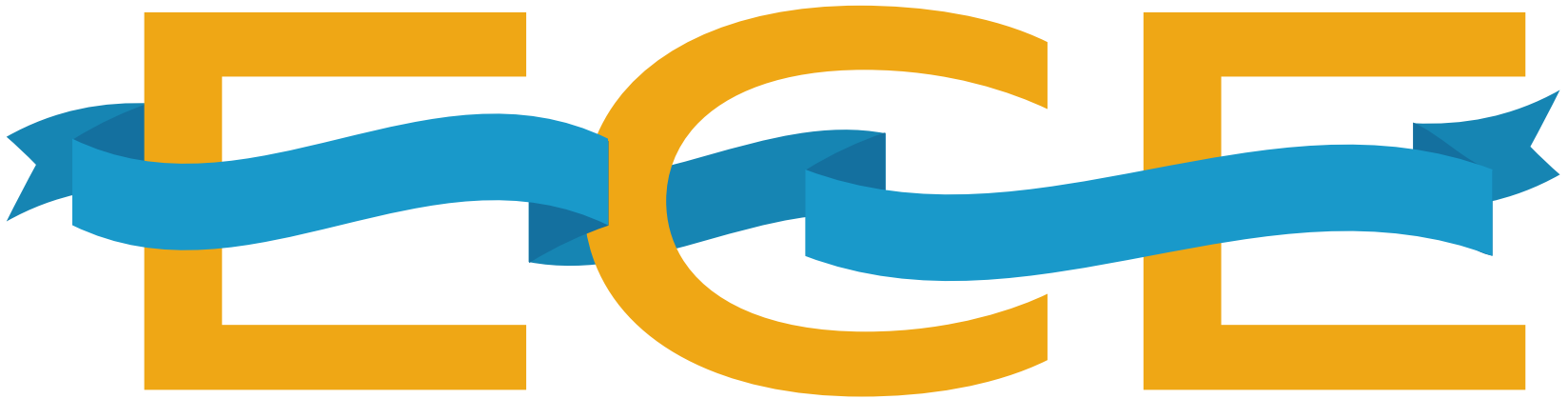


CA ASSEMBLY BLUE RIBBON COMMISSION



ON EARLY CHILDHOOD EDUCATION

Friday, March 2, 2018



California Budget  
& Policy Center

# Child Care and Development Programs in California:

## Access and Funding Since the Great Recession

KRISTIN SCHUMACHER, SENIOR POLICY ANALYST

MARCH 2, 2018

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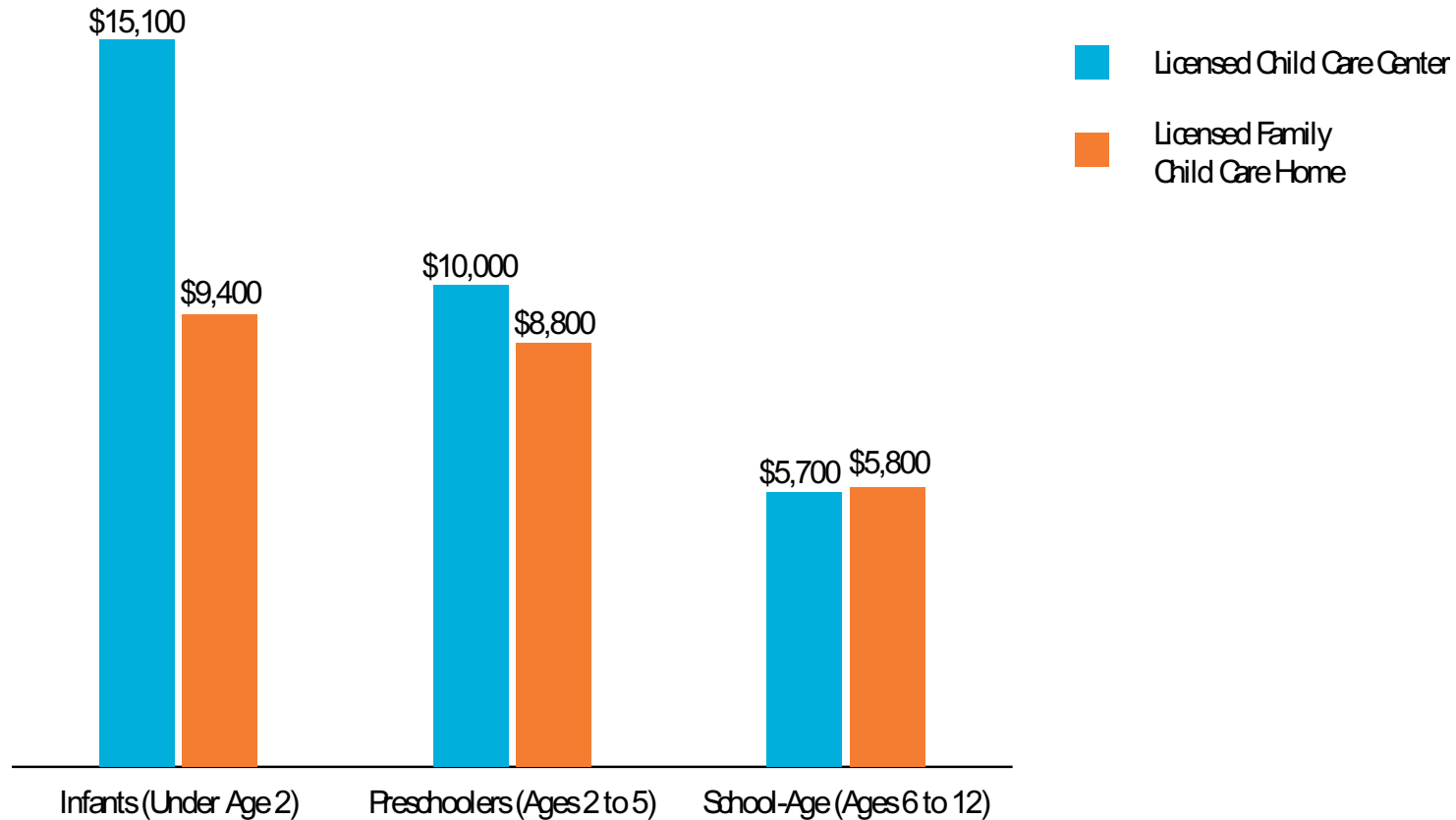
# Affordable child care and preschool helps families make ends meet.

Without access to affordable care, many families face difficult choices about where to leave their children while they are working.



# The Cost of Child Care Is Prohibitively High in California

## Median Cost of Care Statewide, 2016



Note: Figures are rounded to the nearest hundred. Cost of care is full-time for infants and preschoolers and prorated according to the school year for a school-age child. Costs are based on counties' median cost of care weighted to reflect each county's child population.

