



California Budget
& Policy Center

Child Care and Development Programs in California: Key Context and Current Issues

KRISTIN SCHUMACHER, SENIOR POLICY ANALYST

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CALIFORNIA ALTERNATIVE PAYMENT
PROGRAM ASSOCIATION

2018-19 BUDGET TRAINING AND ADVOCACY DAY

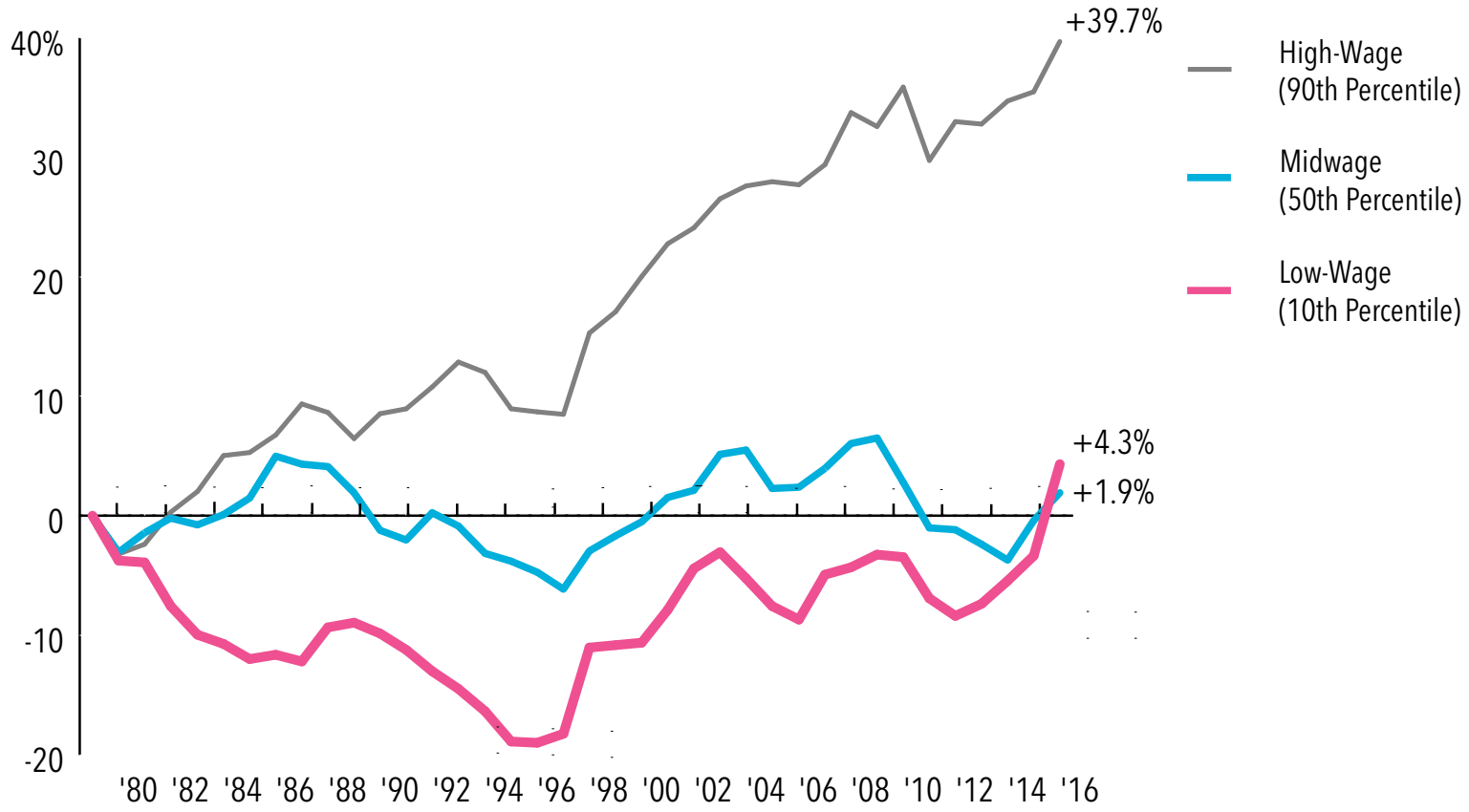
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California's economic recovery has been strong, but millions have not shared in the state's economic gains.



