

# CARING FOR OUR CHILDREN



## CHILD CARE WORK GROUP REPORT 2007



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## INTRODUCTION

In December 2006, the Child Care Budget and Policy Work Group convened for its fifth annual meeting to continue the collaborative process that started in 2002. The goal is to bring people from different perspectives together to improve the early care and education system in California by starting with a vision of what is best for children and the child care system as a whole. Participants throughout the process have included staff from local resource and referral agencies, parents, local planning coordinators, both center based and family home child care providers, advocates, staff from the alternative payment programs, higher education faculty, labor, and other professionals. Legislative and agency staff also attended and took part in discussions in the focus areas.

We began this year's work group with a new word – consilience, the idea that people need to recognize their relationship to one another and to work together. In this spirit, we started the day by adding to our vision of the child care system. Then, small groups broke into five focus areas. Through analysis, open discussion, and compromise, each group identified points of consensus and marked points needing further discussion. Then the entire work group reconvened to discuss and draw consensus on the work of the smaller focus groups. All participants had an opportunity to review the report by email. The Child Care Law Center takes ultimate responsibility for the final integration and editing of this report.

This year we were able to recognize success on priorities identified for 2006 including restoration of funding and staff for Community Care Licensing and Parent Voice's successful campaign to unfreeze the State Median Income which is integral to preserving family access to high quality early care and education.

Several overarching themes developed this year. Virtually every group discussed ways to improve quality, including how to define, access and reward quality. The entire group endorsed exploring the creation of one reimbursement structure which would include tiered rates based on regional cost differences and increases for quality of care. Participants also looked at increasing access to subsidies by both reducing the waiting list and continuing to fully fund Stage 3 subsidies. Several groups discussed removing barriers so various funding streams can be combined to ensure all available funding is used to serve families. Recognizing the critical role facilities play, we added a new section to the discussion and the report on funding and policy options for facility development.

Finally the group reaffirmed the need for systems change which includes ensuring that all new initiatives strengthen access and quality for children of all ages. One of the Group's priorities for 2007 is to play an active role in shaping the State Plan CDE is required to develop this year in order to secure federal funding from the Child Development Block Grant. We also recognized again that the early care and education system is under-funded and we need to find additional revenue to support programs for all children and families.

This report outlines the specific priorities for 2007 in each issue area. These priorities were guided by the collective vision developed by the group and is included in this report. Finally, we have integrated consensus points into a comprehensive list of priorities for each topic area.



## **2007 POLICY AND BUDGET PRIORITIES**

### **Access, Affordability, and Eligibility**

- o Annual investment must be made to child care to reduce the number of eligible families waiting to receive all forms of non-CalWORKs child care subsidies.
- o Maintain full funding for Stage 3 child care and support CalWORKs families.
- o Policies and investment must be designed to ensure continuity of care. Necessary changes to funding streams should be made to allow flexibility in combining various types of state and local funding.
- o The state should provide continued funding to expand access for children with special needs through programs such as SB640 which funds provider training and outreach.
- o New funding (such as Prop. 49) should not replace existing subsidy programs but instead should enhance quality and access to care in communities throughout California.

### **Licensing and Regulation**

- o Annual licensing visits should be required for all child care sites, with a license renewal requirement.
- o Improvement must be made to the processing pipeline.
  - There should be a seamless background check process that conducts checks quickly and accurately.
  - Background checks for different facility types and different parts of the system should be integrated.
- o CCL analysts should receive adequate training to provide consistent inspection results and have some background in early care and education

### **Provider Payment and Rate Structure**

- o Explore the possibility of creating one reimbursement structure with tiered rates based on regional cost differences and increases for quality of care for all subsidized programs.
- o Quality Ratings System should be developed with input from the field, a review of existing state systems, research and best practices review.
- o Explore whether an electronic payment system is feasible.

### **Staff Compensation, Professional Development, and Retention**

#### ***Professional Development***

- Support the Curriculum Alignment Project.
- Define ECE teacher competencies.
- Continue to fund and integrate CARES/AB212.

#### ***Compensation***

- Monitor Legislative and Administration's plans for provider health care and ensure that the final plan benefits the ECE workforce.
- Link compensation with accessible education and training.

## **Financing and Systemic Issues**

- o Increase resources and funding for early care and education
  - Support progressive resources and taxes including a reversal of Proposition 13 tax relief for commercial property.
  - Do not reduce other programs for children and/or working families to fund early care and education.
  - Maintain early care and education in Proposition 98 funding and maintain the current balance.
- o Promote broad, effective and early public participation in the development of the 2007-08 CCDF State Plan being developed by CDE for federal child care funding.
  - Use this plan as an opportunity to dialogue and develop goals for system reform.
  - Review funding streams; eliminate silos among funding sources, preserve program integrity while ensuring continuity of care across funding streams.
  - Ensure that policies and investments encourage all funding to be fully utilized for existing early care and education funds and facilities.
- o Ensure that California and every county receives the resources it deserves. Remove barriers at the state and county level to promote effective utilization of resources and make sure that no new funding is returned while our system is under-funded.
- o Explore possibility of a tiered reimbursement system.