Source: Budget Center analysis of California Department of Education data, 2016 Regional Market Rate Survey

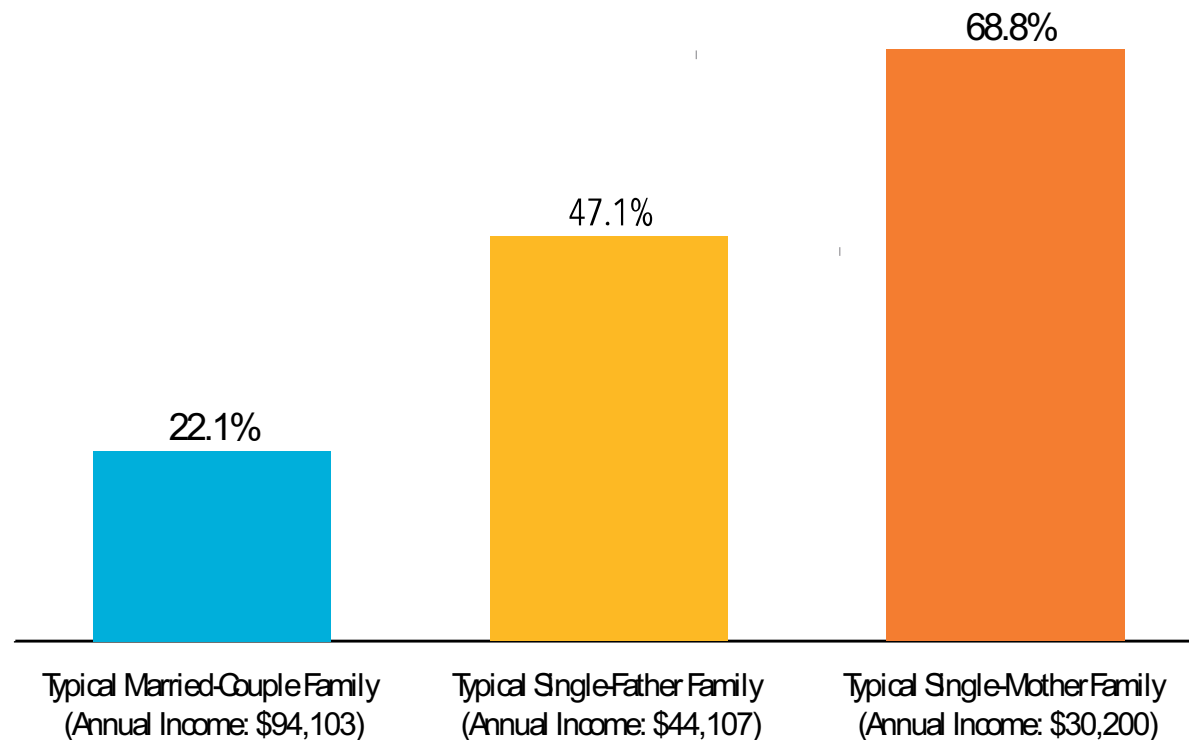




# The Cost of Child Care in California Is a Large Share of Family Budgets, Especially for Single-Parent Families

## Child Care Costs for an Infant and a School-Age Child as a Share of Annual Family Income, 2016

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Note: Cost of care is for a licensed center in California in 2016 (full-time for an infant and prorated according to the school year for a school-age child). Costs are based on counties' median cost of care weighted to reflect each county's population of infants and school-age children.

Source: Budget Center analysis of data from the California Department of Education, 2016 Regional Market Rate Survey and US Census Bureau



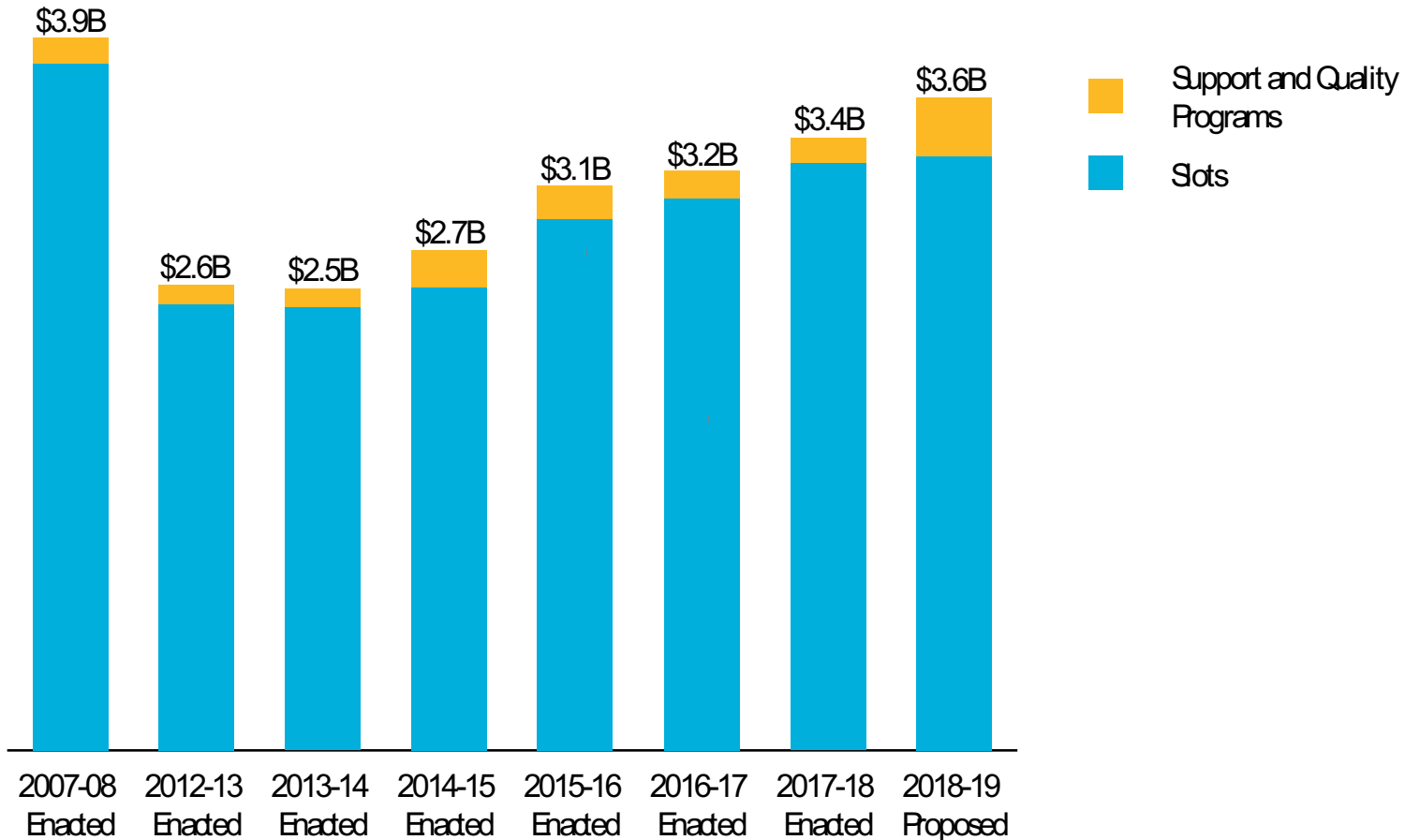
**State budget cuts have weakened key services and supports that help families achieve economic security.**

**Many of these programs continue to be funded below pre-recession levels.**



# Annual Funding for Child Care and Preschool Remains Well Below the Pre-Recession Level

Total Funding for Subsidized Child Care and Preschool in California (Billions), Inflation-Adjusted



