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March 1st, 2024

TO: Each Supervisor

FROM: Dr. Barbara Ferrer, Ph.D., M.P.H., M.Ed.  
Director

SUBJECT: **BLUEPRINT IDENTIFYING IMMEDIATE AND LONG-TERM EFFORTS TO FORTIFY THE INFANT AND TODDLER CARE SYSTEM (ITEM 36, BOARD AGENDA OF SEPTEMBER 12, 2023)**

This report is in response to the September 12, 2023 motion by the Board of Supervisors instructing the Office for the Advancement of Early Care and Education (OAECE) in the Department of Public Health (Public Health), in collaboration with the Department for Economic Opportunity (DEO) and in partnership with early care and education stakeholders, to develop a blueprint identifying immediate and long-term efforts to fortify the infant and toddler child care system.

The period between birth and age three is critical for child development. During this time, 80 percent of brain development occurs and the foundations for lifelong health, well-being, and success during a child's life are established. The quality of experiences and relationships in the first three years of life has a deep and lasting impact on how the brain develops. Although a parent is a child's first and most important teacher, families often need additional support from early care and education (ECE) providers during these critical years. According to the 2022 Los Angeles County ECE Needs Assessment, Los Angeles County is home to more than 484,000 infants and toddlers and only has licensed capacity through centers and family child care homes to serve 4 percent of children under 24 months. The lack of access to affordable, quality infant and toddler ECE in Los Angeles County has been a crisis for decades. Los Angeles County's low capacity to serve infants and toddlers is caused by multiple interlinked systemic factors. The strain on these factors is increasing dramatically, and if not addressed, may result in infant/toddler ECE program closures. The ECE Infant/Toddler Blueprint (Blueprint) provides a roadmap to fortify Los Angeles County's infant/toddler child care system.

To inform the Blueprint, OAECE conducted over 50 meetings and interviews with more than 300 stakeholders including parents, ECE providers, the Los Angeles County Child Care Planning Committee, the Policy Roundtable for Child Care and Development Commission, Resource and Referral agencies, Los Angeles County Office of Education, institutions of higher education, First 5 LA, First 5 Orange County, California Community Foundation, Early Edge California, and the Service Employees International Union Local 99. OAECE also consulted with cities such as Los Angeles, Long Beach, and Santa Monica; school districts; and County Departments including Economic Opportunity, Mental Health, Parks and Recreation, and Public Health. Extensive research from national, state, and local reports also informed the development of the recommendations. The Blueprint addresses critical challenges in the infant and toddler ECE system and the recommendations are categorized into five priority areas:

1. Capacity and Infrastructure
2. Access to Affordable Care
3. Program Operations
4. Workforce Compensation
5. Workforce Pathways and Qualifications

The recommendations consist of programmatic, administrative, and legislative strategies to create a thriving, equitable, and sustainable infant/toddler ECE system, as well as short-term and long-term strategies at a County and State level.

### **Priority Area 1: Capacity and Infrastructure**

**Issue:** There are not enough licensed early care and education spaces available for infants and toddlers.

**Goal:** Increase licensed capacity of early care and education programs to serve infants and toddlers.

As a system that grew organically over time, early care and education (ECE) settings in which infants and toddlers are cared for vary in structure and funding mechanisms. ECE programs operate in both centers and homes. A child development center, which can be located on a school district campus or in the community, has multiple classrooms and serves an average of 100 children. Home-based infant/toddler child care is provided by either a Family Child Care Home for up to 14 children or by a Family, Friend, or Neighbor provider who is typically caring for one to three children. Centers and family child care homes are licensed and must adhere to California Community Care Licensing regulations, while Family, Friend, and Neighbor providers receiving a state subsidy are license-exempt. According to the California Resource and Referral Network, Los Angeles County has 9,807 licensed ECE spaces for children birth through 23 months and only 7 percent of working parents have access to licensed care for their infants and toddlers.

#### **Recommendation 1.1: Establish a grant program to support start-up costs and facility development expenses for family child care homes and center-based care that serve infants and toddlers.**

Los Angeles County is in need of ECE services for infants and toddlers and start-up costs to open a new child care program typically ranges from \$10,000 to \$50,000. It can be difficult to raise the capital needed to start a new ECE center or family child care home. To reduce barriers to opening new programs, Napa County and Kansas created stipend and grant initiatives that fund new ECE program start-up costs such as licensing fees, staffing, training, furniture, equipment, and marketing expenses. The City of Santa Monica has also taken steps to expand licensed infant/toddler ECE capacity in its city by providing grants to ECE programs for land acquisition, planning, design, and construction. With support from the Conrad N. Hilton Foundation, the OAECE is already providing facility development fee

waivers to programs establishing or expanding licensed infant/toddler ECE in unincorporated Los Angeles County. Establishing a comprehensive grant initiative to support ECE start-up costs will reduce barriers in launching new ECE programs and expand capacity to serve infants and toddlers.

**Level:** County/State

**Lever:** Programmatic

**Length of Time:** Short-Term

**Recommendation 1.2: Invest in a study to identify regulatory changes for family child care homes to sustainably operate a predominantly infant and toddler child care program model.**

ECE programs serving infants and toddlers are experiencing declining enrollment of preschool-age children due to the state-wide expansion of transitional kindergarten (TK). As TK expands, it is anticipated that family child care homes will likely serve primarily infants and toddlers in their programs. The financial business model for serving predominantly infants and toddlers is not sustainable given operational costs often exceed what low to moderate income families can afford. In addition, reimbursement rates for ECE providers accepting government subsidies for child care are far below the true cost of care. A study is needed to identify potential regulatory changes that could improve the business model of family child care homes to serve mostly infants and toddlers while providing a safe, healthy, and developmentally supportive environment. During a time of transformation in the ECE system, investing in a study and partnering with California's Community Care Licensing Division on how to revise infant toddler program models and regulations is imperative to sustaining the child care infrastructure.

