



Early Edge California's Vision for a Robust Mixed-Delivery System
Serving Children from Birth to Age 5

### **BACKGROUND**

In recent years, California has made significant investments to increase access to high-quality Early Learning and Care opportunities for our state's youngest learners. California's Early Learning and Care mixed-delivery system is made up of private, public, subsidized, and license-exempt providers across home-based, center-based, and school-based settings. It offers different programs including child care, Head Start and Early Head Start, California State Preschool, and Transitional Kindergarten (TK). This range of options is critical to ensuring that families can choose a setting and type of care that best meets their needs.

Groundbreaking initiatives, such as the creation of Child Care Providers United, a new <u>labor union and collective bargaining contracts</u><sup>1</sup> for Family Child Care (FCC) and Family, Friend, and Neighbor (FFN) providers, increased investments in <u>subsidized child care spaces and preschool programs</u>,<sup>2</sup> and the expansion of <u>Universal TK</u>,<sup>3</sup> have demonstrated California's commitment to building a robust mixed-delivery system that supports the state's diverse children, families, and Early Learning and Care workforce. California now has a unique opportunity to build upon this momentum and double down on its commitments to the state's mixed-delivery system to ensure it is well-funded and equipped to serve more young children, especially infants and toddlers.

#### **PROBLEM**

Even with the numerous investments into our Early Learning and Care system, accessing affordable, quality care for our state's youngest remains a dire challenge for families. California is home to more than 1.7 million children ages birth through 3, representing about 4 percent of the state's population. As many as 34.1 percent live in households with incomes at around \$55,000 for a family of 4, less than twice the federal poverty line, placing them at an economic disadvantage. The majority of California's infants and toddlers are children of color, with nearly 60 percent of children birth to 5-years-old speaking a language other than English at home. Currently, the number of infants and toddlers in our state far exceeds the supply of available child care, and access to subsidized care is even more limited. It is estimated that 36 percent of the state's children, ages birth to 2 years, are eligible for subsidized care, yet only 14 percent of them are enrolled. The unmet need is even greater for children of color, with 64 percent of Black children and 46 percent of Latino children ages birth to 2 eligible for subsidized care, yet only 23 percent and 9 percent, respectively, of those eligible are enrolled. There are approximately 254,000 subsidized child care slots available to qualifying low-income families, across a variety of programs including CalWORKS, Alternative Payment, and General Child Care. These subsidized slots are not specific to serving infants and toddlers and can be used to serve eligible families with children under age 13.

# **PROBLEM (CONTINUED)**

An often sought-out form of care for this age range is license-exempt Family, Friend, and Neighbor (FFN) care. It is estimated that nearly 40 percent of children ages 3 and under are entrusted to the care of an FFN provider, making it the predominant form of nonparental care for our youngest children in California. While FFN care is often a first choice for families due to the close relationship with the caregiver, FFN care also helps fill gaps in care when there are challenges accessing licensed care either due to cost, lack of available spaces, or early morning, evening or night care needs. Yet even with this option for care, families still struggle to find and afford care.

The Early Learning and Care workforce, also known as the "Workforce's Workforce," also struggles to make ends meet while providing quality care. Early educators are predominantly women of color and historically underpaid and lacking in benefits, including healthcare and retirement. In 2020, family child care providers earned an annual salary that was as little as \$16,200 in California, and center-based lead teachers earned \$39,520, which is at or below the state minimum wage and significantly below a livable wage for an adult in California. Low salaries and high business expenses make it difficult to recruit and retain a qualified workforce to support our youngest learners.

A deficit of child care for children, ages birth to three years, not only impacts the economic mobility of families who need access to quality care to stay in the workforce, but it also hinders the growth of California's economy. A recent study by ReadyNation found that the United States' infant-and-toddler child care crisis has created an annual cost of \$122 billion in lost earnings, productivity, and revenue, including an annual loss of \$17 billion in California alone. Additionally, studies show that high-quality Early Learning and Care has positive long-term benefits for children who received full-time, high-quality early childhood experiences as infants up to age 5.

In addition to access and workforce challenges across the Early Learning and Care system, infant and toddler care is more expensive to provide due to lower ratios and other licensing requirements, making it even more difficult for caregivers to provide. As California has invested in providing free preschool for 4-year-olds through TK and is increasing access with the ability to serve more 3-year-olds in the California State Preschool Program, now is the time to ramp up investments to support providers in serving more babies and toddlers.