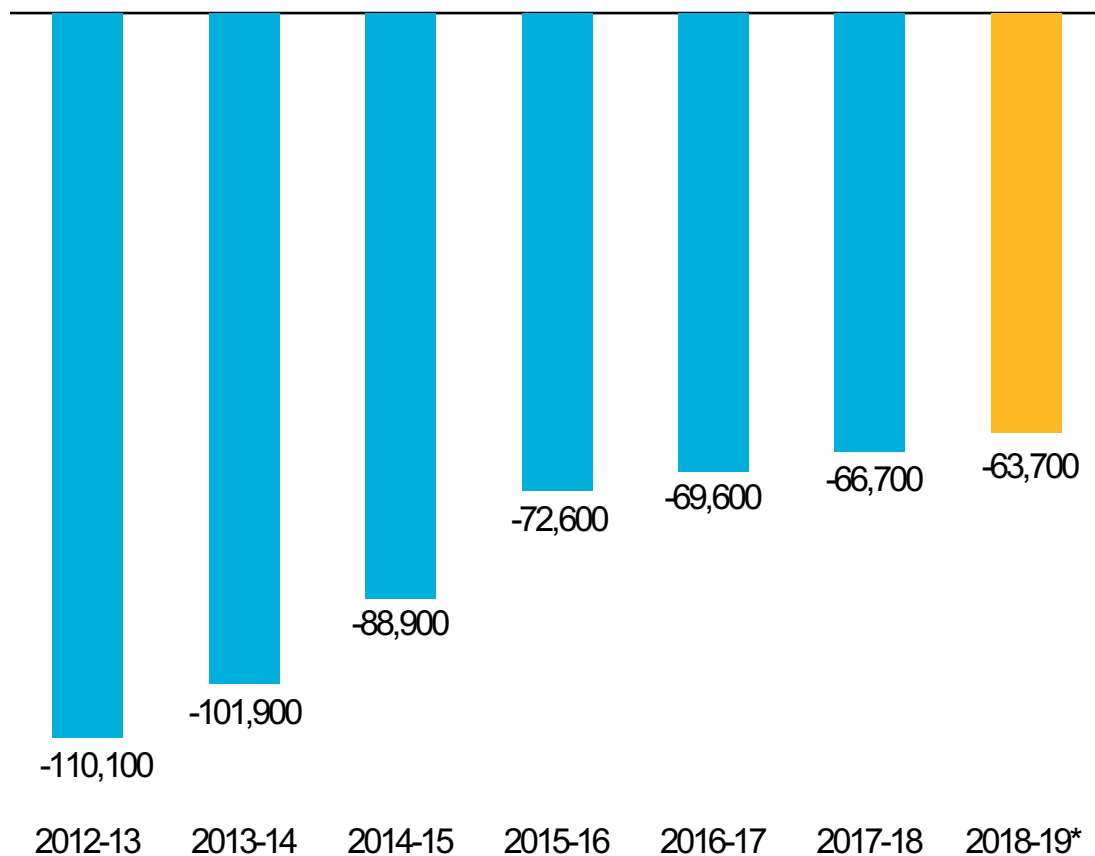
Note: Figures are in 2018-19 dollars and include federal and state funds for slots as well as for quality and support programs. Child care includes CalWORKs and non-CalWORKs programs. Preschool excludes Transitional Kindergarten.

Source: California Department of Education and Department of Finance



# Even With Recent Increases, California Will Have 64,000 Fewer Child Care and Preschool Slots Than in 2007-08

## Annual Number of Subsidized Child Care and Preschool Slots, Compared to 2007-08



\*Proposed

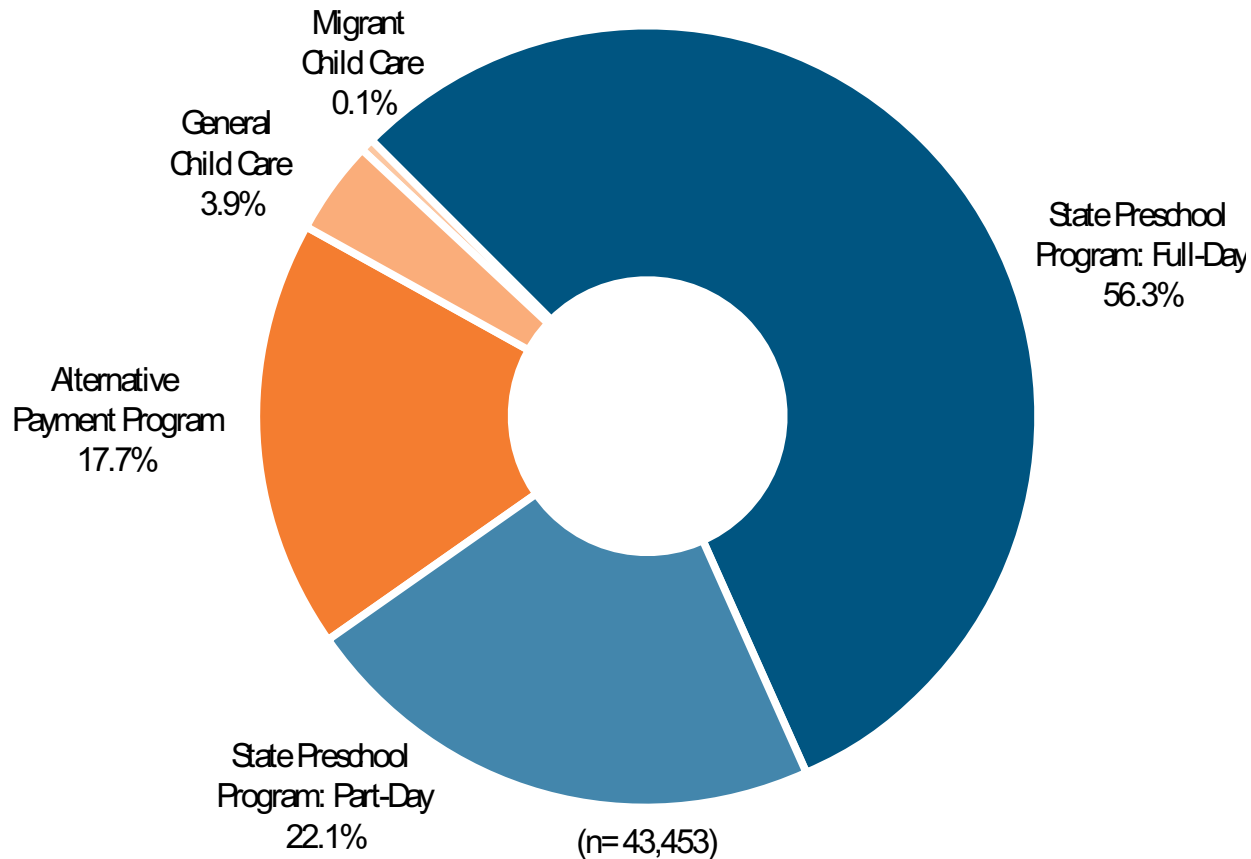
Note: Child care includes CalWORKs and non-CalWORKs programs and excludes Transitional Kindergarten. Slots include those funded with federal and/or state dollars.