**Level:** State

**Lever:** Programmatic/Administrative

**Length of Time:** Long-Term

**Recommendation 1.3: Increase partnerships between Local Education Agencies and early care and education programs to repurpose school district facility space for use by infant/toddler child care programs.**

Enrollment in California public schools has significantly declined since 2007 and it is projected to fall more steeply over the next decade. For example, in the past 20 years Los Angeles Unified School District's (LAUSD) K-12 student enrollment decreased by 58 percent and LAUSD may experience another 30 percent decline in student enrollment within the next 10 years.<sup>1</sup> Declining enrollment creates large budget shortfalls for school districts and to close these budget gaps many districts are consolidating or shuttering schools. In 2019, Pasadena Unified School District (PUSD) approved to shutter three elementary schools and it currently is only using 73 percent of its facility capacity. Even with the expansion of TK, it is projected that PUSD's facility utilization will drop to 69 percent by 2030.<sup>2</sup> Additionally, when considering racial disparities and equity, Black students are "more likely to experience school closure than any other racial subgroup."<sup>3</sup> Two school districts have opted to repurpose their underutilized/unused facility space instead of consolidating or shuttering facilities. LACOE is partnering with Pomona Unified School District and Garvey School District to renovate some of these Districts' underutilized/unused facility space to provide Early Head Start programs thereby serving more infants and toddlers. Repurposing underused/unused local education agency<sup>4</sup> facility space for infant/toddler ECE programs helps expand capacity and provides opportunities to create alignment between systems that support children and families.

**Level:** School Districts

**Lever:** Programmatic

**Length of Time:** Long-Term

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<sup>1</sup> LAUSD Facing 30% Drop in Student Enrollment in a Decade. (2022). CBS News. Retrieved from <https://www.cbsnews.com/losangeles/news/lausd-facing-30-drop-student-enrollment-decade/>

<sup>2</sup> Facilities Master Plan. (2023) Pasadena Unified School District. Retrieved from <https://www.pusdplan.org/chapters/summary>.

<sup>3</sup> Hahnel, C., & Pearman, F. A., II. Declining Enrollment, School Closures, and Equity Considerations. (2023). Policy Analysis for California Education. Retrieved from <https://edpolicyinca.org/publications/declining-enrollment-school-closures-and-equity-considerations>

<sup>4</sup> California Education Code § 56026.3 defines local education agency as school district, a county office of education, a nonprofit charter school participating as a member of a special education local plan area, or a special education local plan area.

**Recommendation 1.4: Reassess California Community Care Licensing square footage regulations for licensed infant/toddler early care and education centers.**

In Los Angeles County many ECE programs serving infants and toddlers are at capacity and have long wait lists for enrollment. For example, as recent as December 2023, Rancho Los Amigos KinderCare, a child development center operating on Los Angeles County property, has over 700 families on their wait list for infant/toddler child care. As of 2021, more than 14,000 Los Angeles County children ages birth to 36 months were on wait lists to enroll in infant/toddler ECE.<sup>5</sup> In California, Community Care Licensing requires centers to have at least 75 square feet of outdoor space per child; 13 other states require less outdoor space. For example, Wyoming requires for outdoor space 35 square feet per child ages birth to 18 months, 50 square feet for each child 18 months to 24 months, and 75 square feet for each child over 24 months. Reassessing the square footage required for licensed infant/toddler ECE programs may identify that it is feasible to reduce the amount of outdoor square footage per child required for centers while maintaining a healthy, safe, and developmentally appropriate environment. A reduction in outdoor square footage could increase some programs' ability to serve more infants.

**Level:** State

**Lever:** Legislative

**Length of Time:** Long-Term

**Recommendation 1.5: Require new housing development and commercial developers to either pay a fee that supports the creation of new infant and toddler child care facilities or include infant and toddler early care and education facility space in new development that can be leased at a reduced rate.**

New development projects create an influx of new employees and families and generate an additional need for ECE facilities. The cities of Santa Monica and San Mateo require developers of new residential and workplace structures to pay either an "impact fee" or construct new ECE facility spaces. Funds generated by impact fees are used as grants and loans for ECE providers to repair, expand, and purchase property. Requiring housing and commercial developers to invest in child care facilities can mitigate additional strain on communities to meet the need for more infant/toddler ECE spaces.

**Level:** County-Unincorporated Areas

**Lever:** Administrative

**Length of Time:** Long-Term

**Priority Area 2: Access to Affordable Care**

**Issue:** Infant and toddler child care is difficult to locate and expensive for families.

**Goal:** Increase access to affordable infant and toddler early care and education for low-income to middle-income families.

