



Center for the Study of Child Care Employment
Institute for Research on Labor and Employment
University of California, Berkeley
2521 Channing Way, #5555
Berkeley, CA 94720
(F)/cscceucb (T)@CSCCEUCB

To: California Department of Education, Early Learning and Care Division
From: Center for the Study of Child Care Employment, University of California, Berkeley
Subject: Comments on the proposed Child Care and Development Fund State Plan 2025-27
Date: March 1, 2024

We at the Center for the Study of Child Care Employment, University of California, Berkeley are writing to respond to the request for comments on the proposed California Child Care and Development Fund State Plan 2025-2027 (CCDF State Plan Draft 2025-27).

Founded in 1999, the Center for the Study of Child Care Employment (CSCCE) is the national leader in early care and education workforce research and policy. We act on the premise that educators should be valued, respected, and guaranteed economic dignity and that the provision of early care and education is a public responsibility.

It is evident from our two decades of research that among this workforce, a deeply experienced cohort who frequently come from the same communities as the children in their care, face grave disparities that need to be addressed. Specifically, there are underlying issues of racial and gender inequity that negatively impact our paid ECE workforce, comprised of about 117,000 people¹, most of whom are women of color.² Despite their complex and skilled work to support young children's learning and development, the vast majority of early educators continue to grapple with low wages and economic insecurity without health benefits to protect their health and well-being.

Compounding this, disparities in racial and ethnic representation across provider types and job roles and inequities in compensation pervade the child care system in California. For instance, while Asian and Black educators tend to hold higher levels of educational degrees compared to other groups, their credentials do not necessarily lead to job advancement or higher pay.³ When these educators do receive higher pay, inequities persist when wages are disaggregated by race; indicating that for every dollar paid to Asian educators, White educators make 94 cents, Latina educators make 91 cents and Black educators make 86 cents.⁴ These inequities and disparities have only been exacerbated by discontinuation of the federal pandemic relief funding that helped to supplement these wage gaps and provide a lifeline to many programs that were on the brink of closing due California's already unstable and underfunded ECE system.

The 2025-27 CCDF State Plan Draft plan largely adopts an approach that places inadequate attention and resources on the pay and conditions of early educators. The sector is in crisis, and while the Covid-19 pandemic has been declared over, the aftermath remains ever present in ECE.

¹ McLean, C., Austin, L.J.E., Whitebook, M., & Olson, K.L. (2021). Early Childhood Workforce Index – 2020. Berkeley, CA: Center for the Study of Child Care Employment, University of California, Berkeley. Retrieved from

<https://cscce.berkeley.edu/workforce-index-2020/report-pdf/>

² Austin, L.J.E., Edwards, B., Whitebook, M.(2018). California's ECE Workforce: What we know now and the data deficit that remains. Berkeley, CA: Center for the Study of Child Care Employment, University of California, Berkeley. Retrieved from

<https://cscce.berkeley.edu/californias-ece-workforce/>

³ Kim, Y., Austin, L.J.E., & Hess, H. (2024). The Multilayered Effects of Racism on Early Educators in California: An Examination of Disparities in Wages, Leadership Roles, and Education. Center for the Study of Child Care Employment, University of California, Berkeley. <https://cscce.berkeley.edu/publications/report/effects-of-racism-on-california-early-educators>

⁴ Ibid.

We are confident that this plan can be bolder on the goals for the workforce, and we assert it is necessary in order to ensure that caring for and educating young children is a good job. As the state continues to witness, without enough early educators, there is not enough child care for Californians.

In place of offering line-by-line comments to sections of the CCDF State Plan Draft 2025-27, we offer some general principles for revising the draft comprehensively, and provide a non-exhaustive, but concrete list of examples of missed opportunities within *Section 4.0: “Equal Access for Children and Families with Low Income”*, *Section 6.0: “Recruit & Retain a Well Qualified Child Care Workforce”* and *Section 7.0: “Continuous Quality Improvement.”*

1. Address compensation and benefits directly.

California must go beyond bonuses and incentive programs and address base pay and benefits directly through wage scales or other means. Wages and benefits are a key driver of the struggle to recruit and retain early educators. In California, lead teachers earn a median of \$19 per hour, or \$39,520 per year, and family child care providers earn as little as \$16,200 with a small license and \$40,000 with a large license.⁵ Many early educators, even with degrees, are worried about providing food and housing for their own families, and struggle to afford housing in the communities in which they work.⁶