Source: Budget Center analysis of Department of Finance and Legislative Analyst's Office data



# About 43,000 Subsidized Child Care and State Preschool Slots Have Been Added Since the 2013-14 State Fiscal Year

## Percentage of Slots by Subsidized Child Care and Development Program

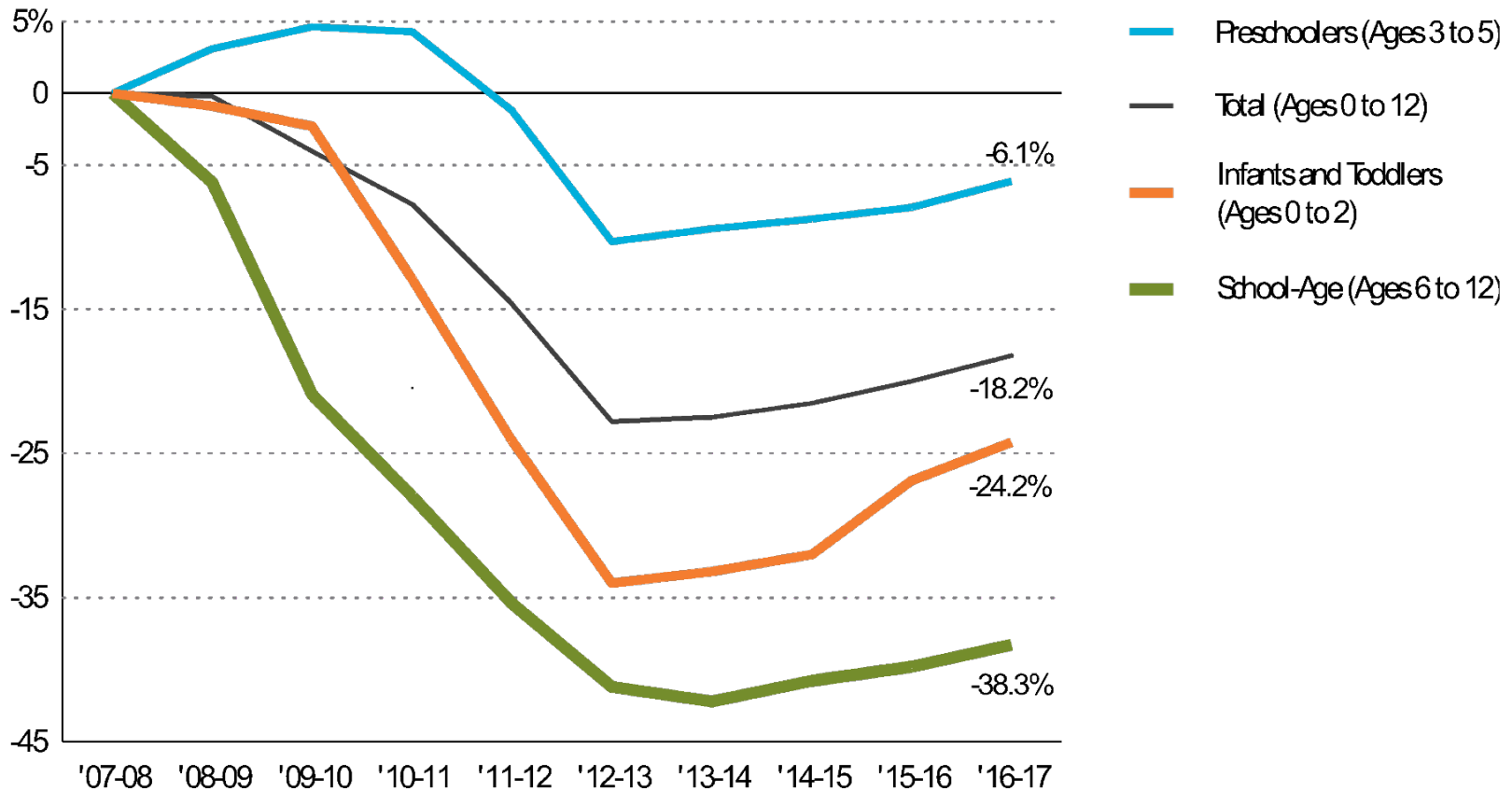


Note: Slots include those funded with federal and/or state dollars. The Governor proposes to add 2,959 full-day state preschool slots in 2018-19, the fiscal year that begins on July 1.  
Source: Budget Center analysis of Department of Finance and Legislative Analyst's Office data



# The Number of Infants, Toddlers, and School-Age Children in Subsidized Care Has Dropped Significantly

## Percent Change in Average Number Served in Subsidized Programs, 2007-08 to 2016-17

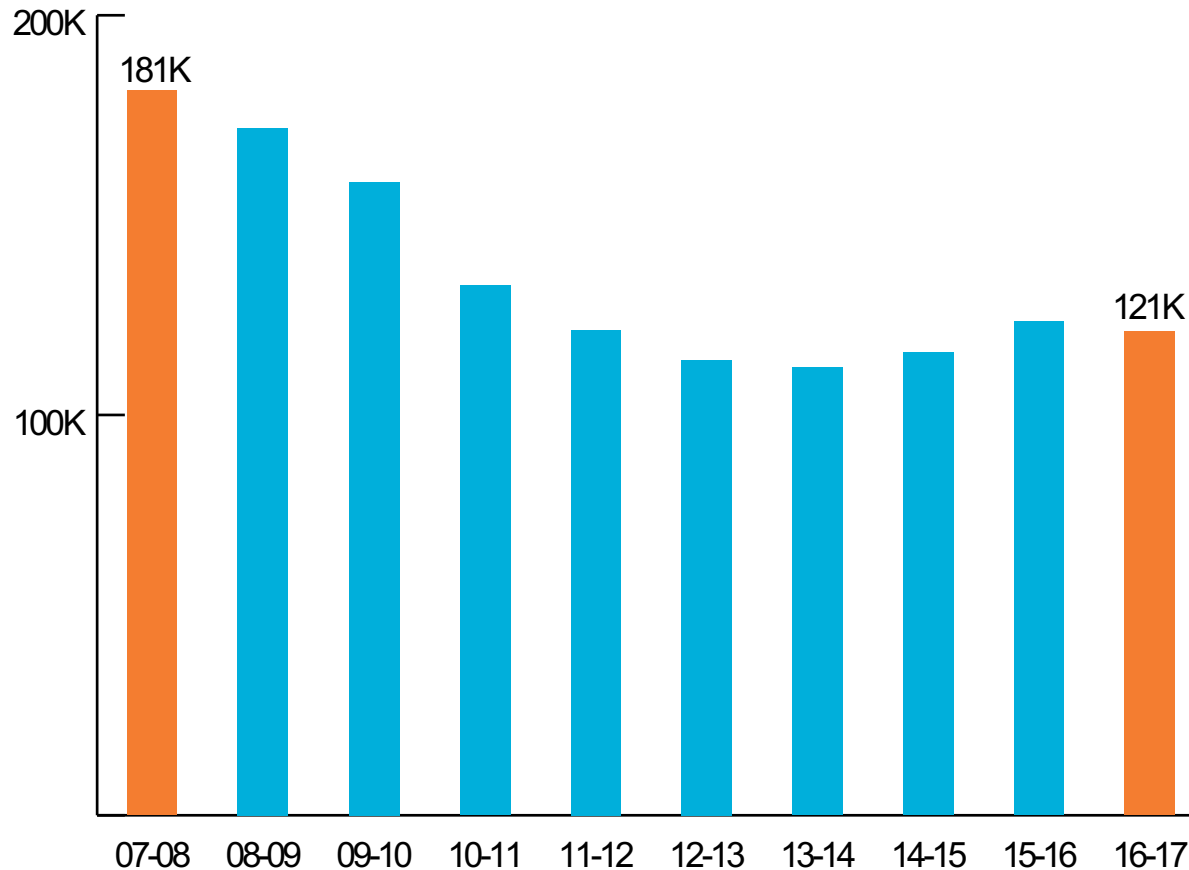


Note: Data represent the average number of children served in October and April of each fiscal year in subsidized child care and development programs administered by the California Department of Education. Data do not include afterschool programs.  
Source: Budget Center analysis of California Department of Education data