In Los Angeles County, families often struggle with locating ECE services that have available spaces at an affordable rate. According to the 2022 Los Angeles County ECE Needs Assessment, the median annual tuition for infant child care is \$18,917 in a center-based setting and \$12,378 in a family child care home.<sup>6</sup> The insufficient supply of ECE spaces and the high cost of infant/toddler child care has become a crucial workforce issue across all sectors and is particularly impacting working women. A recent study found that 46 percent of unemployed mothers who left the workforce cited the inability to find care for their children as the primary reason for not working.<sup>7</sup> Los Angeles County is not alone in this infant/toddler ECE crisis. The estimated annual economic impact of the lack of infant/toddler care on California is \$17 Billion and \$122 Billion for the nation.<sup>8</sup> At a more local level, First 5 Orange County

<sup>5</sup> Child Care Needs Assessment Los Angeles County. (2022). Los Angeles County Office for the Advancement of Early Care and Education. Retrieved from <https://childcare.lacounty.gov/wp-content/uploads/2023/09/Child-Care-Needs-Assessment-Los-Angeles-County-FINAL-11.3.22.pdf>

<sup>6</sup> Child Care Portfolio. (2023). California Child Care Resource and Referral Network. Retrieved from [https://rrnetwork.org/research/child\\_care\\_portfolio](https://rrnetwork.org/research/child_care_portfolio)

<sup>7</sup> Waller, Jessica D'Argenio. (2022). U.S. Childcare Crisis: How the Pandemic Exposed a Deeper Issue. Motherly. Retrieved from <https://www.mother.ly/career-money/work-and-motherhood/us-childcare-crisis-pandemic/>

<sup>8</sup> \$122 Billion: The Growing, Annual Cost of the Infant-Toddler Child Care Crisis. (2023). Council for a Strong America. Retrieved from <https://www.strongnation.org/articles/2038-122-billion-the-growing-annual-cost-of-the-infant-toddler-child-care-crisis>

commissioned a study<sup>9</sup> regarding the economic impact of child care-related<sup>10</sup> challenges on Orange County (home to 107,870 birth to two year olds) and its cities. The study found that the impact of child care-related challenges to Orange County's economy, families, and businesses totals \$4.3 billion lost annually in productivity and wages and \$372 million in tax revenue. While this level of data is not available for Los Angeles County and its cities, the research demonstrates the need for affordable high-quality child care that is accessible for families.

**Recommendation 2.1: Launch a County-wide public awareness campaign to promote subsidized infant/toddler early care and education options for low-income families in under-resourced communities including a centralized family friendly website with a universal child care subsidy enrollment application.**

Although there are subsidized child care options available for low-income families, the infant/toddler ECE system is complex and challenging to navigate. In California, there are a multitude of subsidized child care programs including Head Start, Early Head Start, California State Preschool Program, General Child Care, Alternative Payment Program, and CalWORKS. One of the challenges that families experience is that each program has different eligibility requirements and enrollment applications. According to a 2023 study conducted by the Los Angeles Education Partnership on infant/toddler child care, Los Angeles County parents report needing help navigating the complex ECE system. ECE subsidies are funded and administered by federal, state, and local governments, with each having unique regulations and requirements. As a result, the ECE subsidy system is often described as fragmented and confusing, making it difficult for parents to navigate.<sup>11</sup> Resource and Referral agencies are a critical support for families seeking child care, however, many parents are not aware of their existence and the availability of subsidized ECE services. Some communities have introduced "ECE hub websites" to simplify navigation, such as the Long Beach Early Learning Hub and South Carolina's First Five SC portal, which provide a one-stop resource for families to identify ECE options, learn about and apply for financial assistance, and other resources (e.g., food, housing). A centralized web-based information hub that intentionally and equitably streamlines search and application processes within the ECE system is needed. In 2024, OAECE, in collaboration with the Los Angeles County Justice Care and Opportunities Department, will partner with the Resource and Referral/Alternative Payment agencies, Child Care Alliance of Los Angeles, Los Angeles County Office of Education, Los Angeles County Department of Social Services, and First 5 LA to collectively design a campaign to promote subsidized child care options in under-resourced communities with high incarceration rates. This strategy will also begin an exploration of how to develop a unified web-based portal that provides families with information about all subsidized infant/toddler ECE options. A County-wide campaign of this nature will be instrumental in increasing awareness among families about free and low-cost infant/toddler child care.

**Level:** County

**Lever:** Programmatic

**Length of Time:** Short-Term

**Recommendation 2.2: Strengthen the capacity of key Los Angeles County departments and community staff who support parents of infants/toddlers on how to connect families to early care and education resources.**

Multiple Los Angeles County departments (e.g., Departments of Children and Family Services, Economic Opportunity, Mental Health, Parks and Recreation, Social Services, Public Health, Probation, Library) provide direct support to families with young children, yet their staff lack common training and tools to direct parents to child care resources. It is important to leverage County departments to

<sup>9</sup> Alva, T. and Walrod, W. Orange County Child Care Landscape Analysis Phase I & Phase 2. (2022) First 5 Orange County.

<sup>10</sup> Child care in Orange County refers to serving children ages birth to five years old. Orange County is home to 107, 870 infants and toddlers (ages birth to two years old) and 79,313 preschool-age children (three to four year olds).

<sup>11</sup> Thai, B. (2018). An Evaluation of Early Childhood Education Programs: The Parents' Perspective of Quality Care. San Jose State University. Accessed from [https://scholarworks.sjsu.edu/cgi/viewcontent.cgi?article=1024&context=etd\\_dissertations](https://scholarworks.sjsu.edu/cgi/viewcontent.cgi?article=1024&context=etd_dissertations)

connect families with ECE services through fairs, information hubs at County sites families frequent, and by sharing resources directly with families. Various states have embraced a family centered coordination model to direct parents to necessary resources. For example, Georgia and Texas government program staff are trained by an “anchoring organization” to identify family needs and direct families to appropriate services such as child care resources. It is important to empower front-line Los Angeles County staff with the skills, knowledge, and confidence to support the infant/toddler ECE needs of families. The OAECE, in partnership with the Justice Care and Opportunities Department, will serve as an “anchoring organization” to train Los Angeles County and community staff who support parents in how to access infant/toddler child care. As part of the infant/toddler ECE navigation system, the Resource and Referral agencies, Los Angeles County Office of Education, and the Department of Social Services are essential partners in this strategy. Increasing County departments’ knowledge about infant/toddler child care resources is an essential mechanism to help parents access infant/toddler ECE services.