Modest Gains for California's Low- and Midwage Workers

Percent Change in Inflation-Adjusted Hourly Wages for Workers Ages 18 to 64 Since 1979

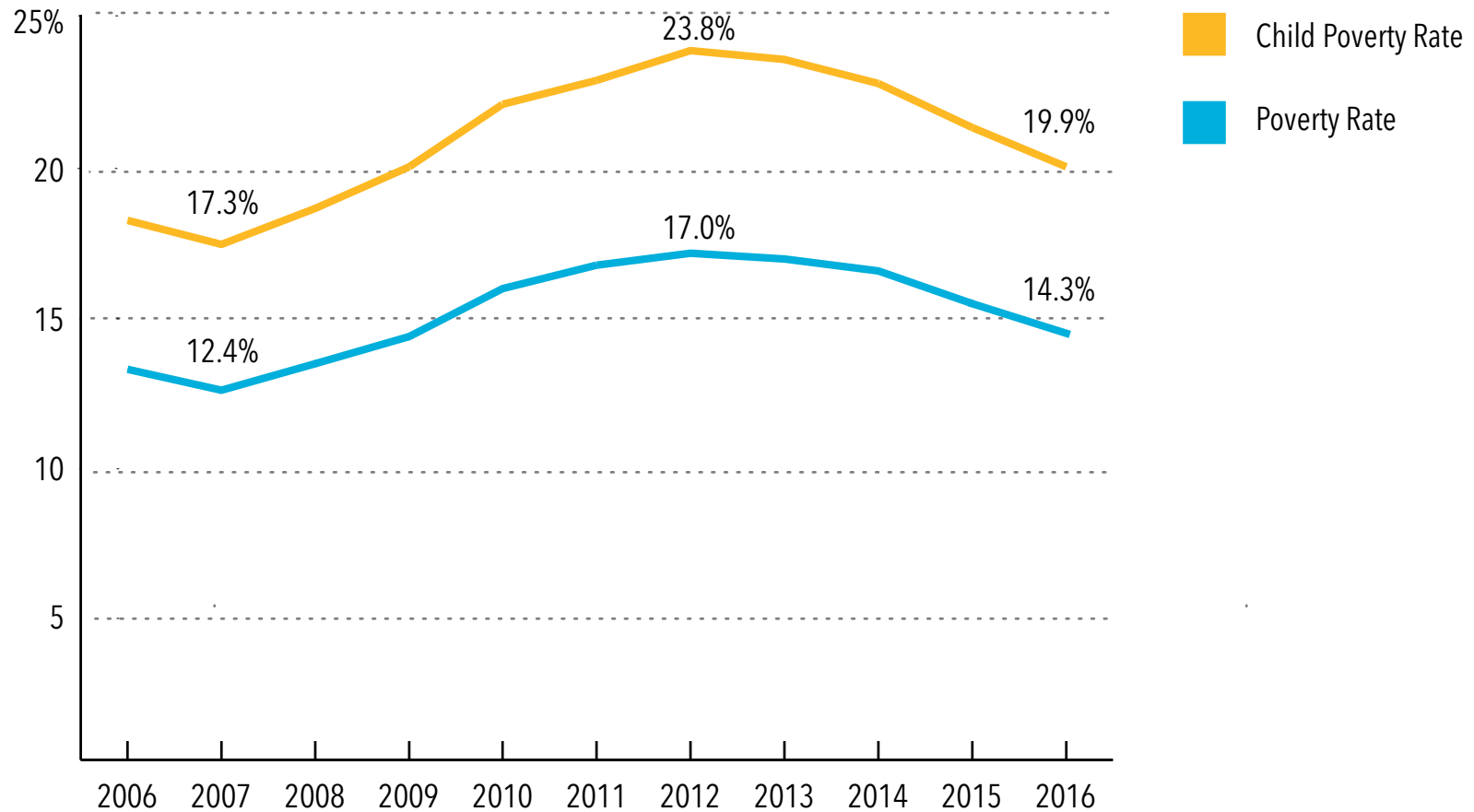


Source: Economic Policy Institute analysis of US Census Bureau, Current Population Survey data



