announced the award of a new [National Early Care and Education Workforce Center](#), which will support research and technical assistance for states, territories, tribal nations, and local communities to improve the recruitment and retention of a diverse and qualified workforce across early care and education programs.

This legislation also provided increased funding for career and technical education, registered apprenticeships, and support for early childhood special education teachers. We encourage you to reach out to colleagues from these respective programs in your area to explore how to leverage those resources to strengthen the ECE workforce.

Leaders from states, territories, tribes, and communities should consider how the new federal resources described above can sustain or expand workforce strategies that have been supported by funding from the American Rescue Plan (ARP) Act and other relief dollars. As a reminder, ACF published [guidance for CCDF Administrators](#) and [Head Start programs](#) that strongly encourages the use of ARP Act funds as well as annually appropriated CCDF and base Head Start funds to increase payments, compensation, and benefits for the ECE workforce.

To help states, territories, tribes, communities, and local programs maximize the federal opportunities discussed in this letter, ACF compiled [promising strategies](#) that communities and states have implemented to support the ECE workforce. These examples include investments in wages and benefits, scholarships, apprenticeships, career pathways, recruitment, staff wellness, and more.

ACF has technical assistance supports available to strengthen ECE workforce efforts in your area. Head Start grant recipients should contact their OHS regional office staff. CCDF Lead

Agencies should contact their OCC regional office staff. PDG B-5 Lead Agencies and Tribal Home Visiting grant recipients should contact their federal project officers.

Thank you for your commitment to serving young children and families and early childhood educators and service providers.

Sincerely,

Katie Hamm, Deputy Assistant Secretary, Office of Early Childhood Development,
Administration for Children and Families, HHS

Dr. Ruth Friedman, Director, Office of Child Care, Administration for Children and Families, HHS

Tala Hooban, Acting Director, Office of Head Start, Administration for Children and Families,
HHS