**Level:** County

**Lever:** Programmatic

**Length of Time:** Short-Term

**Recommendation 2.3: Explore investment in a locally funded infant/toddler child care voucher program for low income to moderate income families in Los Angeles County.**

The rising price of tuition for infant/toddler ECE services means that affordable child care remains out of reach for many families. Infant child care in Los Angeles County can range from approximately \$12,000 to close to \$19,000 annually. A family of four in Los Angeles County earning the median income of \$117,850 does not qualify for any California subsidized infant/toddler ECE program. If a family earning the median income has two children under age four, they would pay 30 percent of their income towards child care, which would be the second highest household expense, after housing (34 percent of household income). The U.S. Department of Health and Human Services considers seven percent of a family’s income to be considered “affordable” for child care.<sup>12</sup> To help parents with paying for child care, pilot programs are being implemented in Wisconsin and New York City that provide women working in a trade with twelve months of cash assistance for child care. Through CARES Act funding in 2020, OAECE partnered with the Child Care Alliance of Los Angeles and the Alternative Payment agencies to administer an ECE voucher program for low income and essential workers. Based on the CARES Act model, an ongoing local investment to provide low to moderate income families with infant/toddler child care vouchers could make a significant impact in Los Angeles County.

**Level:** County

**Lever:** Programmatic

**Length of Time:** Long-Term

**Recommendation 2.4: Revise regulations to ensure children of the infant/toddler early care and education workforce are categorically eligible for subsidized child care regardless of their household income.**

As wages and benefits increase in other professions, recruiting and retaining early educators and other program staff has increasingly become more challenging for infant/toddler ECE programs.<sup>13</sup> A 2023 study conducted by the Los Angeles Education Partnership on infant/toddler child care noted that a primary concern of ECE center directors is not having enough staff to enroll the full number of infants and toddlers the center is licensed to serve. ECE programs across the country are experiencing similar staff shortages. For example, some ECE programs are not able to open classrooms due to not having enough staff. In 2022, to recruit and retain people to the ECE workforce, Kentucky approved all ECE center-based and family child care home staff to be categorically eligible for subsidized child care regardless of income. Since this statute took effect, over 3,000 parents working in ECE programs and

<sup>12</sup> United States Department of Health and Human Services. (2016). Child Care and Development Fund (CCDF) Program. Federal Register. Retrieved from <https://www.federalregister.gov/documents/2016/09/30/2016-22986/child-care-and-development-fund-ccdf-program>

<sup>13</sup> Khattar, R. and Coffey, M. (2023). The Child Care Sector Is Still Struggling To Hire Workers. Center for American Progress. Retrieved from <https://www.americanprogress.org/article/the-child-care-sector-is-still-struggling-to-hire-workers/>



their children have benefited from this subsidy.<sup>14</sup> The adoption of a similar policy in California could be a building block to reinforce the infant/toddler ECE system.

**Level:** State

**Lever:** Legislative

**Length of Time:** Long-term

### Priority Area 3: Program Operations

**Issue:** The costs to operate an infant/toddler early care and education program are often greater than the revenue programs generate.

**Goal:** Support infant/toddler early care and education providers in lowering operational expenses and increasing revenue efficiency.

According to Zero to Three, a national organization focused on infant/toddler care, more than half of the nation's infants and toddlers spend some or all of their day cared for by someone other than their parents. To provide safe and quality ECE services, infant and toddler child care requires low adult to child ratios which result in high personnel and operational costs. Often providers do not charge families, particularly families earning a low to moderate income, enough to cover these expenses because parents cannot afford to pay the full cost of care. The U.S. Department of the Treasury's report entitled *The Economics of Child Care Supply in the United States*, stated that infant/toddler programs tend to operate with extremely thin profit margins that are usually less than 1 percent. The adult to child ratios for preschool-age children is lower (i.e., one adult is responsible for more children) than the adult to child ratio for infants and toddlers, thus, preschool services have lower personnel and operational costs. Until recently, the business model for most infant/toddler programs was dependent on serving preschool-age children to be financially solvent. Income generated from serving preschool-age children supplemented the ECE provider's cost to care for infants and toddlers. This fragile business model has been disrupted and is now even more precarious as four-year-old children are attending transitional kindergarten at their local elementary school. Infant/toddler ECE programs are increasingly serving fewer preschool-age children as California's expansion of publicly funded transitional kindergarten for all four-year-olds ramps up. As a result, infant/toddler ECE programs are not generating the amount of income needed to be sustainable and are grappling with how to remain open.<sup>15</sup> Exploring new business practices to support and strengthen ECE services is an essential lever to fortify the infant/toddler child care system.

#### **Recommendation 3.1: Invest in business training for family child care homes to strengthen operational practices.**

Many infants and toddlers are served by family child care homes, yet these privately-owned child care businesses struggle to be successful. The U.S. Senate Committee on Small Business and Entrepreneurship stated, child care businesses are "one of the most necessary, but difficult businesses to operate as operator pay is low and margins are tight."<sup>16</sup> The conditions for operational sustainability and providing a quality program includes working conditions, business practices, and caregiver resources. The number of home-based child care programs in California declined 30 percent from 2010 to 2019 while the number of children under age 5 only declined 6 percent during this same period of time.<sup>17</sup> *Creating the Conditions for Families to Thrive*, a 2019 report by the Pritzker Children's

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<sup>14</sup> Powell, A., & Dade, A. What the Bluegrass State Can Teach Us About Increasing Access to Child Care: How Other States Could Follow Kentucky's lead. (2023). University of California, Berkeley, Center for the Study of Child Care Employment. Retrieved from <https://cscce.berkeley.edu/publications/brief/kentucky-model/>

