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UNIVERSITY OF CALIFORNIA, BERKELEY
BEFORE THE CALIFORNIA STATE ASSEMBLY
JOINT HEARING BUDGET SUBCOMMITTEE NO. 2 ON HUMAN SERVICES AND BUDGET SUBCOMMITTEE NO. 3 ON EDUCATION FINANCE

"Supporting California's Early Care and Education Workforce"
April 24, 2024

My name is Anna Powell, and I am a Senior Research and Policy Associate from the Center for the Study of Child Care Employment at UC Berkeley. My research focuses on California's teachers of children from birth through age five, as well as the child care centers, family child care homes, and transitional kindergarten classrooms where they work.

What does early care and education (ECE) workforce capacity look like?

- Who are the members of the early care and education workforce in California? A majority are **women of color**: 71 percent of family child care providers and 64 percent of center teachers and assistants. More than one half are 50 or older, and around one third speak Spanish.
- Thousands of other caregivers, most often **grandparents**, also provide early care and education for young children. These caregivers are invisible pillars of a mixed delivery system, where children may receive ECE in licensed and license-exempt settings. Grandparent and nanny care are particularly crucial for infants and toddlers.

How does California support a system of child care options for families?

- Unlike education for school-age children, California does not have a cohesive system of child care investments. As a consequence, much of ECE is privately funded through tuition paid by parents. This sets up a broken market that negatively impacts parents, children, and the ECE workforce.
  - Based on the current price of child care and the median income in California, **a single parent would spend 48 percent of their income to enroll an infant in a child care** center; a two-parent household would spend about 15 percent of their combined income per child.
  - Meanwhile, the prices parents pay translate to meager wages for the child care workforce, particularly as the dollars are spread thinly across multiple staff members and operational expenses in a child care program. The resulting market failure **cannot** and **will not** result in affordable and accessible child care for all, and government intervention will be required to stabilize and expand early care and education.

How does California support the ECE workforce?

- California does invest in child care programs—and thus, in the providers who work in them—through the Department of Social Services and the Department of Education. However, many families with low incomes that would benefit from state subsidization remain on a wait list, and middle-income families are also struggling.
- Moreover, the rates California currently pays to sponsor this care are pegged to prevailing market conditions, thus reinforcing low wages and high teacher turnover. Subsidy rates are slated to change if rate reform is enacted, but the governor's budget for 2024-2025 does not include dollars for implementation. What's more, many child care programs do not participate in the subsidy system at all and will not benefit from any new dollars.

How does universal prekindergarten (UPK) address California's fractured ECE ecosystem?

- UPK brings new resources into school districts to expand transitional kindergarten, or TK—the first truly universal ECE offering to exist in the state. However, expanding TK does not yield a stable, cohesive ECE system, even for four-year-olds. Districts are struggling to staff the program, and many superintendents are diverting resources and support from State Preschool, thus undercutting care for younger children.
  - Moreover, the rapid shift of four-year-olds for TK is fundamentally **destabilizing traditional ECE settings** like center-based care and family

child care. According to our research, the average child care center enrolled 80 children pre-pandemic. This number fell dramatically to 48 at the height of shelter-in-place in late 2020 and only partially recovered to 55 enrollments as of 2023. Programs that were hollowed out by the pandemic have been unable to recover their enrollment or staffing levels.

- At the same time, as four-year-olds shift into TK, their experienced teachers have no way of following them without going back to school and adding to their student loan debt. Instead, school districts are forced to **retrain teachers of older children** who typically have far less preparation and experience with four-year-olds. The only TK job a preschool teacher with 10 or 20 years of experience qualifies for is that of an assistant to a TK teacher.
- Fundamentally, UPK is universal in name only: there are no universal supports for ECE programs taking place outside of public schools, and there is no funding in the governor's budget to provide systemic support to the birth-to-five sector and its workforce.
- Meanwhile, subsidy rate reform is a slow-moving process, and the governor's 2024-2025 budget postpones a serious discussion on funding a better system. As California delays the start of new funding, programs continue to operate below pre-pandemic levels, teachers continue to turn over, and families continue to lose out. The success of subsidy rate reform truly depends on whether the governor and the legislature act on their commitments to fund a new cost-based reimbursement rate at the earliest possible date.

What is the impact of market failure on the ECE workforce?

- Our research shows that **low wages** drive worker shortages. We estimate that family child care providers earn between $16,200 and $56,400 per year, depending on the number of children they serve. The median annual wage of a full-time center teacher is $39,500. Economic insecurity is common, with the most severe effects for Black, Latina, and immigrant educators.
    - **Higher educational attainment** in ECE garners only small wage increases (typically only a few dollars more per hour), since parents cannot afford to compensate educators for their experience.
    - While ECE wages are quite low across the board, we find evidence of **disparities by race and ethnicity**. Black and Latina educators, for example, routinely experience lower wages than their peers. Asian and Black educators tend to hold higher levels of educational degrees compared to

other groups, but their credentials do not necessarily lead to job advancement or higher pay.
    - Low wages are paired with insufficient benefits. Only 7 out of 10 child care centers offer **health insurance** to their full-time staff.
    - While **food insecurity** is relatively high across the workforce—about one third report being food insecure—this jumps to 39 percent for center teachers who are women of color and 42 percent of those who are immigrants.
    - Inadequate compensation and benefits drive staff turnover. With rising inflation and stagnant wages, highly skilled educators will continue to leave the field.
- What is the result of these persistent low wages? Staffing shortages, which existed before the pandemic. Economic well-being is also tied to **mental and physical well-being**. Working in ECE is both rewarding and demanding. Poor wages undermine workers' ability to respond to job stress, depression, or injury.

What would a strong set of ECE workforce supports look like?

- There are **five pillars** of a cohesive state strategy for a supported ECE workforce: compensation, public financing, professional pathways, work environments, and data.
    - You have already heard a bit about the links between ECE **compensation** and **public funding**, and you will hear more on another panel. The bottom line is that public investments will be necessary on a much greater scale than California currently provides to sustain affordable, accessible child care for all—or even just for families with low incomes.
    - **Professional pathways** include institutes of higher education, which primarily prepare new educators, and local agencies, which offer ongoing training. Robust investments for this policy area would include identifying local bright spots like apprenticeships and funding broader implementation across counties. Additionally, California must create a direct pathway for experienced preschool teachers who already hold advanced degrees to become TK teachers without having to go back to school.
    - Professional supports, in turn, impact **work environments**. California invests in program quality improvement in ECE through Quality Counts, but there is no framework for improving staff well-being and working conditions. California must listen to its champions in county ECE governance, who once

again have experimented with pilots that could expand to support more educators.

- Finally, **data** on child care programs and the workforce are essential to effective governance. Right now, there is no funding for basic ECE data architecture. California lags behind dozens of other states that have funded a **Workforce Registry** for all counties, along with cyclical funding for research and strategic planning. Similarly, California has no funding for monitoring UPK rollout. Philanthropy-backed research reveals only glimpses of our fast-changing ECE landscape.

In conclusion, supporting the ECE workforce requires addressing public funding and compensation, but there are additional actions California should take: empowering counties with funding for professional pathways and supportive work environments; and funding investments in the Workforce Registry and UPK implementation.