California's Official Poverty Rate Continued to Decline in 2016, but Has Yet to Return to Its Pre-Recession Level

Percentage of Californians With Incomes Below the Official Federal Poverty Line



Source: US Census Bureau, American Community Survey



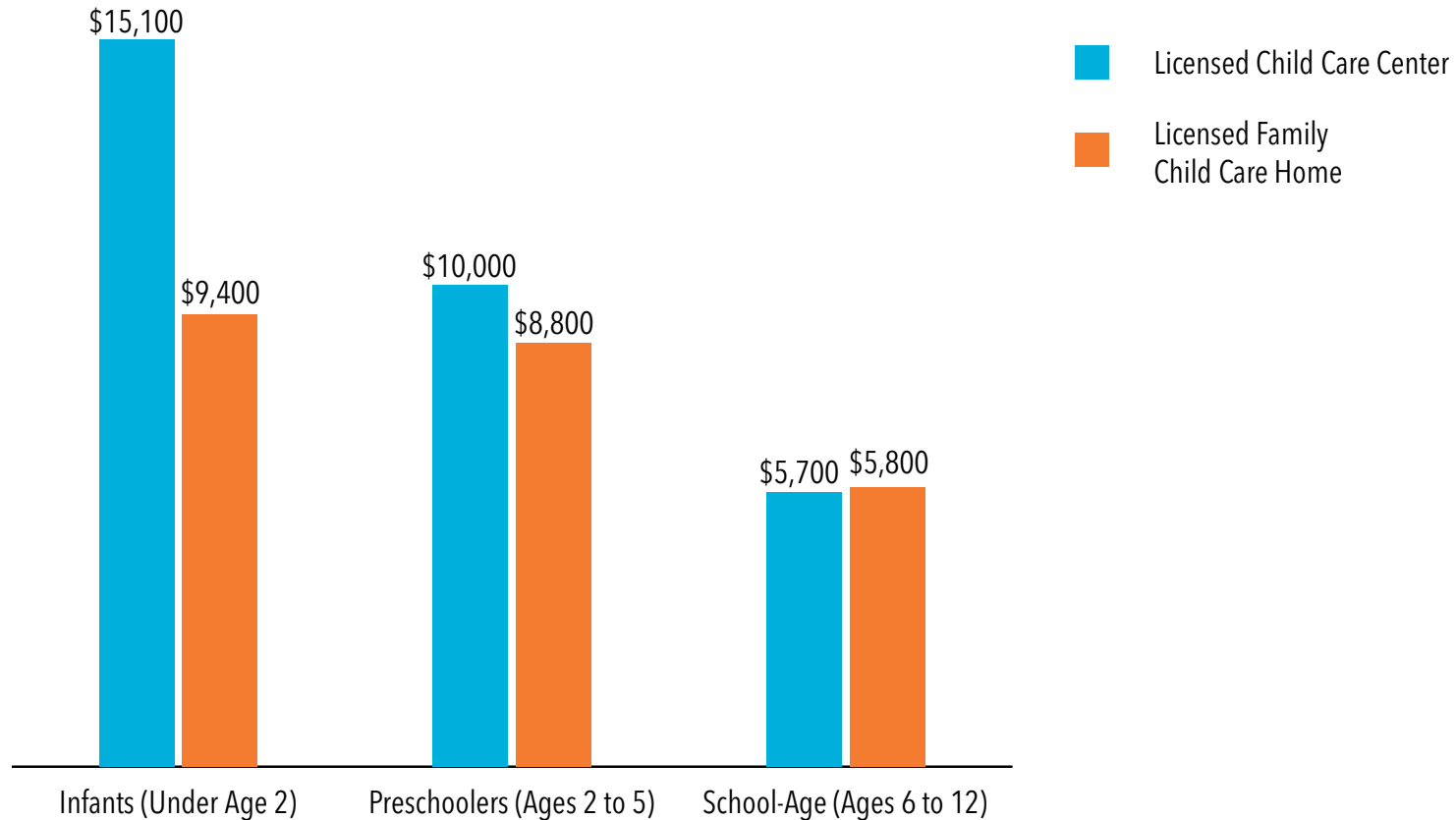
Affordable child care and preschool helps families make ends meet.

