MEMORANDUM

March 23, 2022

To: Jennifer Bryant, Director
Office of Management and Budget

cc: Gabe Albornoz, President
County Council

From: Tiffany Ward, Director
Office of Racial Equity and Social Justice

Re: Racial Equity Impact Assessment (REIA) for Supplemental Appropriation #22-66
Martha B. Gudelsky Child Care Center

I. **FINDING:** The Office of Racial Equity and Social Justice (ORESJ) finds that Supplemental Appropriation #22-66 Martha B. Gudelsky Child Care Center is likely to advance racial equity and social justice in the County as it expands access to early learning and childcare opportunities for FARMS (Free and Reduced-Price School Meals) eligible households in the County. As a result of structural inequities, these are more likely to be Black and Latino households. Because this supplemental appropriation attempts to address one of the key drivers of racially disparate outcomes in childcare and early learning (particularly through the partnership with CentroNia), we believe it contributes to racial equity and social justice efforts in the County. It is important to note, however, that the development of the Gudelsky Center location does not deal with inequities in the childcare and early education workforce. The full benefit of this supplemental appropriation, and its ability to shrink gaps in kindergarten readiness for example, will depend on the extent to which workforce inequities are also addressed. Furthermore, a range of systemic factors like reliable high-quality public transportation and access to fresh affordable food and nutrition will also play a role in whether this supplemental appropriation can help to shrink gaps in poverty rates and kindergarten readiness among the youngest children in Montgomery County.

II. **BACKGROUND:** The purpose of Supplemental Appropriation #22-66 is to fund sewer upgrades for the redevelopment of a County-owned property in Silver Spring for use as the
Racial Equity Impact Assessment (REIA) for Supplemental Appropriation #22-66 for the Martha B. Gudelsky Child Care Center
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Martha B. Gudelsky Child Development Center. Available information indicates that Center will be partnering with CentroNía\(^1\) to provide comprehensive early childhood services and other supports for infants and toddlers and their families. This Center will serve 120 children; at a minimum 75% will come from families that are eligible under federal guidelines to participate in the FARMS program.

To understand the extent to which Supplemental Appropriation #22-66 is likely to advance racial equity and social justice in the County, we examined inequities related to childcare, early childhood education, and support services and whether activities funded under this request would help to address those inequities.

There is a large body of evidence related to the historical and current policies and practices driving racial inequities in childcare and early childhood education. While these issues are systemic in nature and reflect a combination of federal, state, and local decisions, inequities can be grouped into two major categories. The first is disparities in access to high-quality affordable programs by race, ethnicity, income, nativity, and disability. The second issue is related to the treatment of and lack of public investment in the childcare and early childhood education field, specifically devaluing these types of care jobs and the workers—90% of whom are women, more than 30% women of color—\(^2\) who fill them. Together these two categories of issues negatively impact the short and long-term well-being of children, families, and entire communities. The impacts are especially acute for children of color, who face higher rates of poverty than their white counterparts\(^3\), and for families of color, families with Limited English Proficiency (LEP), and immigrant families—all of whom face systemic barriers to successfully navigating public systems\(^4\).

Since this supplemental appropriation focuses primarily on the development of the physical location of the Center, the following evidence addresses disparities in access. For additional information on historical and current policies and systems driving underinvestment in childcare and early childhood education please see the “Childcare Providers and Caregivers” section of the Office of Legislative Oversight Racial Equity and Social Justice Impact Statement of Bill 38-21\(^5\).

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\(^1\) CentroNia provides affordable, quality education, professional development educators, and family support services in a bilingual and multicultural environment.


\(^4\) Christine Johnson-Staub.

Despite federal funding for Head Start and activities under the Child Care and Development Block Grant (CCDBG), irregularity in these mechanisms and variability in state policy infrastructure mean that there are gaps in access across the US. Research suggests that disparities in participation emanate from a number of factors, including:

- limited supply of formal, licensed, culturally competent care, including bilingual providers who speak the languages of families in the community;
- inconsistent quality-standards that often reflect the views of the dominant language and culture and may fail to elevate standards on diversity or alternative concepts of quality;
- variability in administrative processes, rules and eligibility criteria creating complex obstacles for enrollment;
- lack of affordable childcare and early education options compared to rates of poverty and median household income (in Montgomery County this dynamic disproportionately impacts families of color). It is important to note that these disparities reflect an accumulation of structural inequities in the labor market, education, and housing;
- insufficient hours of operation to accommodate parents and caregivers working outside of school-day hours; low-wage workers often face unpredictable schedules and fewer benefits—thus limiting the childcare and early learning options available to them; and
- racial bias and stereotyping motivating disproportionately high rates of suspension and expulsion—starting in early childhood—for children of color, particularly Black children.