### OPPORTUNITY

As TK continues to expand, Early Edge will focus on supporting its successful implementation while looking at new ways to strengthen the mixeddelivery system as a whole, focusing on supporting children, ages birth to three years, their families, and the Early Learning workforce that supports them. Major investments and policy changes will be required to support our mixed-delivery system in serving a greater number of infants and toddlers. This includes, but is not limited to, improving wages and compensation through rate reform and establishing a system that is based on the true cost of providing care, aligning licensing and programmatic requirements, increasing access to professional development and resources to support the workforce in serving younger children, and more funding to support the full mixed-delivery system.



## **ENDNOTES**

- Child care providers make history: Women of color-led union wins agreement with state to raise provider
  pay and increase access to child care for California families. Join Child Care Providers United! (2021, June
  25). <a href="https://childcareprovidersunited.org/news/child-care-providers-make-history-women-of-color-led-union-wins-agreement-with-state-to-raise-provider-pay-and-increase-access-to-child-care-for-california-families/">https://childcareprovidersunited.org/news/child-care-providers-make-history-women-of-color-led-union-wins-agreement-with-state-to-raise-provider-pay-and-increase-access-to-child-care-for-california-families/">https://childcareprovidersunited.org/news/child-care-providers-pay-and-increase-access-to-child-care-for-california-families/</a>
- 2. Governor Newsom signs legislation supporting working families and Child Care Providers. California Governor. (2021b, July 23). <a href="https://www.gov.ca.gov/2021/07/23/governor-newsom-signs-legislation-supporting-working-families-and-child-care-providers/">https://www.gov.ca.gov/2021/07/23/governor-newsom-signs-legislation-supporting-working-families-and-child-care-providers/</a>
- 3. California roars back: Governor Newsom Signs historic education package to Reimagine Public Schools. California Governor. (2021a, July 10). <a href="https://www.gov.ca.gov/2021/07/09/california-roars-back-governor-newsom-signs-historic-education-package-to-reimagine-public-schools/">https://www.gov.ca.gov/2021/07/09/california-roars-back-governor-newsom-signs-historic-education-package-to-reimagine-public-schools/</a>
- 4. Zero to Three. State of Babies Yearbook 2023. (2023, March 6)
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- 5. Zero to Three. State of Babies Yearbook 2023. (2023, March 6). <a href="https://stateofbabies.org/state/california/">https://stateofbabies.org/state/california/</a>
- 6. Pryor, L. (2024, February 15). California's child care system serves only a fraction of eligible children. California Budget and Policy Center. <a href="https://calbudgetcenter.org/resources/californias-child-care-system-serves-only-a-fraction-of-eligible-children/">https://calbudgetcenter.org/resources/californias-child-care-system-serves-only-a-fraction-of-eligible-children/</a>
- 7. Data on enrollment in CDSS subsidized child care programs provided by the California Center for Budget and Policy. The data does not include Stage 1 child care or stage 2 community college child care.
- 8. Barocio, J. (2023, February 9). The 2023-24 Budget Child Care Proposals. Legislative Analyst's Office. <a href="https://lao.ca.gov/Publications/Report/4672#:~:text=This%20means%20that%20the%202023,new%20slots%20throughout%202023%E2%80%9124">https://lao.ca.gov/Publications/Report/4672#:~:text=This%20means%20that%20the%202023,new%20slots%20throughout%202023%E2%80%9124</a>
- 9. Federal Reserve Bank of Boston. (2023, July 12). Retirement for early educators: Challenges and possibilities. <a href="https://www.bostonfed.org/publications/community-development-issue-briefs/2023/retirement-for-early-educators-challenges-and-possibilities.aspx">https://www.bostonfed.org/publications/community-development-issue-briefs/2023/retirement-for-early-educators-challenges-and-possibilities.aspx</a>
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- 11. The infant-toddler child care crisis exacts a heavy economic toll nationwide. Council for a Strong America. (2023, February 2). <a href="https://www.strongnation.org/articles/2040-the-infant-toddler-child-care-crisis-exacts-a-heavy-economic-toll-">https://www.strongnation.org/articles/2040-the-infant-toddler-child-care-crisis-exacts-a-heavy-economic-toll-</a>
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