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



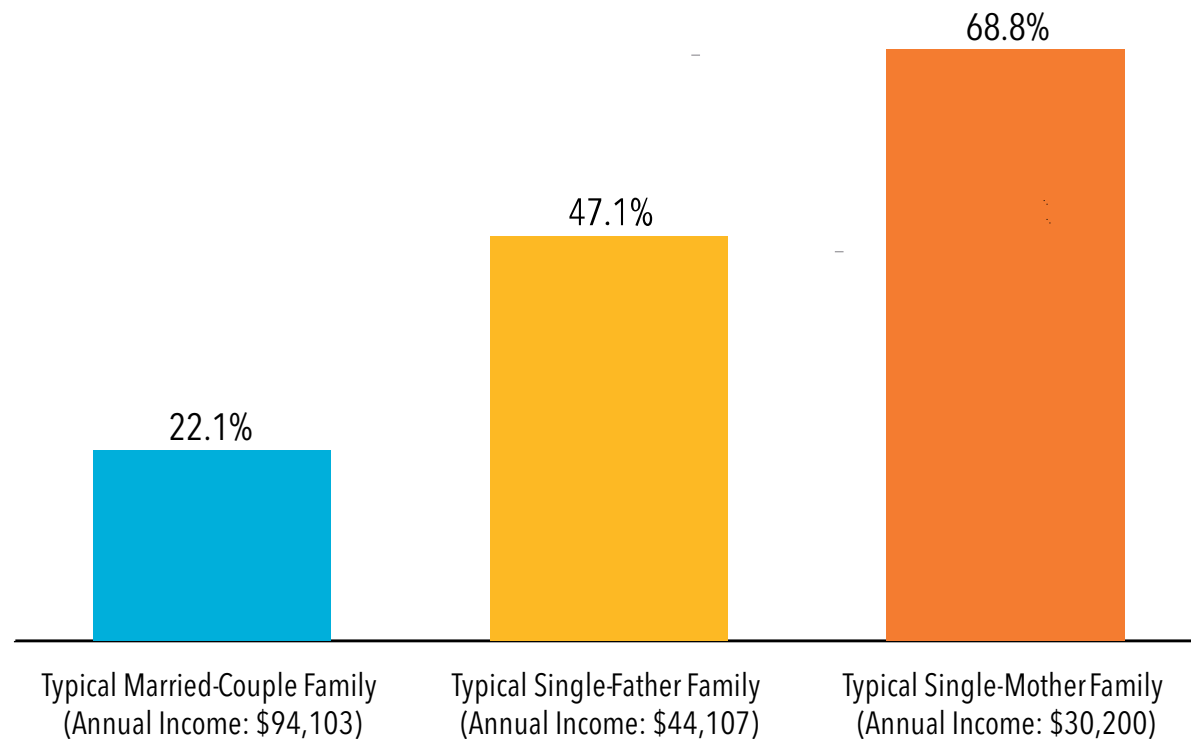
Note: Figures are rounded to the nearest hundred. Cost of care is full-time for infants and preschoolers and prorated according to the school year for a school-age child. Costs are based on counties' median cost of care weighted to reflect each county's child population.