## **Facility Development and Investment**<sup>1</sup>

- o Include facility funding with operating funding.
- o Ensure there is funding for facilities for all funded and expanded programs.
  - Include resources for administering agencies to manage disbursement of funds.
  - Include resources for all kinds of facilities.
  - Provide resources for expansion and renovation as well as for new facilities.
- o Provide flexibility in funding and in kinds of facilities funded. Increase the funding caps for individual programs.
- o Increase equity in funding streams and method of awarding grants to ensure that the most critical needs are being met.
- o Continue to expand emphasis on extending child care into community/regional planning.

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<sup>1</sup> This is a new area for 2007 that emerged in our final plenary session from reports across several groups. We will continue development in the coming years.

**EARLY CARE AND EDUCATION SYSTEM:**  
**PRINCIPLES AND VISION**

**California early care and education policy should:**

***Support strong families***

- o We cannot address early care and education in a vacuum; rather, we must see it as part of a set of policies to foster strong families. To flourish and be ready for school, children need caring and well-educated adults, adequate family income, good nutrition, health care, safe and nurturing environments, and high quality developmentally appropriate learning opportunities.
- o To be effective, our policies must be comprehensive and must focus on the entire array of families' and children's needs. We must not delude ourselves into thinking that increased child care funding at the expense of funding for CalWORKs or other social services programs will benefit families.
- o Parents are the experts on their children and must be involved in their children's education; be given real choices including a variety of out of home care settings and paid family leave; be supported as parents, and be consulted and considered in the federal, state and local budget and policy development process.

***Ensure that children learn while parents earn***

- o Child care is not only a means of enabling parents to work or participate in education, job training or other programs; it also must enable children to flourish, to be ready for school, and to reach their full potential. All children including those in low income families deserve access to high quality programs. Research shows that early care and education centers in low-income California communities offer high-quality care, as does our network of family child care programs. We should support policies that maintain an integrated system supporting both goals and continue to increase access to high quality programs.

***Provide adequate resources for early care and education***

- o It is estimated that 200,000 families who are eligible for subsidies are on waiting lists; at the same time, our early care and education work force is sorely underpaid. We need additional resources for facilities and infrastructure and to improve quality. New initiatives should not rob current programs whose effectiveness is proven; rather we need to add resources to the entire system.

***Make quality early care and education, with real parent choice, available regardless of family income***

- o Finding appropriate high quality child care is a challenge for many families. However, those with limited financial resources face additional challenges. Lack of financial resources should not deprive any family of access to high quality linguistically, culturally and developmentally appropriate early care and education for their children. The state should fully fund subsidies for all eligible families with no arbitrary time limits; fees should be reasonable and eligibility standards

realistic. Parent choice is an essential element that is real only when parents have access to a variety of affordable high quality options.

- o Access to early care and education is key to achievement and maintenance of self-sufficiency for all working families. For families connected to the welfare system, even in light of restrictive federal welfare policies, California must maintain its commitment to welfare reform policies that support parenting, offer early care and education subsidies and other supportive services, making it possible for parents to parent, work and become self-sufficient.

### ***Give all children access to high quality programs***

- o Systemic inequities affect hundreds of thousands of children who face special barriers due to poverty, disability, language, geography, or other factors.
  - Develop new initiatives and make new investment to help meet the needs of those families and children facing the greatest barrier to accessing high quality early care and education
  - Ensure that children with disabilities have equal access to early care and education programs that make reasonable accommodations to serve those children, as required by federal and state law. Parents must be informed of their rights and both parents and providers must be given the tools and support to access available services. Early screening and intervention is vital for children with special needs. Inclusive settings are vital for all children.
  - Birth to three are critical years for children's development. We must increase families' options in choosing high quality early care and education for infants and toddlers and their options for paid family leave and CalWORKs exemptions. A single system should integrate preschool initiatives with capacity building for infant and toddler programs.
  - Increase families' opportunities to obtain high quality out-of-school care by ensuring that such programs are widely available and meet the needs of children and families with particular needs such as those working nights or rotating shifts and for families with children with special needs.
  - Ensure access to linguistically and culturally appropriate care by, e.g., making training and support for early care and education providers available in languages and cultural contexts that reflect California's many communities.

