Child Care and Development Programs in California: Access and Funding Since the Great Recession

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ASSEMBLY BLUE RIBBON COMMISSION ON EARLY CHILDHOOD EDUCATION

calbudgetcenter.org
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

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Slots</th>
<th>Support and Quality Programs</th>
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</thead>
<tbody>
<tr>
<td>2007-08</td>
<td>$3.9B</td>
<td>$2.6B</td>
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<tr>
<td>2012-13</td>
<td>$2.6B</td>
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<td>2016-17</td>
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</tr>
<tr>
<td>2018-19</td>
<td>$3.6B</td>
<td>$3.6B</td>
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</tbody>
</table>

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

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<tbody>
<tr>
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<td>-72,600</td>
<td>-69,600</td>
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</tbody>
</table>

*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

- State Preschool Program: Full-Day 56.3%
- State Preschool Program: Part-Day 22.1%
- Alternative Payment Program 17.7%
- General Child Care 3.9%
- Migrant Child Care 0.1%

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

- 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.