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



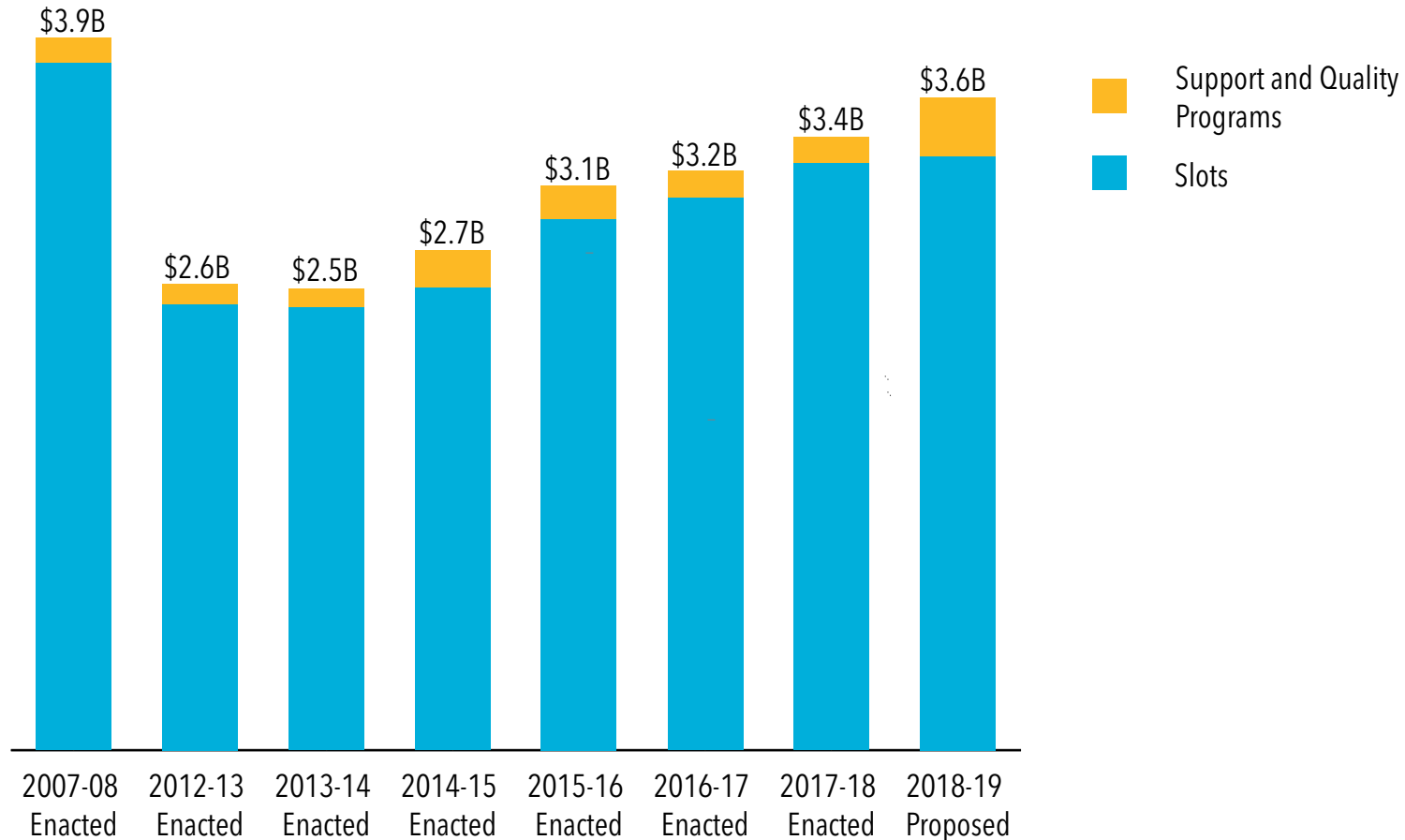
State budget cuts have weakened key services and supports that help families achieve economic security.