<sup>15</sup> Keany, C., & Leventon, R. (2014). Impact of Universal Pre-Kindergarten on Community Child Care Providers in the Fort Worth Independent School District. Center for Nonprofit Management. Retrieved from <https://www.campfirefw.org/am-site/media/universal-pre-k-impact-study.pdf>

<sup>16</sup> Kelton, R., & Tennis, I. (2024). Small Business, Big Implications: A Look at Business Practices in Family Child Care Programs. McCormick Center for Early Childhood Leadership. Retrieved from <https://mccormick-assets.floodcdn.com/wp-content/uploads/2021/08/mcecl-research-note-winter-240131.pdf>

<sup>17</sup> Ekyalongo, Y. Y., Li, W., & Franchett, A. (2023). As the Number of Home-Based Child Care Providers Declines Sharply, Parents are Leaving More Negative Online Child Care Reviews. *Child Trends*. Retrieved from <https://doi.org/10.56417/962z2356o>

Initiative and Ascend at the Aspen Institute, states that targeted professional development related to small business and administrative practices helps improve ECE provider business skills and increases income. For example, family child care homes participating in a one-on-one business coaching program demonstrated a 93 percent average income increase and reported earning 10.4 percent more in wages.<sup>18</sup> Throughout California, Resource and Referral agencies provide some business training to family child care homes through the Child Care Initiative Project. The Los Angeles County Department of Economic Opportunity (DEO) also offers small business training and resources, including a Business Needs Assessment for individualized coaching. In 2024, the DEO will begin tailoring its small business supports to meet the needs of family child care homes. OAECE is collaborating with DEO to help inform these modifications and DEO plans to engage with others such as Resource and Referral agencies to strengthen current trainings offered through the California Child Care Initiative. By supporting family child care home business practices, the infant/toddler ECE system will be infused with tools to strengthen its sustainability.

**Level:** County

**Lever:** Programmatic

**Length of Time:** Short-Term

**Recommendation 3.2: Establish County and community-based partnerships that connect family child care homes and Family, Friend, and Neighbor providers serving infants and toddlers to resources that reduce operational costs.**

Home-based ECE providers are under-resourced and in need of support systems that are easy to navigate. For example, license-exempt Family, Friend, and Neighbor providers report struggling to pay rent, utilities, and other material costs such as nutritious food for children in their care. According to the Child Care Alliance of Los Angeles' 2023 Landscape of Home-Based Child Care in Los Angeles County, home-based ECE providers need more income to provide the necessary materials, food, and other items to support the young children they serve.<sup>19</sup> In New York City, Family, Friend, and Neighbor providers that receive child care subsidies can also receive food cards, financial assistance, mental health services, and technology assistance. Formal family child care home support networks have been established throughout the nation, including the City of San Jose and states such as Massachusetts and New York. These networks support ECE providers through a range of resources such as trainings to navigate government systems, food programs, and licensing agencies. Establishing similar networks in Los Angeles County can help home-based providers in easing some operational costs they incur to provide infant/toddler ECE services.

**Level:** County

**Lever:** Programmatic

**Length of Time:** Short-Term

**Recommendation 3.3: Align infant/toddler age range definitions and ratios across General Child Care, Alternative Payment Programs, and California Community Care Licensing to increase the ability for early care and education programs to blend funding.**

California's subsidized ECE system is comprised of a complex set of programs funded through both federal and state grants. There are multiple subsidized ECE funding streams for children ages birth to 36 months such as General Child Care and the Alternative Payment program. Each funding stream has its own guidelines and reimbursement rates, as well as different definitions related to the age of the child and teacher to child ratios. For example, a child who is 30 months old can be considered by Community Care Licensing regulations either a toddler in a class that requires a 6:1 teacher to toddler ratio or can be in a class that requires a 12:1 teacher to preschooler ratio. However, if the center is receiving General Child Care funding, then this child must be in a class that has a 4:1 teacher to toddler ratio. To complicate this further, if the center is receiving Alternative Payment funding, then it will only receive a reimbursement rate equivalent to the child being in a teacher to preschooler ratio of 12:1.

<sup>18</sup> Creating the Conditions for Family Child Care to Thrive. (2019). All Our Kin. Retrieved from [https://allourkin.org/files/galleries/Family\\_Child\\_Care\\_to\\_Thrive.pdf](https://allourkin.org/files/galleries/Family_Child_Care_to_Thrive.pdf)

<sup>19</sup> The Landscape of Home-Based Child Care in Los Angeles County: A Framework for Future Planning. (2023). Child Care Alliance Los Angeles. Retrieved from <https://www.ccala.net/wp-content/uploads/2023/06/CCALA-HBCC-Landscape-Analysis-2023.pdf>



This complexity creates barriers to blending public funding and the ability to provide cost-effective infant/toddler early learning experiences that result in optimum child outcomes. As California moves to a single-rate reimbursement system to compensate ECE providers, it is critical that age definitions for children birth to 36 months old are aligned across General Child Care, Alternative Payment, and Community Care Licensing. These changes will improve program and cost efficiencies, streamline reimbursements, and increase the level of resources needed to provide high quality early learning experiences. Partners may include Service Employees International Union Local 99 and other organizations advocating for similar changes.

**Level:** State

**Lever:** Legislative

**Length of Time:** Long-Term

#### Priority Area 4: Workforce Compensation

**Issue:** Early educators – a workforce disproportionately comprised of women of color – earn low wages and receive few benefits.

**Goal:** Increase compensation for the early care and education workforce serving infants and toddlers to ensure an equitable living wage, as well as health and retirement benefits.