### ***Value, educate, and adequately compensate the early care and education workforce***

- o Research shows that the single most important determinant of quality early care and education is the presence of consistent, sensitive, well-trained, and well compensated caregivers.
- o Proactive efforts must be made to ensure that the child care workforce reflects the diverse face of the children and families in California and that all children have access to developmentally, linguistically and culturally competent care.

- o We should support programs, such as CARES and Wages Plus, that reward the pursuit of development and training on the part of new early care and education professionals and promote retention of committed, qualified teachers. Compensation, including benefits, should be an integral part of policy discussions involving financing, and the state should commit to seeking additional resources.
- o We should expand training and educational opportunities as well as ongoing support and technical assistance in the languages California residents speak; and give community and state colleges and universities sufficient resources to enable them to offer accessible training and degree programs.

***Maintain and further develop a comprehensive early care and education system***

- o We must be conscious that further fragmentation of the child care and early education system could result from short-term budget based policy initiatives such as realignment or dilution of state standards overseen by the Department of Education. We should strengthen all aspects of the system and oppose proposals that would bifurcate it into two systems: one that is primarily a work support and one that is primarily educational.
- o We should ensure that birth to five initiatives are integrated and that the early care and education and K-12 systems are coordinated to meet needs of the whole child and ensure they are ready for school and schools are ready for them.
- o Preschool initiatives should integrate a focus on the child with the needs of working families for full day, full year care. We should ensure that all children including those in low and moderate income working families have access to preschool programs
- o The statewide system should recognize regional differences and the different needs of rural and urban areas. We must provide funding and support to ensure the quality and accountability of child care providers and other contractors.
- o Policy and budget decisions should recognize that early care and education is a high-growth, low-risk government investment. The licensed early care and education industry in California, including both center-based and family child care programs, generates some \$5 billion in gross receipts. It employs approximately 130,000 people.<sup>1</sup>

***Ensure access to high quality early care and education for all children***

- o Early care and education policy affects all children in out-of-home care, not just those receiving subsidies. Early care and education is a universal need. Many middle- and upper-income families utilize California's child care providers. Thus, any change in the subsidized early care and education system will have a ripple effect on most families using child care. Planning should engage parents, unions, and employers as well as the early care and education community.
- o As the subsidized system expands, the Legislature and stakeholders should review the elements of high quality early care and education to determine its real cost and new sources of funding. The review should include system infrastructure, training, adequate reimbursement rates, fair wages and benefits, quality incentives, facilities, evaluation and monitoring and should focus on children of all ages, infants and toddlers, preschool and school age children.

- o Both the Standard Reimbursement Rate and the Regional Market Rate should be examined to determine whether they are adequate to ensure the maintenance of high quality programs.
- o High quality programs require state of the art facilities. Appropriate resources for repair and renovation as well as construction should be made available and public-private partnerships should be encouraged.

***Develop a comprehensive planning process***

- o Policy makers and advocates must review California’s early care and education system using a comprehensive inclusive process that occurs prior to submission of the State Plan for use of Child Care Block Grant funds in 2007. Any policy retained or changes implemented must be designed to achieve equity and grounded in an understanding of the actual impact on children and families and potential unintended consequences.
- o Parents, child care teachers and providers need to be included as policy makers in all policy development and planning

***Strengthen the child-centered focus of licensing and regulation***

- o California’s foundational investment in child care is support for a system of licensing and regulation designed to protect the health and safety of children in out-of-home care. Community care licensing should be proactive rather than reactive, adequately funded and staffed by those with child safety and development expertise.
- o Support for providers, including ombudspeople and advocates, should be reinstated to provide early assistance for new facilities and ongoing assistance as issues develop.
- o California should review state systems and regulations. Determinations should be made whether regulations can be better aligned and streamlined while still serving their primary purpose of meeting the needs of families and children.
- o California should return to being a leader when it comes to investment and effectiveness of its community care licensing system.

***Seek balanced budget solutions and equitable new revenue sources***

- o Despite its budget crisis, California remains one of the world’s largest economies, yet our child poverty rate exceeds that of other large states. California must invest in children at the level necessary to provide for all their needs, including their early care and education.
- o The Governor and legislature should seek additional ongoing state revenue sources, including reversing recent tax cuts and/or increasing taxes. New revenues should come from those at upper income levels and businesses who can afford to pay and who have reaped the benefits of previous tax cuts, not from increased taxes or fees on the lowest-income Californians.

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1 California Early Care and Education Work Force Study: Licensed Child Care Centers and Family Child Care Providers Statewide Highlights, July 2006 at [http://www.iir.berkeley.edu/csce/pdf/statewide\\_highlights.pdf](http://www.iir.berkeley.edu/csce/pdf/statewide_highlights.pdf).