The list of strategies that states are asked to respond to in Section 4 document that the federal Office of Child Care (OCC) understands and supports the connection between direct support for the ECE workforce as a strategy to build child care supply and support quality improvement across the mixed delivery system. They also offer a list of opportunities that states can use to connect their efforts to this goal. Yet, California's response is incomplete; including only vague reference to previous stipends and ARPA payments (which were not specifically targeted to compensation) and notes that all providers who accept subsidy will begin receiving an additional per child payment, "meant to support compensation". Yet, despite the fact that models for specifying compensation as the required use of workforce payments exist across the country, California continues to sidestep making this specification for another three years. Additionally, the state's response includes reference to a health and retirement support that is limited to family child care providers as part of a union agreement between the state and Child Care Providers United. Any similar support for educators in center-based programs is not included.

California's responses in Section 4.1.7 fail to address or include strategies promoted by OCC that would fundamentally shift the economic wellbeing and security of the workforce. As written the three-year plan does not even secure a minimum of the potential strategies that would start to achieve this, such as establishing wage and benefit standards that set a wage floor at the State's living wage, providing program-level grants to support investments in staff compensation, establishing and expanding apprenticeship programs and supports providing paid sick, family or vacation leave and/or paid planning time care providers across the mixed delivery system. Without

⁵ Montoya, E., Austin, L.J.E., Powell, A., Kim, Y., Copeman Petig, A., & Muruvi, W., (2022). Early Educator Compensation: Findings From the 2020 California Early Care and Education Workforce Study. Center for the Study of Child Care Employment, University of California, Berkeley. <https://cscce.berkeley.edu/publications/report/early-educator-compensation/>

⁶ Powell, A., Chávez, R., Austin, L.J.E., Montoya, E., Kim, Y., & Copeman Petig, A. (2022). "The Forgotten Ones"—The Economic Well-Being of Early Educators During COVID-19. Center for the Study of Child Care Employment, University of California, Berkeley. <https://cscce.berkeley.edu/the-forgotten-onesthe-economic-well-being-of-early-educators-during-covid-19/>

addressing compensation and benefits across the mixed delivery system within child care, California will continue to struggle to attract and retain a diverse and qualified workforce and professional development investments will be lost as poverty level wages keep driving educators out of the sector⁷.

The state must strive to design a comprehensive system that is not subsidized by the low wages of early educators or by requiring families to pay more. We recommend leveraging the *Understanding the True Cost of Child Care Quality in California* report that the state has been utilizing to inform the Alternative Methodology and rate reform discussion to also guide policy and resource goals in the 2025-27 State Plan Draft.⁸

Missed opportunities:

- Addressing the state's need to establish a minimum living wage (\$27.32/hr.)⁹ requirement for ALL child care providers, as the floor and salary level specifications in contractual agreements (Section 6.1.3.f.)
- Addressing compensation inequities that impact the supply and quality of child care with program level grants to support compensation (e.g. Section 4.1.7).

2. Address educator well-being as a key component of quality.

[The California Early Care and Education Workforce Study](#) is an ongoing longitudinal study that provides comprehensive statewide and regional information on the center- and home-based ECE workforce. Findings from phase two (2023) of the study, which focus on the emotional and physical well-being of California's early educators in center-based, family child care home and transitional kindergarten (TK) classroom settings show that early educators are grappling with a number of underlying physical and emotional health issues¹⁰.

Many early educators in center-based and family child care homes have elevated levels of stress, often accompanied by significant depressive symptoms. This latter concern was most pronounced among center teaching staff, with about two thirds (65 percent) experiencing high stress levels and more than one third (39 percent) showing evidence of significant depressive symptoms.¹¹ Educators are also struggling with aspects of their physical health. More than one half of early educators reported having at least one chronic condition, and about one quarter wrestled with three or more such conditions.¹² The most commonly reported chronic conditions across all educator roles fell under the categories of pain, obesity, and cardiovascular conditions. Chronic health conditions can impact educators physically, mentally, and socially.¹³ This can affect their ability to

⁷ McLean, C. (2020). What's causing the shortage of qualified early care and education teachers? There's a hole in the bucket. Berkeley, CA: Center for the Study of Child Care Employment, University of California, Berkeley. Retrieved from <https://cscce.berkeley.edu/hole-in-the-bucket/>

⁸ Understanding the True Cost of Child Care Quality in California, August 2022. <https://www.prenatal5fiscal.org/californiacostmodelreport2022>

⁹ Living Wage Calculator for California <https://www.google.com/url?q=https://livingwage.mit.edu/states/06&sa=D&source=docs&ust=1709251653471090&usq=AOvVaw1Bo5Ts01Z1xhcgtLgGWmpk>