The infant/toddler ECE system centers on early educators providing safe and enriching experiences for children, yet the workforce earns very low wages. According to the Center for the Study for Child Care Employment, 65 percent of California’s ECE workforce are women of color.<sup>20</sup> In 2022, the Bureau of Labor Statistics stated that Los Angeles County’s average annual salary for a child care worker is \$36,160, a preschool teacher is \$47,910, and a kindergarten teacher is \$97,490. By comparison, the living wage in Los Angeles County for a single adult with one child is \$91,115 and a two-adult family with two children is \$125,411.<sup>21</sup> Low wages and few benefits are driving the current workforce away from the profession and are a deterrent to attract new people into the infant/toddler ECE workforce. As a result, programs are struggling to find qualified staff and are unable to enroll enough young children to meet its maximum licensed capacity.

**Recommendation 4.1: Establish the state’s subsidy reimbursement rates for licensed early care and education providers serving infants and toddlers at 100 percent of the true cost of care which includes compensation at a living wage with benefits.**

According to OAECE’s 2022 Local Funding Priorities report, more than 211,000 infants and toddlers in Los Angeles County qualify for subsidized ECE services. Although there are many children in need, the State reimbursement rate ceilings for subsidized ECE have not kept pace with increases in the minimum wage or with rising child care business costs. As a result, the reimbursement rates for centers and family child care homes caring for infants/toddlers approved for subsidized ECE does not cover the true cost of care. For example, the true cost of care to serve an infant for one year at a licensed ECE center is \$20,139 more annually than what the Alternative Payment program’s reimbursement rate pays.<sup>22</sup> California is in the process of changing how it calculates reimbursement rates from a market-based approach to a cost-based model. This is a positive step forward to closing the gap between expenses and revenue. To address long standing inequities in the system and stop the cycle of early educators continually receiving low wages, it is critical that the state establish the reimbursement rates for licensed ECE programs serving infants and toddlers at 100 percent of the true cost of care.

**Level:** State

**Lever:** Legislative

**Length of Time:** Long-Term

<sup>20</sup> 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>

<sup>21</sup> Living Wage Calculation for Los Angeles County, California. (2024). Massachusetts Institute of Technology. Retrieved from <https://livingwage.mit.edu/counties/06037>

<sup>22</sup> Based on the 2022 Cost Estimation Model for the Reimbursement Rate

**Recommendation 4.2: Revise Family, Friend, and Neighbor subsidy reimbursement rates to a living wage that includes compensation that is no less than the Los Angeles County’s hourly minimum wage.**

Family, Friend, and Neighbor child care has always been a critical part of the ECE system. According to the US Dept of Health and Human Services 2019 national survey of home-based ECE providers, more than 2.8 million children under three years old were in Family, Friend, and Neighbor care across the nation and roughly 80 percent of California’s children ages birth to two years old were cared for by Family, Friends, and Neighbors.<sup>23</sup> Families who typically prefer home-based child care over centers include families with infants and toddlers, those working non-standard hours, and families with children who have disabilities or special needs.<sup>24</sup> As a part of the ECE subsidy system, Family, Friend, and Neighbor license-exempt providers may be eligible to receive voucher payments from government subsidy programs for the care they provide infants and toddlers. A 2022 Center for the Study of Child Care Employment report found that California Family, Friend, and Neighbor providers who receive subsidized child care payments earn what equates to approximately \$8 per hour and many are considered earning a low income. The California Rate and Quality Workgroup has recommended that the true-cost reimbursement rate for Family, Friend, and Neighbor child care should include no less than the minimum wage, sick leave, paid vacation days, and preparation time. It is also imperative that the reimbursement rate for Los Angeles County Family, Friend, and Neighbor child care reflects no less than Los Angeles County’s minimum wage. An increase in the reimbursement rate for license-exempt Family, Friend, and Neighbor providers would demonstrate value to critical members of the ECE system, as well as strengthen infant/toddler child care overall.

**Level:** State

**Lever:** Legislative

**Length of Time:** Long-Term

**Recommendation 4.3: Expand guaranteed basic income programs for Family, Friend, and Neighbor child care providers who support infants and toddlers.**

Many Family, Friend, and Neighbor child care providers are unpaid, and according to Home Grown’s 2021 report, when paid, Family, Friend, and Neighbor providers receive about \$8,000 per year for full-time care of one or more children. Nearly 50 percent of Family, Friend, and Neighbor child care providers report worrying about material hardships such as bills, housing costs, and finding other income when children grow older.<sup>25</sup> Guaranteed income programs are showing promising results for helping households gain financial stability and improving health outcomes. First 5 LA is partnering with Home Grown to pilot a guaranteed income program for Family, Friend, and Neighbor providers. Initial results from similar guaranteed income programs implemented by Home Grown are showing “a decrease in participants who report material hardship and an increase in the likelihood of remaining in the child care field.”<sup>26</sup> The Los Angeles County Center for Strategic Partnerships is leading a Guaranteed Income Coordinating Council for various County strategies. For example, the Poverty Alleviation Initiative, as well as the Department of Public Health’s Maternal, Child, and Adolescent Health Division, are piloting a guaranteed income program for targeted populations. Expanding guaranteed income programs to include Family, Friend, and Neighbor child care providers would serve as an innovative approach to strengthening the infant/toddler ECE system.