In Montgomery County, one of many consequences of these disparities is lower rates of kindergarten readiness among children with Limited English Proficiency (LEP), children who participate in FARMS, Hispanic children, and Black Children. See chart below from Annie E. Casey Foundation Kids Count Data Center, which shows the percent of each sub-group who are not yet demonstrating kindergarten readiness in the 2019-2020 school year. Most notably, the percentage of students not yet demonstrating readiness is almost three times higher for LEP than white students; the disparity is similarly large for Hispanic children and Black children, as well as FARMS students.

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As previously mentioned, eligibility criteria can often be a sticking point preventing equitable access to early childhood education and childcare. Available information about the Center involved in this supplemental request indicates that 75% of children served by the Center must meet the eligibility for FARMS. Given racial disparities in household income\(^7\), experiences of childhood poverty\(^8\), differences in kindergarten readiness by FARMS eligibility\(^9\) and the racial demographics of children participating in FARMS in Montgomery County\(^10\), it is clear that the use of FARMS as an eligibility criteria will successfully target those facing the largest and most persistent\(^11\) barriers to high-quality affordable childcare and early education. As previously discussed, in Montgomery County this is most likely to be children and families of color.

III. **DATA ANALYSIS:** While the following data analysis does not relate specifically to the experiences of children 0-5 years of age in Montgomery County, it does reveal disparities in the factors that influence life outcomes of these children. Given the demographics of school age children in Montgomery County and the indicators displayed below, addressing early

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\(^7\) See data analysis section.

\(^8\) See data analysis section.

\(^9\) See chart above, “Ready for Kindergarten by Subgroup: Not yet demonstrating (percent) 2019-2020”.

\(^10\) See data analysis section.

childhood learning and care is essential to the future prosperity and competitiveness of the County.

First, the below chart shows racial disparities in household income in Montgomery County in 2017; the lowest median household incomes were among Black and Latino households.

### Median Household Income by Race and Ethnicity, 2017

<table>
<thead>
<tr>
<th>Race/ethnicity</th>
<th>Montgomery County, MD</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asian</td>
<td>$109,147</td>
</tr>
<tr>
<td>Black</td>
<td>$72,587</td>
</tr>
<tr>
<td>Hispanic/Latino</td>
<td>$71,847</td>
</tr>
<tr>
<td>White</td>
<td>$119,426</td>
</tr>
<tr>
<td><strong>Other</strong></td>
<td><strong>$75,723</strong></td>
</tr>
</tbody>
</table>


There are also significant disparities in rates of childhood poverty. The below chart shows that the largest percentages of children experiencing poverty in Montgomery County in 2019 were Black and Latino, followed by children identified (in the US Census) as being of an “Other Race”. Together, Black, and Latino children make up nearly 80% of all children in poverty in Montgomery County in 2019.


These patterns follow closely with the racial demographics of children participating in FARMS in Montgomery County Public Schools (MCPS). According to an Montgomery County Public Schools Districtwide Boundary Analysis, 88% of students enrolled in
FARMS are Black or Latino. The below is a screenshot from the report, illustrating the overrepresentation of Black and Latino students in FARMS compared to their representation in the MCPS student population. This disproportionality is closely linked to many of the structural barriers discussed throughout this REIA.

**Source:** MCPS Districtwide Boundary Analysis. Available at: [https://www.montgomeryschoolsmd.org/uploadedFiles/departments/publicinfo/Boundary_Analysis/interim-report/02c_Diversity.pdf](https://www.montgomeryschoolsmd.org/uploadedFiles/departments/publicinfo/Boundary_Analysis/interim-report/02c_Diversity.pdf)

cc: Ken Hartman, Director, Office of Strategic Partnerships, Office of the County Executive