¹⁰ Muruvi, W., Powell, A., Kim, Y., Copeman Petig, A., & Austin, L.J.E. (2023). The Emotional and Physical Well-Being of Early Educators in California: Early Educator Well-Being Series. Center for the Study of Child Care Employment, University of California, Berkeley. <https://cscce.berkeley.edu/publications/report/ca-emotional-physical-wellbeing-2023/>

¹¹ Ibid. "TABLE 1. EDUCATORS WITH HIGH LEVELS OF STRESS"

¹² Ibid. "FIGURE 2 EDUCATORS WITH CHRONIC HEALTH CONDITIONS"

¹³ National Institute of Mental Health (n.d.). Chronic Illness and Mental Health - Recognizing and Treating

be present for work and actively engage with children in ways that foster their learning and healthy development.¹⁴ At the root of educator well-being are persistently poor working conditions, characterized by insufficient compensation and inadequate workplace support, which can exacerbate the strain from an already demanding job. Access to good wages and benefits that support emotional and physical well-being should, therefore, be a primary target of any effort to improve the quality of early care and education. This is a key tenant of President Biden's Executive Order on Increasing Access to High Quality Care and Supporting Caregivers and a driving theme within OCC's recent Notice of Proposed Rulemaking (CCDF).¹⁵

Despite this reality, the 2025-27 CCDF State Plan Draft continues to address program quality almost exclusively through the lens of child well-being, without promoting and supporting specific strategies that will also address the well-being of the educators who contribute greatly to the well-being of the children in their care. Early educators with bachelor's degrees in the child care system are paid 37.8 percent less than their colleagues in the K-8 system.¹⁶ We expected this plan to be more explicit in its approaches to disrupting the historic and current economic insecurities for this critical workforce.

California's professional development framework, which is "built upon the Master Plan for Early Learning and Care (MPELC)"¹⁷ and the Quality Counts California (QCC) Workforce Pathways Grant program are mentioned throughout the 2025-27 CCDF State Plan Draft as core pieces of the infrastructure for supporting system quality. The stated goal of the QCC Workforce Pathways Grant is "*to support increased learning and healthy development of California's young children by increasing the number of qualified ELC professionals and increasing the educational credentials, knowledge, and competencies of existing ELC professionals across the state via workforce incentives.*"¹⁸ However, centering these goals as the dominant strategies for ensuring and improving quality in the California ECE system is misguided. Doing so perpetuates a hyper-focus on increased qualifications being tied to increased compensation, without attending to the urgent need to provide adequate compensation and supportive working conditions for the work people are doing now. This focus overlooks the fact that most early educators have college degrees. Among center-based teachers, 56% have earned a bachelor's degree or higher, and another 24% have an associates degree. Among family child care providers 30% have a bachelor's degree, and another 23% an associates degree.¹⁹

Additionally, throughout the 2025-27 CCDF State Plan Draft, children's learning environments, what early educators need to provide quality activities, and the desire to improve care and education services overall are discussed in a way that does not acknowledge that educators and

Depression. U.S. Department of Health and Human Services. <https://www.nimh.nih.gov/health/publications/chronic-illness-mental-health>

¹⁴ Snyder, K., Hill, M., Lee, M., Crawford, T.N., & Orlowski, M. (2020). The relationships between physical health and chronic disease, stress, and resource strain in Head Start employees. *Workplace Health & Safety* 68(4), 190–201.

<https://doi.org/10.1177/2165079919882952>

¹⁵ President Biden's Executive Order on Increasing Access to High Quality Care and Supporting Caregivers. <https://www.whitehouse.gov/briefing-room/presidential-actions/2023/04/18/executive-order-on-increasing-access-to-high-quality-care-and-supporting-caregivers/>. NPRM for Child Care and Development Fund (CCDF) regulations (45 CFR Part 98). <https://www.acf.hhs.gov/occ/outreach-material/nprm-ccdf-regulations-45-cfr-part-98>

¹⁶ McLean, C., Austin, L.J.E., Whitebook, M., & Olson, K.L. (2021). Early Childhood Workforce Index – California State Profile. Berkeley, CA: Center for the Study of Child Care Employment, University of California, Berkeley. Retrieved from <https://cscce.berkeley.edu/workforce-index-2020/states/california/>

¹⁷ Child Care and Development Fund (CCDF) Plan For California FFY 2025-202, Section 6.1.2

¹⁸ CDSS Website "[Child Care and Development Quality Initiatives](https://www.cdss.ca.gov/inforesources/child-care-and-development/quality-improvement-initiatives)"

<https://www.cdss.ca.gov/inforesources/child-care-and-development/quality-improvement-initiatives>

¹⁹ Profiles of the California Early Care and Education Workforce, 2020.