# Enrollment in CalWORKs Child Care Remains Well Below the 2007-08 Level

## Average Monthly Number of Children Enrolled



Note: Reflects CalWORKs Stages 1, 2, and 3 child care. Figures are rounded to the nearest thousand. California Community Colleges Stage 2 data for 2016-17 reflects an estimate, not an actual.  
Source: California Community Colleges Chancellor's Office, California Department of Education, and Department of Social Services



# 2018-19 Budget Proposal

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- Does **not** propose any additional **ongoing** funding for key services that help families make ends meet, despite state revenues for the coming fiscal year projected to be higher than previously forecasted.
- Funds additional preschool slots and rate increases as part of the final year of the multiyear budget agreement made in 2016-17.
- Contains various types of one-time funding across the budget – including the “Inclusive Early Education Expansion Program.”
  - Funds are to be used for one-time funding for professional development, facility renovations, or equipment and require a 33% local match.
  - Grantees must show that they would serve additional subsidized children, but the funds may not be used for ongoing expenses.





**Budgets are statements about our values and priorities.**





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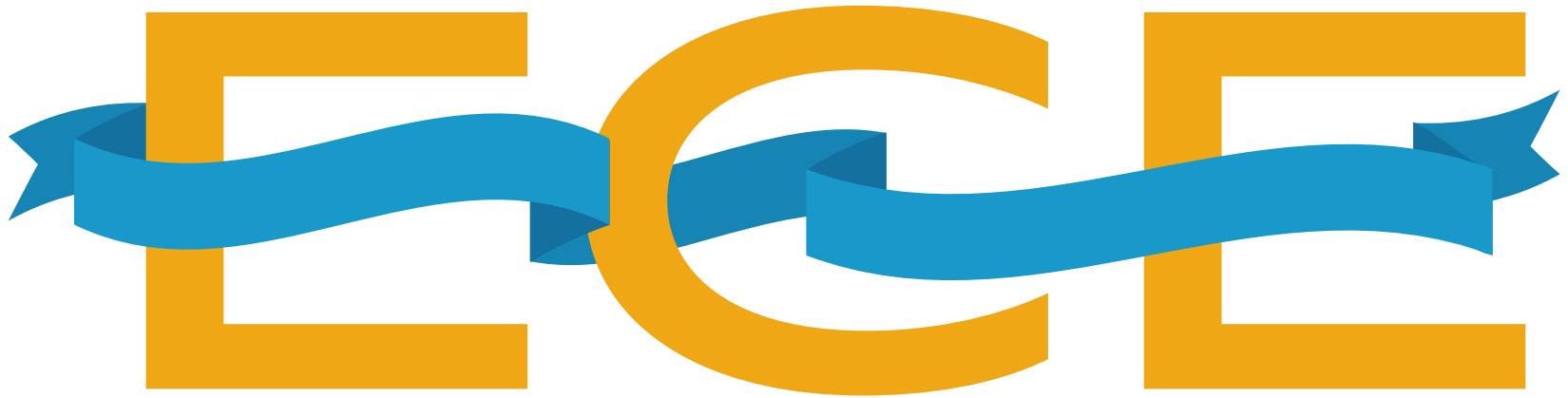
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ON EARLY CHILDHOOD EDUCATION

Friday, March 2, 2018

**David Brady**

**Testimony to California State Assembly  
Blue Ribbon Commission on Early  
Childhood Education**

**March 2, 2018**

# How High is Child Poverty in California?

- ▶ **What is Poverty?**
  - ▶ **Shortage of Resources Relative to Needs**
  - ▶ **Resources Measured As Comprehensively and Accurately As Possible**
    - ▶ **ALL Income Sources**
    - ▶ **Adjustments for Taxes and HH Size**
    - ▶ **Ideally Would Monetize In-Kind Services (e.g. MediCal), But Usually Cannot**
  - ▶ **Needs Are Defined Relative to Place and Time**
    - ▶ **What Does It Cost for Family to Make Ends Meet in California Today?**

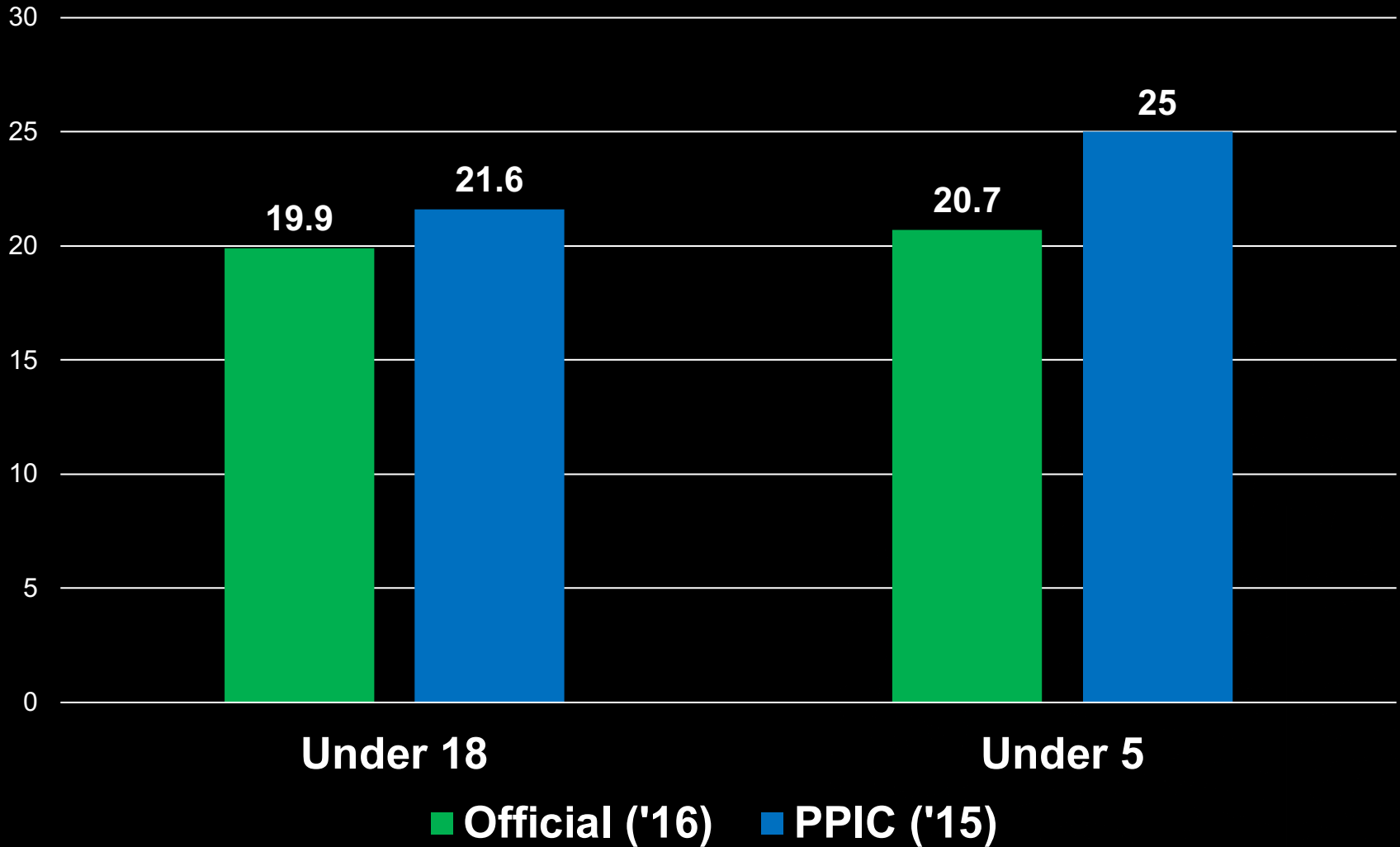
# How High is Child Poverty in California?