**Level:** County

**Lever:** Programmatic

**Length of Time:** Long-Term

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<sup>23</sup> The Landscape of Home-Based Child Care in Los Angeles County: A Framework for Future Planning. (2023). Child Care Alliance Los Angeles. Retrieved from <https://www.ccala.net/wp-content/uploads/2023/06/CCALA-HBCC-Landscape-Analysis-2023.pdf>

<sup>24</sup> The Landscape of Home-Based Child Care in Los Angeles County: A Framework for Future Planning. (2023). Child Care Alliance Los Angeles. Retrieved from <https://www.ccala.net/wp-content/uploads/2023/06/CCALA-HBCC-Landscape-Analysis-2023.pdf>

<sup>25</sup> Powell, A., Adejumo, T., Austin, L. J. E., & Copeman Petig, A. Caregiver Motivation, Identity, and Resilience: A Study of Family, Friend, Neighbor (FFN), and Nanny Care in California- Part Two. (2023). Center for the Study of Child Care Employment. Retrieved from <https://cscce.berkeley.edu/wp-content/uploads/2023/10/california-ffn-nanny.pdf>

<sup>26</sup> Renew, N. Looking Ahead to 2024: Finding Hope and Taking Action in an Uncertain Year. Home Grown Child Care. (2024). Retrieved from <https://homegrownchildcare.org/looking-ahead-to-2024-finding-hope-and-taking-action-in-an-uncertain-year/>

**Recommendation 4.4: Explore the feasibility of a local ongoing revenue source to subsidize compensation for infant/toddler early care and education providers.**

The infant/toddler ECE system is experiencing changes that are straining an already fragile structure. To stabilize this system, investments at the federal, state, and local levels are needed. Some municipalities have initiated approaches locally to supplement state and federal investments. For example, a children's agenda was passed by the San Francisco Board of Supervisors in 1987 which set the stage for several ballot initiatives for children, including an initiative to support child care wages. In 2020, Alameda County implemented a tax to support ECE and San Joaquin County implemented a cannabis tax to support children and youth. Los Angeles County currently does not have a dedicated local funding stream to support ECE services. By establishing local ECE funding, Los Angeles County may be able to increase compensation for early educators and stabilize the infant/toddler child care system.

**Level:** County

**Lever:** Legislative

**Length of Time:** Long-Term

**Priority Area #5: Workforce Pathways and Qualifications**

**Issue:** Early educators encounter barriers to accessing training and professional development to strengthen their skills, knowledge, and qualifications.

**Goal:** Improve equitable access to career pathways, professional development, and resources for early care and education providers serving infants and toddlers.

Child care is the backbone of Los Angeles County's larger workforce and early educators will always be in demand. It is estimated that Los Angeles County needs an additional 33,600 early educators to supplement the current ECE workforce of 28,200.<sup>27</sup> According to the Center for the Study for Child Care Employment, 65 percent of California's ECE workforce are women of color.<sup>28</sup> A 2018 Learning Policy Institute report notes the primary barriers to recruiting and retaining a qualified early childhood education workforce are: 1) low compensation and 2) little professional support for educators.<sup>29</sup> Many infant/toddler early educators struggle to afford training and college coursework. While Los Angeles County has a wide array of entities that provide professional development for the ECE workforce, it needs a coordinated and centralized professional development strategy to improve early educators' access to training. A 2018 Learning Policy Institute report notes that "teaching is a highly stressful profession relative to other fields, and the combination of limited professional support and low compensation makes ECE particularly high stress."<sup>30</sup> Ultimately, the infant/toddler ECE workforce needs easier access to free professional development activities to support Los Angeles County's youngest learners.

**Recommendation 5.1: Establish a centralized Los Angeles County Center of Excellence for early care and education employers and workforce to support the infant/toddler child care system.**

As Los Angeles County emerges from the COVID-19 pandemic, many ECE programs are not fully staffed and infant/toddler ECE programs report increased challenges in finding staff with desired

<sup>27</sup> Beacon for Quality. (2021). UNITE-LA. Retrieved from [https://www.ccala.net/wp-content/uploads/2021/03/21\\_Beacon-One-Pager.pdf](https://www.ccala.net/wp-content/uploads/2021/03/21_Beacon-One-Pager.pdf)

<sup>28</sup> 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>

<sup>29</sup> Melnick, H., Meloy, B., Gardner, M., Wechsler, M., & Maier, A. (2018). Building an Early Learning System That Works: Next Steps for California. Palo Alto, CA: Learning Policy Institute. Retrieved from <https://learningpolicyinstitute.org/product/early-learning-ca>

<sup>30</sup> Melnick, H., Meloy, B., Gardner, M., Wechsler, M., & Maier, A. (2018). Building an Early Learning System That Works: Next Steps for California. Palo Alto, CA: Learning Policy Institute. Retrieved from <https://learningpolicyinstitute.org/product/early-learning-ca>

qualifications.<sup>31</sup> Collaborative strategies have emerged to entice a new generation of early educators to join the field. During the past several years, the web-based California ECE Workforce Registry (Registry) has grown to be a centralized hub of information for over 100,000 ECE early educators across California. The information on the Registry ranges from job opportunities to available professional development courses and resources. Los Angeles County's Department of Economic Opportunity (DEO) is also increasing its supports for the ECE field. DEO partners with businesses and employers through its network of America's Job Centers of California (AJCC) to place trained workers in vacancies, with a focus on quality jobs and careers. DEO is currently modernizing and enhancing its AJCC system and in 2024 DEO will establish a Center of Excellence to help strengthen the ECE workforce. OAECE, along with other organizations such as the Resource and Referral agencies, the Registry, and Partnerships for Education, Articulation, and Coordination in Higher Education (PEACH) will partner with DEO to expand career pathways, apprenticeships, high-road training partnerships, job training, and other workforce opportunities in ECE. The Center of Excellence will function as DEO's incubator for new strategies, training programs, and services to help meet the needs of the ECE sector and will serve as DEO's primary liaison and thought leader on ECE issues. The infusion of these additional workforce supports and opportunity to leverage resources is a step toward reducing professional development barriers experienced by the infant/toddler workforce.