<https://cscce.berkeley.edu/publications/fact-sheet/profiles-of-the-california-early-care-and-education-workforce-2020/>

children share the *same* environment. If early educators are performing their work under conditions that do not support their economic, physical, and socioemotional well-being, their ability to uphold a high standard of care and education for young learners is compromised. California's ECE workforce continues to work in challenging circumstances without adequate support, including planning time and adequate staffing. Therefore the 2025-27 CCDF State Plan Draft should include workplace standards, like the [Model Work Standards](#), in the definition of quality, and thus as a core component of what state initiatives and providers are resourced and supported to provide.

Moreover, as long as compensation and working conditions go unaddressed, educators will continue to leave the classroom and undermine the state's progress towards retaining and growing the size of the workforce.

Missed Opportunity:

- Addressing child care provider well-being and supportive work environments in sections that pertain to recruiting and retaining highly qualified workforce and quality improvement (Sections 6 and 7, respectively).

3. Address the impacts of TK on the fragile child care system.

The expansion of California's Transitional Kindergarten (TK) program has and will continue to have many known and unknown consequences for the state's birth-three child care system. However, one explicit implication is the undeniable pressure that it will have on the mixed delivery system that provides care and education to children aged birth-to-four years old. It is commonly understood across the sector that child care programs that serve children from birth-five bring in the most revenue from their preschool/TK aged children. The income providers receive from serving the *older* children has historically helped to subsidize the cost of providing the more costly infant toddler care. With as many as 61% of centers and 46% of FCC providers recently reporting a loss of four-year-old children, we can expect there will be compounded challenges in the ability to provide infant and toddler care.²⁰ For example, child care providers across the state will be grappling with increasing tuition fees for parents and/or completely closing due to the intractable labor costs, and inadequate public funding to support infant and toddler care.

The State's CCDF plan misses the opportunity to proactively address the implications of TK in its three year plan. At minimum, the plan should include some intention to study the implications of TK expansion on the child care system, and at best would begin to lay the foundation for addressing the dire consequences. A proposed model to investigate is [the Multnomah County \(Portland, OR\) universal pre-K plan](#) that includes an Infant and Toddler Slot Preservation Fund that can offer up to \$25 million a year in incentives for providers who retain spots for younger children and who increase their wages for educators who work with children ages 0-2, helping to stabilize the workforce and the provision of infant toddler care. This type of forethought is critical for planning and potential policy action to ensure access to high quality infant toddler care, which includes the ability to recruit, retain, and sustain a diverse workforce.

Missed Opportunity:

²⁰ Powell, A., Muruvi, W., Austin, L.J.E., Copeman Petig, A. (2023). The Early Care and Education Workforce and Workplace in Los Angeles County. Center for the Study of Child Care Employment, University of California, Berkeley.

- Including a study that examines the impact of TK expansion on the infant toddler care system, as well as on goals in the CCDF plan as related to ensuring equal access for children and families with low income (Section 4) and recruiting and retaining a well-qualified child care workforce (Section 6).

4. Address the opportunity of the alternative methodology with vision and strategy.

Within the span of this three-year CCDF Plan Draft, California will be implementing a new Alternative Methodology for setting subsidy reimbursement rates. Section 4.2 of the plan asks several questions about the state's process for and learnings from either conducting a Market Rate Survey (MRS) or from an Alternative Methodology Process. In the current plan draft, most of those responses only reflect that the state is in the process of completing the ACF pre-approved Alternative Methodology. Across the plan template, states are asked to outline the "plans for policy changes or program improvements in the next 3-year plan period" related to that section's focus. Yet the CCDF State Plan Draft provides no insights, vision, or intentions as to how the alternative methodology will contribute to realization of the goals. Given how critical an accurate, comprehensive and inclusive Alternative Methodology model is to explicit system outcomes listed in the plan, it seems like an oversight not to describe how the state is thinking about the Alternative Methodology assisting in meeting these goals.