- ▶ **The Official U.S. Measure 2016**
  - ▶ Under 18: 19.9% (vs. 19.5% in U.S.)
  - ▶ Under 5: 20.7% (vs. 21.3% in U.S.)
- ▶ **This Measure is Invalid and Unreliable**
  - ▶ >50 Years Old, Never Scientific
  - ▶ Too Narrow for Resources
    - ▶ Ignores SNAP, WIC, EITC, CTC, and Taxes
  - ▶ Inadequate Measure of Needs
    - ▶ Emergency/Temporary Food Budget \* 3
    - ▶ Same Line Across U.S. and Over Time
- ▶ **Underestimates Poverty, Especially in CA**

# How High is Child Poverty in California?

- ▶ **Arguably, Best Available Alternative is the PPIC-Stanford “California Poverty Measure”**
  - ▶ **Builds on Supplemental Poverty Measure**
    - ▶ **Below Bottom 1/3<sup>rd</sup> of Consumption Costs for Food, Clothing, Shelter & Utilities (x1.2)**
    - ▶ **Adjusted for Metro Housing Rents**
    - ▶ **Fairly Comprehensive Measure of Income**
  - ▶ **Corrects for Underreporting of Welfare Transfers, Which is Problem in All Other Measures**
  - ▶ **State Should Further Institutionalize a Measure Like This (like NYC)**

# How High is Child Poverty in California?





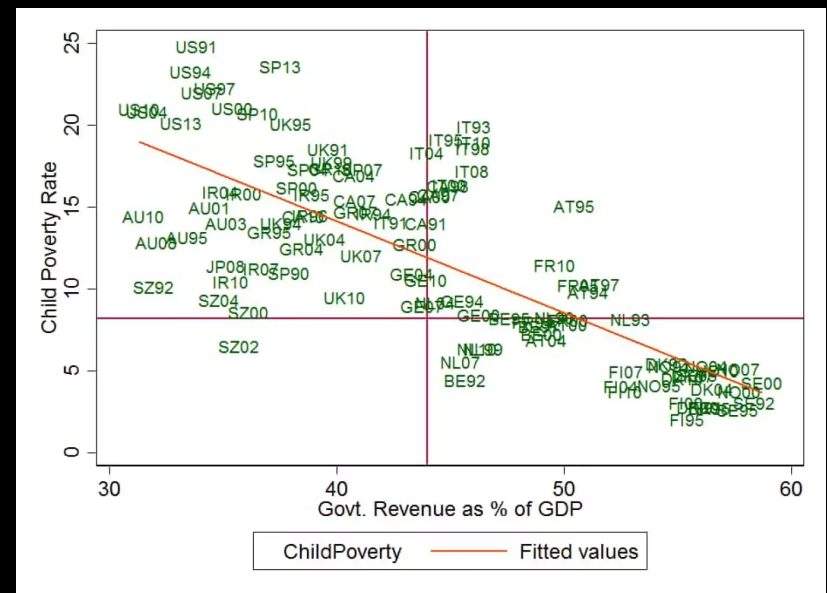
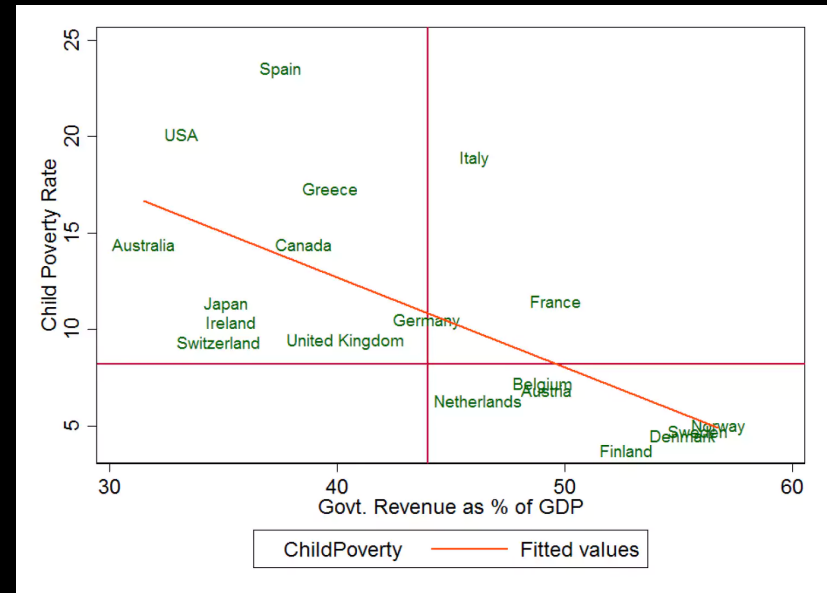
# The Necessity of Government Spending

▶ No Rich Democracy Has Ever Accomplished Low Child Poverty Without Above Average Govt. Revenue

- ▶ Correlations  $-.66$  &  $-.74$
- ▶ Absence of Countries in Lower Left Quadrants

▶ U.S., and California, Have Relatively Low Govt. Spending

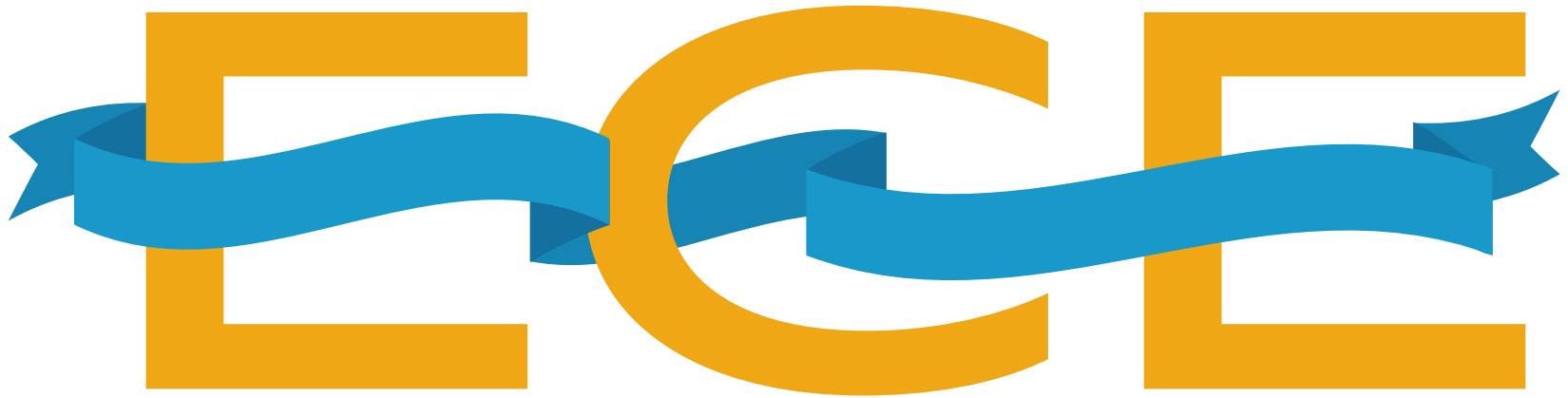
▶ Govt. Spending on ECE is Extremely Efficient (and Effective)