**Level:** County

**Lever:** Programmatic

**Length of Time:** Short-Term

**Recommendation 5.2: Establish a Los Angeles County Family Friend, and Neighbor Support Network to provide access to resources, learning opportunities, individualized support, home visitation opportunities, and social connections with other child care providers.**

Family, Friend, and Neighbor child care is often an invisible part of the ECE system; a significant proportion are relatives, with grandmothers comprising the majority of relative caregivers. The Child Care Alliance of Los Angeles' 2023 study on home-based child care found that Family, Friend, and Neighbor providers may benefit from family support models, including home visitation, play and learn groups, and distributions of resources. To help reduce isolation and increase quality of services, Colorado, Rhode Island, and South Carolina are expanding their Parents as Teachers home visitation programs to include Family, Friend, and Neighbor providers.<sup>32</sup> Most Family, Friend, and Neighbor providers are unaware of, and do not have access to, resources that could support them as a child care provider. To address this issue, the San Jose Public Library established a Family, Friend, and Neighbor Caregiver Support Network that connects ECE providers to workforce development opportunities, a peer community, and a range of resources. In Los Angeles County, the Child Care Resource Center facilitates play and learn groups and hosts story time activities for Family, Friend, and Neighbor providers. First 5 LA also convenes Family, Friend, and Neighbor providers for a monthly community of practice to learn about needs for child development activities, training, and resources. Partners working on related issues include the Los Angeles County Public Health's Maternal, Child and Adolescent Health Division, Service Employees International Union Local 99, and the California Child Care Initiative. A County-wide strategy building on these efforts would strengthen resources for Family, Friend, and Neighbor providers who are caring for infants and toddlers.

**Level:** County

**Lever:** Programmatic

**Length of Time:** Short-Term

**Recommendation 5.3: Expand partnerships between institutions of higher education and infant/toddler ECE programs for apprenticeships, as well as unit-bearing professional development for early educators caring for infants and toddlers.**

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<sup>31</sup> Powell, A., Adejumo, T., Austin, L. J. E., & Copeman Petig, A. Caregiver Motivation, Identity, and Resilience: A Study of Family, Friend, Neighbor (FFN), and Nanny Care in California - Part Two. (2023). Center for the Study of Child Care Employment. Retrieved from <https://cscce.berkeley.edu/wp-content/uploads/2023/10/california-ffn-nanny.pdf>

<sup>32</sup> Strengthening Home-Based Child Care: Ideas From States Awarded Preschool Development Birth-Five Grants. (July 2020). Build Initiative. Retrieved from <https://buildinitiative.org/wpcontent/uploads/2020/07/StrengthenHomeBasedChildCareREPORTfinal.pdf>

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As Los Angeles County combats a shortage of early educators, apprenticeship programs are gaining traction as a viable model to expand the infant/toddler ECE workforce. ECE workforce apprentices complete college coursework and participate in paid on-the-job training to earn California Child Development Permits. Unfortunately, ECE apprenticeship programs in Los Angeles County are limited. Currently, the Los Angeles County Department of Economic Opportunity, in partnership with OAECE, is utilizing American Rescue Plan funding to support ECE apprenticeships with the Los Angeles County Office of Education and the Child Care Resource Center. The Conrad N. Hilton Foundation is also funding an ECE apprenticeship model through the Los Angeles Education Partnership. Expanding partnerships between infant/toddler ECE programs and community colleges may provide opportunities to establish infant/toddler ECE specific apprenticeships and design credit-bearing courses that meet ECE workforce training needs. For example, Rio Hondo College is developing a course in collaboration with an ECE program that is tailored to the program's staff development needs. In this pilot, staff who participate will receive college credit, in addition to having access to the community colleges' student support services such as health services, mental health support, and food access. Additionally, the Strong Workforce Taskforce, which is comprised of 19 of Los Angeles County's community colleges Career and Technical Education leaders, has identified ECE as a key workforce pathway to support and is ready to partner with infant/toddler ECE programs. Based on foundational efforts, Los Angeles County is poised to expand ECE apprenticeship models and credit-bearing staff development opportunities specifically for the infant/toddler ECE workforce.

**Level:** County

**Lever:** Programmatic

**Length of Time:** Short-Term

**Recommendation 5.4: Revise California Child Development Associate Teacher and Teacher Permits to require successful completion of at least one infant and toddler development college course.**

The Commission for Teacher Credentialing (CTC) oversees all California teaching credentials and certificates, including the California Child Development Permit. Although college classes are essential to obtaining a Child Development Associate Teacher Permit or a Child Development Teacher Permit, CTC does not require successful completion of an infant/toddler development college course. One component of providing high-quality infant/toddler ECE is for early educators to understand the unique learning abilities of infants and toddlers, how to plan appropriate activities, use daily routines to bond with babies, and how to provide cognitive stimulation through conversation, interaction, and responsive relationships. Early educators working with infants and toddlers must understand the developmental stages of children birth to 36 months and relationship-based care. In 2020, CTC's Child Development Advisory Panel recommended that the Associate Teacher and Teacher Permits include course work to reflect learning foundations for infants and toddlers. The panel was concerned that this content is presently optional within preparation for the permits. A revision to the Child Development Permit to require successful completion of an infant/toddler college course for associate teachers and teachers would be an important step forward to ensure early educators are prepared to support young children.

**Level:** State

**Lever:** Legislative

**Length of Time:** Long-Term

If you have any questions or need additional information, please contact me.

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Cc: Executive Office, Board of Supervisors  
Chief Executive Office  
Department of Economic Opportunity