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



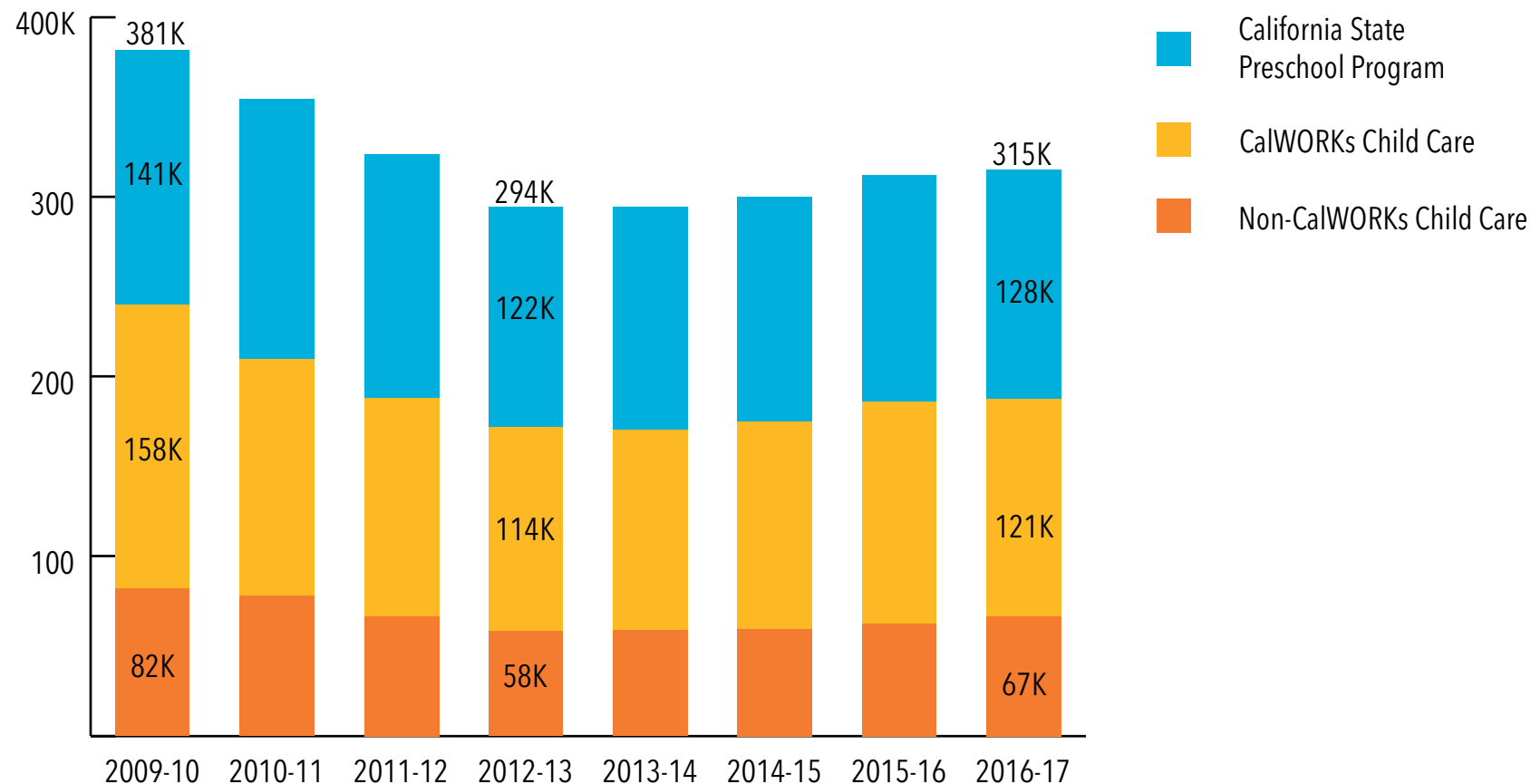
Note: Figures are in 2018-19 dollars and include federal and state funds for slots as well as for quality and support programs. Child care includes CalWORKs and non-CalWORKs programs. Preschool excludes Transitional Kindergarten.

Source: California Department of Education and Department of Finance



Enrollment in Subsidized Child Care and Preschool Has Not Recovered From Recession-Era Cuts

Average Monthly Number of Children Enrolled



Note: Figures are rounded to the nearest thousand. California Community Colleges CalWORKs Stage 2 data for 2016-17 reflect estimates, not actuals.