# The Necessity of Government Spending

- ▶ **The Reality is the U.S. Performs Reasonably Well At Avoiding the Risks of Poverty**
  - ▶ **Better than Average on Unemployment, Lacking High School Graduation, Young Headship, and Only “Above Average” on Single Motherhood**
- ▶ **The Problem is We Penalize Severely For Risks Associated With Poverty**
  - ▶ **In Australia, Denmark, Germany, Ireland, Sweden, UK & U.S., More than 16% of Children Are in Single Mother HHs**
  - ▶ **Only U.S. Has Such a High 20.1% Child Poverty Rate**
    - ▶ **Australia (14.4%), Denmark (3.6%), Germany (10.3%), Ireland (10.4%), Sweden (4.7%), & UK (8.78%)**
- ▶ **To Reduce Poverty, We Need to Reduce Penalties, and This Requires Greater Government Spending**

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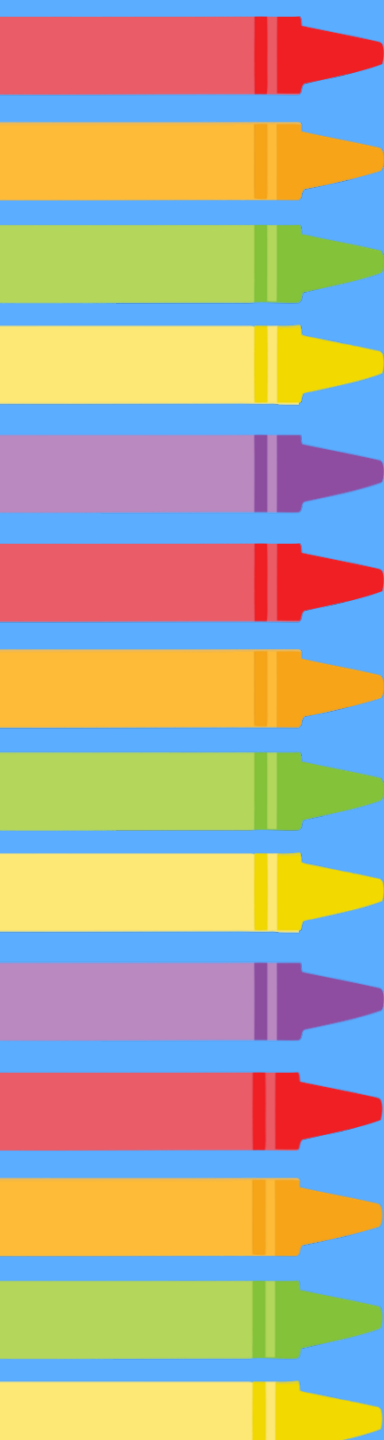
Friday, March 2, 2018



# Riverside County Office of Education Division of Early Learning Services



Sharon Baskett, Assistant Superintendent  
Dr. Esmirna Valencia, Executive Director



# Riverside County Demographics

- **Riverside County population (2015)**
  - Over 2.3 million (**6%** of California's total population)
  - Ranked 4th out of 58 California counties in terms of its total population and is expected to keep its place as the fourth largest county in California in 2016 and 2025.
  - Nearly seven percent (**7%**) of population was made up of persons under 5 years of age, resulting in a median age of 35 years-old.

## Demographics Cont.

- Forty eight percent (**48%**) of the population in Riverside County is of Hispanic/Latino origin, compared to 39% across California (2015)
- Thirty four percent (**34%**) of the population in Riverside County speaks Spanish at home, compared to 29% across California (2015)



# Head Start / Early Head Start Demographics

- **Child Population**

- Children in Riverside County: 0-2 years old-94,800 (4%); 3-4 years old-66,000 (3%) (2015)
- Largest portion of 0-2 year olds: Coachella Valley and San Jacinto USD areas (5% each) (2015)
- Hispanic children 0-4 years old: Riverside County (62%); California (54%) (2010)



# HS/EHS Demographics Cont.

- **Births**

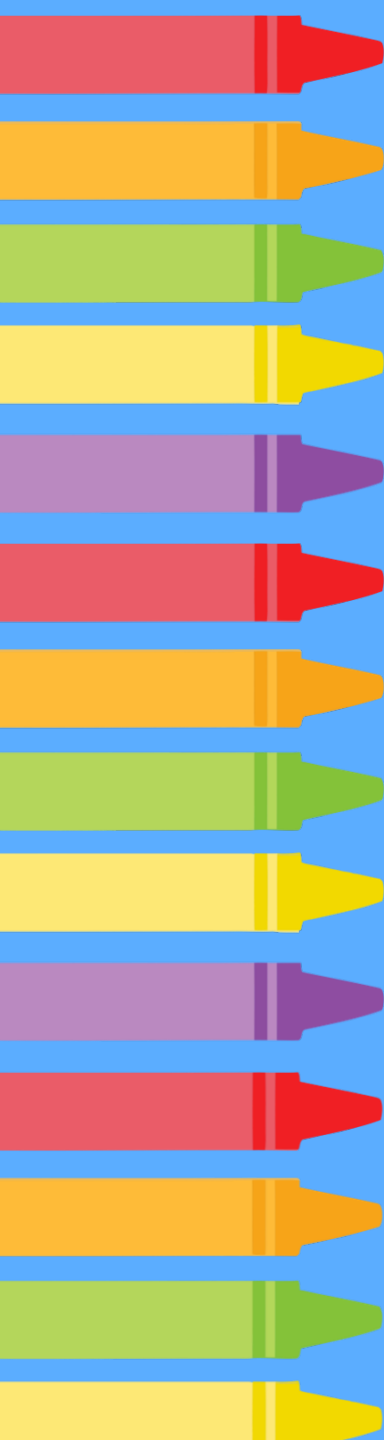
- Nearly 30,000 births in Riverside County, accounting for 6% of all the births across California (2013)
- The number of young children in Riverside County will grow over time, given expected increases in live births in 2015 and beyond





# Poverty in Riverside County

- Sixteen percent (**16%**) of the total population in Riverside County had income in the past 12 months **BELOW** the poverty level, ranging from **13%** in the Desert Sands USD area to **30%** in the Coachella Valley USD area (2015)
- Twenty three percent (**23%**) of children enrolled in preschool in Riverside County were living in poverty, ranging **8%** in the Riverside USD area to **52%** in the Jurupa USD area (2015)





# Early Learning Programs

State Preschool

Head Start/Early Head Start/HS-CCP

Migrant Head Start/EHS-CCP

General Child Care (CCTR)

Migrant Centers

Alternative Payment Program

CalWORKs Stage 2 & 3

Quality Start Riverside County

First 5 Riverside – Regional Hybrid

Alternative Payment (RHAP)