While we appreciate that the Alternative Methodology is indeed still underway and the report is yet to be submitted, there are several completed components of the process that have yielded vast amounts of data, as well as data-informed recommendations that speak to questions in the state plan template. CDSS, for example, has been provided with a preliminary cost of quality analysis and report conducted by the same firm that has been engaged to support the current Alternative Methodology, *Understanding the True Cost of Child Care in California*.²¹ Additionally, CDSS worked extensively with the Rate and Quality Workgroup to produce a comprehensive set of recommendations that focus heavily on the ways in which the state's approach to setting rates could be reformed to better advance equity, access and accountability to children and providers.²²

Considering that the CCDF State plan's implementation date coincides with the anticipated implementation years for the Alternative Methodology we see a great opportunity for aligning the plan with the Alternative Methodology goals. We assume that it is not the intent of CDSS to miss an opportunity to be intentional in the state plan. We hope that the draft can be revised to include preliminary core features of the expected Alternative Methodology as a tool in addressing inequity, quality, and sustainability of the child care sector.

Missed Opportunity:

- Including insights and plans for how the Alternative Methodology will be instrumental in ensuring access to low income families, recruitment and retention of a qualified workforce

²¹ Jeanna Capito, Katie Fallin Kenyon, and Simon Workman, "Understanding the True Cost of Child Care in California: Building a cost model to inform policy change," Prenatal to Five Fiscal Strategies, 2022.

https://www.prenatal5fiscal.org/files/ugd/8fd549_831af20bfb4142b59fda11194bb908fd.pdf

²² "A Report by the Rate and Quality Workgroup", Final Report, August, 2022.

<https://www.cdss.ca.gov/inforesources/child-care-and-development/rate-reform-and-quality>

and continuous quality improvement (Section/questions: 4.6.1, 6.5.1, 7.11.1) over the next three years.

5. Address gaps in the collection of comprehensive ECE workforce data.

Throughout the 2025-27 CCDF State Plan Draft there is minimal mention of CDSS' reliance on workforce data to inform decisions, especially with regard to plans and activities related to sections focused quality assessment and improvement, recruitment and retention and ensuring access to low income families. All of these focal areas should be informed by and predicated on a full body of workforce data. Achieving the State's goals in these focal areas is only possible with an understanding of how the workforce is impacted by and contributes to the plan's success. When workforce data is mentioned, most often a combination of QCC Pathways Grant survey data, data collected by the state's voluntary Registry, and CSCCE's CA ECE Workforce Study are mentioned. However, when workforce data is mentioned it is largely to reflect demographic and/or process data (i.e. "800 QCC WFP participants received funding to support the cost of their Child Development permit." - Section 6.1.1.a.v).

CDSS has access to data from the CSCCE's California Early Care and Education Workforce Study, both in terms of publicly published reports and tables, and via the ability to make data requests of CSCCE. These data reflect current and comprehensive representative and longitudinal data. The voluntary Workforce Registry and the QCC Workforce Pathways grant programs also provide sources of data about the workforce and programs as it relates to specific parts of state, programs, and local participation in data collection. Nonetheless, the plan does not reflect an adequate strategy to draw upon these resources to inform the strategies outlined in the plan. For example, data about the well-being of the workforce, the impact of the inadequate reimbursement rates and the racial and program type inequities of the mixed delivery system are largely absent in the plan's responses. Further, California needs an ongoing statewide data system that captures multidimensional information about the paid workforce and programs across the mixed-delivery system in real time into the future. Without sufficient data on an ongoing basis, resources could be driving inequities, or being directed away from those furthest from need. The state also risks replicating ineffective or harmful policies if there is not sufficient data to assess impact.

We recommend the plan identify a commitment and strategy to promote, use and generate sustainable data collection strategies and systems. While this is a shared responsibility across state agencies (e.g., CDSS, Department of Education), CCDF funding has been a source to guide such systems across states.

Missed opportunity:

- Addressing equity, quality and access to a robust system of child care, by including plans to ensure California has the [key elements](#) of a strong ECE workforce data system, including funding and requiring participation in the state's Registry statewide as 22 states have already done.²³
- Utilizing existing and available workforce data to inform a greater number of sections of the plan, especially Section 4: "Ensure Equal Access Section ensuring access for all children in

²³ 2023 Workforce Registry Landscape Report.

https://www.registryalliance.org/wp-content/uploads/2024/02/ECE-Workforce-Registry-Landscape-Report_2023-1.pdf

low income families, Section 6: “Recruit and Retain a Qualified and Effective Child Care Workforce” and Section 7: “Support Continuous Quality Improvement.”

In sum, we encourage the California Department of Social Services to consider these comments and revise the 2025-27 CCDF State Plan Draft to reflect the strategies and investments necessary to support the current and future workforce.

Respectfully Submitted,



Lea J.E. Austin
Executive Director
laustin@berkeley.edu



Brandy Jones Lawrence
Senior Analyst
bjlawrence@berkeley.edu