Source: California Community Colleges Chancellor's Office, California Department of Education, and Department of Social Services



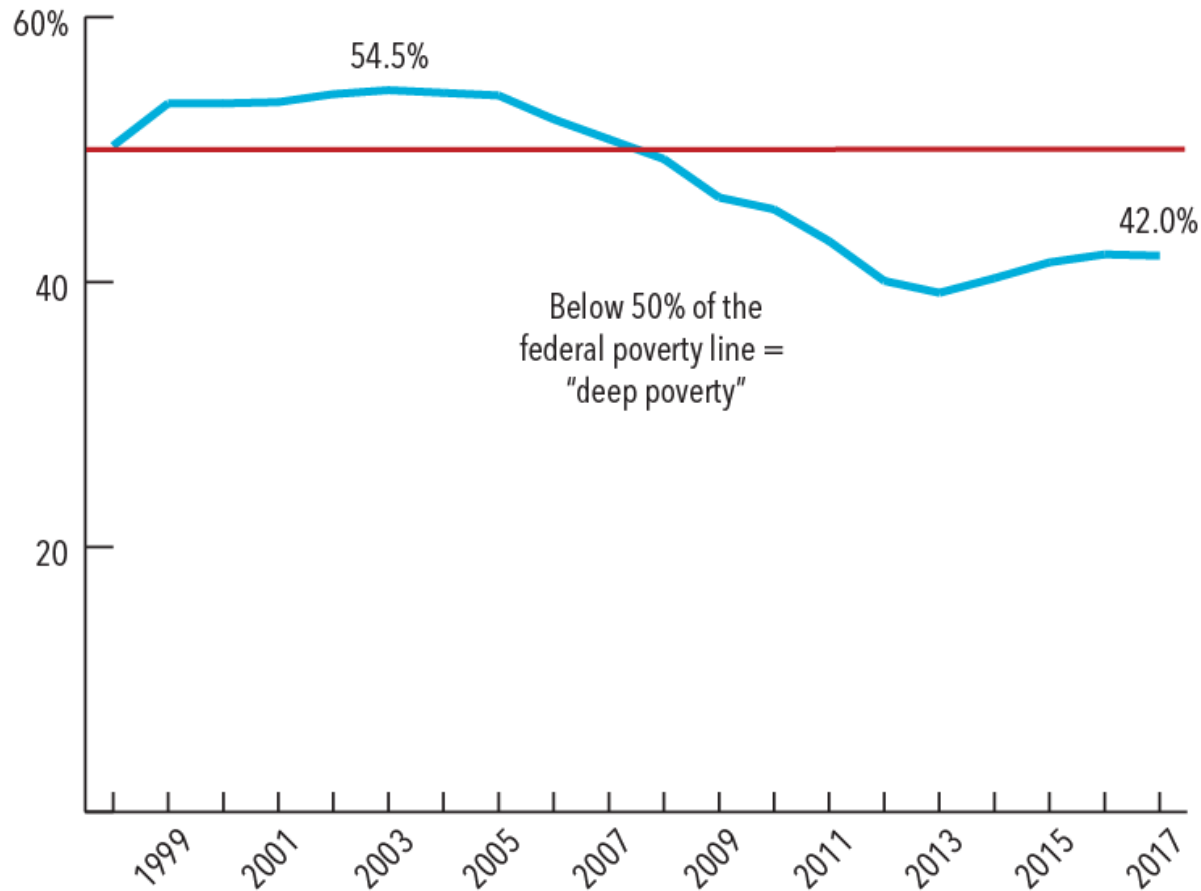
CalWORKs provides modest cash assistance to families while helping parents find and keep jobs.

About 860,000 California children receive assistance from CalWORKs.