# Riverside County – Priorities for System Continues Improvement

One system – One Voice

- Moving from Parallel Play to Cooperative Play

Access and Affordability

- Rates and Starting Early (Infant/Toddler)

Education Equity – Scaling High Quality

Learning Opportunities for All Children

- Improving quality across the continuum of early learning and care settings with a strong focus on interactions, compensation, bilingualism and full inclusion



# Early Learning Collaborations

Local Planning Councils

LEAs-Special Education departments

First 5 Riverside

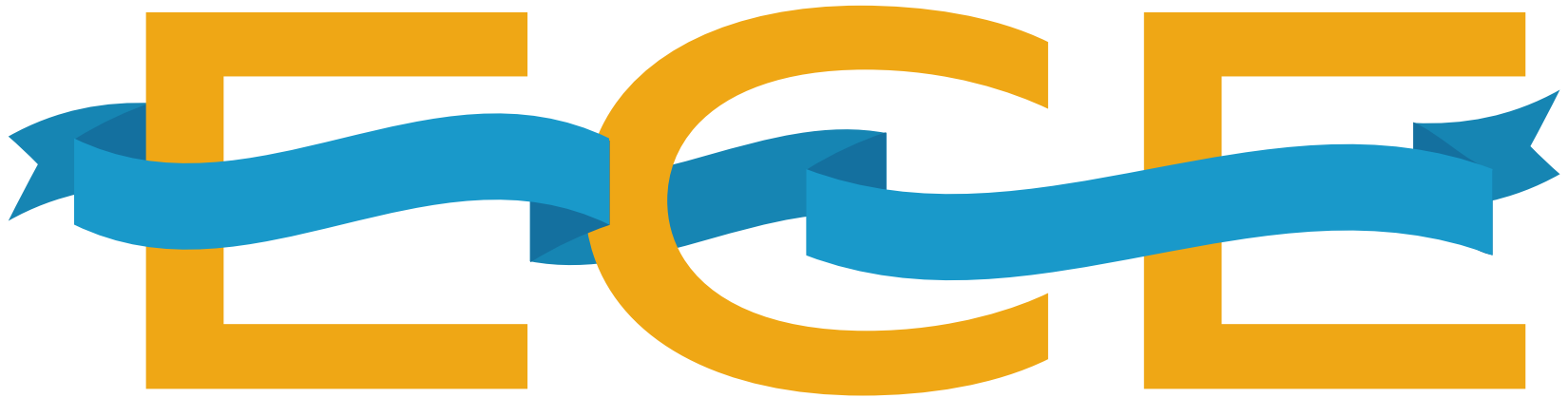
Riverside University Health Systems

Local Foundations

Service Clubs



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# Financing and Economic Impact of ECE

**Membership:** Nina Buthee (Co-Chair), Sonia Campos-Rivera (Co-Chair), Parvin Parvin Ahmadi, Celia Ayala, Mary Ignatius, Jacquelyn McCroskey & Michael Olenick

**Key Topics:** Infant/Toddler care expansion  
Reimbursement rates and structure  
Targeted Universalism approach  
Permanent funding sources for ECE  
Paid leave for parents

## Research:

- **Learning Policy Institute (2017):** *Understanding California's Early Care and Education System*
- **UC Berkeley Labor Center (2011):** *Economic Impacts of Early Care and Education in California*



# Expanding Access to ECE Programs

**Membership:** Mary Ignatius (Co-Chair), Michael Olenick (Co-Chair),  
Parvin Ahmadi & Nina Buthee

**Key Topics:** Slots (need, unused, contracting barriers)

Eligibility requirements

Cross systems access to child care

Points of entry

Facilities needs

## Research:

- **Economic Policy Institute (2017):** *What does good child care reform look like?*
- **L.A. Child Care Planning Committee (2017):** *The State of Early Care and Education in Los Angeles County*





# Workforce Retention and Development

**Membership:** Celia Ayala (Co-Chair), Tonia McMillian (Co-Chair), Deborah Kong, Sonia Campos-Rivera

**Key Topics:** Education programs for providers

Provider compensation

Workforce retention

Working conditions

Mentorship opportunities

**Research:**

- **Center for the Study of Child Care Employment, UC Berkeley (2016):** *The Early Childhood Workforce Index*
- **First 5 CA and CA Dept. of Education (2017):** *Transforming the Workforce for Children Birth Through Age 8: Implementation Plan for the State of California*



# Engaging and Meeting the Needs of Families

**Membership:** Jacquelyn McCroskey (Co-Chair), Tonia McMillian, Mary Ignatius

**Key Topics:** Supporting working families

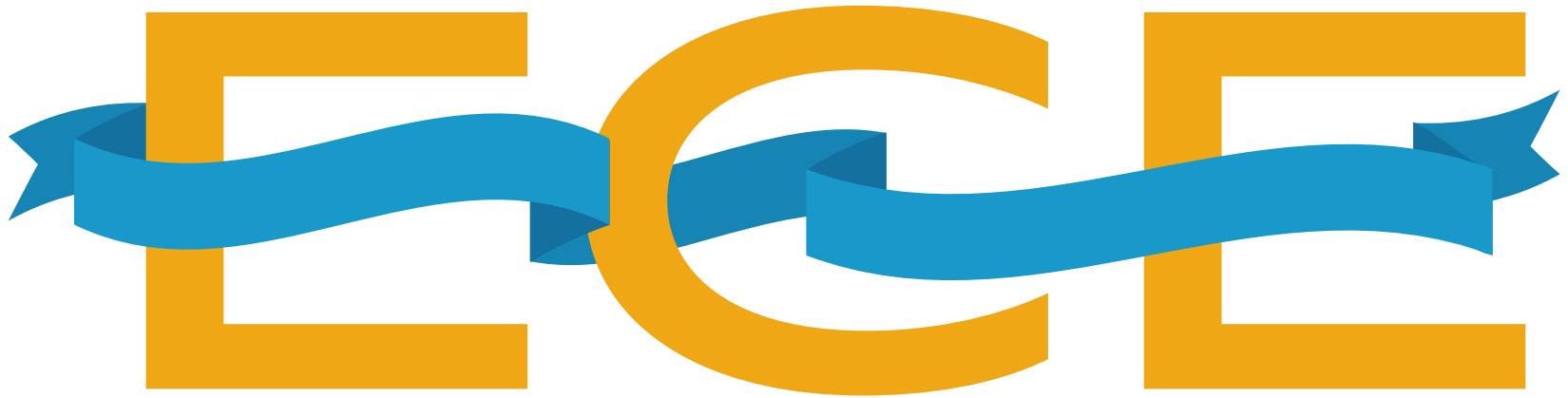
Points of connection and support for families using the ECE system (roles of unions, community colleges, local governments)

Supporting parents becoming long-term advocates for their children's education

## **Research:**

- **Mario Small (2009):** *Unanticipated Gains: Origins of Network Inequality in Everyday Life*. Oxford University Press.
- **First 5 LA (2015):** *Family at the Center: Recommendations on Family Engagement from Early Childhood Stakeholders in Los Angeles County*. Prepared by Harder and Company Community Research & the LA Partnership for Early Childhood Investment.
- **LA County Office of Child Protection (2017):** *Paving the Road to Safety for Our Children: A Prevention Plan for Los Angeles County*.

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