CalWORKs Grants Have Been Below the Deep-Poverty Line for the Last Ten Years

Annualized Maximum Grant for a Family of Three as a Percentage of the Federal Poverty Line

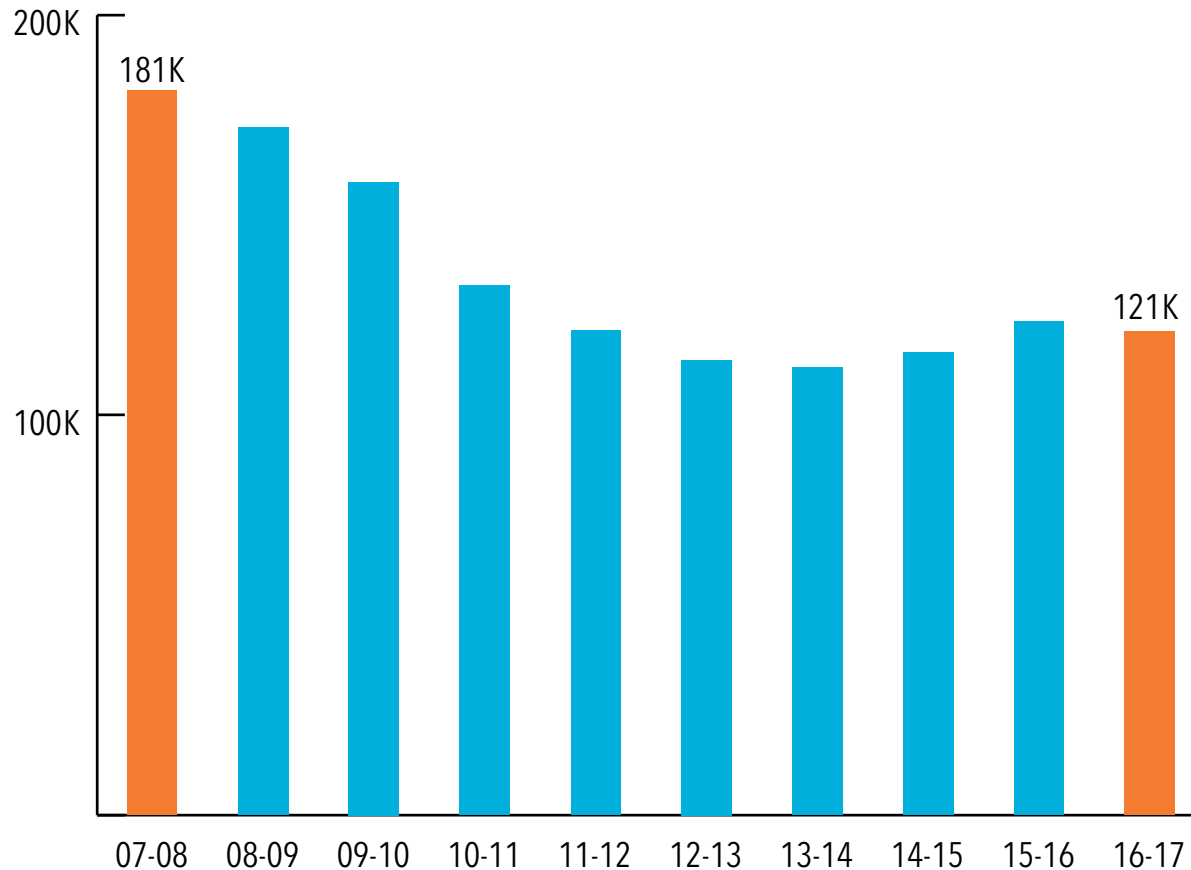


Note: Grants are for high-cost counties. The 2017-18 budget did not increase grant levels.
Source: Budget Center analysis of Department of Social Services, US Department of Health and Human Services, and US Social Security Administration data



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

- Reflects uncertainty due to potential cuts/changes to federal programs, as proposed by Republican leaders; the effects of the recently enacted federal tax plan; and the risk of an economic downturn.
- State revenues for the coming fiscal year projected to be higher than previously forecasted.
- Places a heavy emphasis on building up state reserves including a major discretionary deposit to the state rainy day fund.
- Includes various types of one-time funding across the budget – including the “Inclusive Early Education Expansion Program” and the CalWORKs home visiting pilot program.
- Does **not** propose any additional **ongoing** funding for many key services that help families make ends meet and advance economically.



Budgets are statements about our values and priorities.





California Budget
& Policy Center

1107 9th Street, Suite 310
Sacramento, California 95814

916.444.0500

kschumacher@calbudgetcenter.org

[@femiwonk](#)

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