## ACCESS, AFFORDABILITY, AND ELIGIBILITY

California invests in various programs for low-income families including state preschool, the network of state contracted child care centers, and the subsidized child care system. Eligibility is based on income; eligible families cannot earn more than 75 percent of the State Median Income (SMI). Current and former recipients of CalWORKs, the state program providing cash assistance to the lowest income families, are eligible for child care subsidies.

The State of California spends approximately \$3 billion per year on subsidized child care for low-income families, however our subsidized child care system, under-funded and with a fragile infrastructure, already has an estimated 200,000 children not receiving the subsidies for which they are eligible. While we all wish to move towards universal access, the focus of this discussion has been low-income families, who we believe must be our first priority with investment.

### **Overall Budget and Policy Priorities**

#### **Maintain parental choice.**

- o Increase in parent information & education.
- o Increase in support and training for license-exempt providers.
- o Expand resources for frontline staff working with parents & providers.

#### **Retain access for all families currently receiving subsidized child care and increase funding annually until all eligible families are served.**

- o Stage 3 funding for former cash aid recipients should be made permanent and remain fully funded. It should have the same supports and requirements, including eligibility, as other child development programs.
- o Funding for non-CalWORKs families should be increased annually with the goal of eliminating the subsidy waiting list. New funding should be utilized and not taken from Stage 3 funding.
- o State budget and policy should increase access for all children with disabilities by providing adequate funding, training and other supports including continued funding for SB 640 programs. Furthermore, a comprehensive definition of the term “exceptional needs,” must be created and should ensure access to care for all children with disabilities up to age 21.
- o Local initiatives to expand the supply and increase the quality of child care, should be maintained on a permanent basis and expanded as funds become available.

#### **Income eligibility should reflect current realities.**

- o Eligibility should be based on accurate current data on state median income or a more accurate measure, adjusted annually, and not artificially lowered by using data from past years.
- o California should adopt a more accurate methodology to determine need, such as the “self sufficiency standard” that takes into account both family size and regional living costs, not the FPL or CNI.
- o Policies should be developed to help families to transition off subsidies - ending the cliff effect.

#### **Increase quality and access for children 0-3.**

- o Create a statewide plan for infants and toddlers to expand access to high quality, developmentally-appropriate care.

- o Link birth to three programs with preschool programs and standards to ensure continuity of care and expectations for children birth to five.

**Integrate Preschool for All and the existing early care and education system.**

- o Ensure that working families have access to full day full year options integrated with preschool.
- o Ensure that preschool initiatives are integrated with and strengthen the current early care and education system.

**Develop greater statewide standardization of subsidy regulations.**

**Centralized Eligibility List (CEL) agencies should be systems that facilitate parents' access to child care, not just administrative tools.**

- o Implementation of CELs should be monitored to ensure that families are informed of the need to sign up on the list and that they are served fairly based on eligibility priorities.

**Increase flexibility for the counties so they can make the most effective use possible of their various funding streams.**

- o Support policies that promote braiding and/or blending of funding streams to achieve quality in programs and meet the needs of families.

**Prop. 49 funding should not replace existing program funding.**

- o Prop 49 funding should be used to enhance the quality of already existing programs.
- o Solutions must be found to help families.

## LICENSING AND REGULATION

California's licensing program performs the essential function of protecting the basic health and safety of all children in licensed child care. However, budget cuts and ineffective compliance procedures have resulted in a program that provides inadequate oversight and monitoring of child care facilities. Five years or more may elapse between site visits from Community Care Licensing analysts. This is hardly frequent enough to ensure minimum safety in an industry with high staff turnover. This gradual decline in the efficacy of Community Care Licensing has the attention of policymakers. New funding that leads to the hiring of new staff, a new training program and a state audit of compliance procedures are the first steps to enable CCL to restore an effective licensing program.

### Overall Budget and Policy Priorities

#### **Develop adequate resources to restore Community Care Licensing.**

- o Increase licensing visits to once a year.
- o Expand CCL in proportion to the growth in the licensed child care supply.

#### **Ensure licensing processes are consistent and fair for providers and families.**

- o Improve quality of training for analysts, with a focus on child development issues.
- o Institute better management and supervision.
- o Increase communication with providers so they understand the standards expected of them.
- o Ensure that analysts' performance evaluation is not based on the number of penalties found. Penalties should be seen as only one part of enforcement not a substitute for consistent visits.
- o Create time limited licenses that must be renewed and eliminate the indefinite license that now exists.

**Resolve noncompliance issues in a timely and transparent manner.** When CCL finds a violation after a random inspection or a visit prompted by a complaint, the department is required to set out a plan for compliance and monitor whether or not the provider successfully follows the compliance plan.

- o Improve follow through on the complaint resolution process.
- o Improve CCL follow-up after initial visits are made.
- o Increase information available to the public to assess whether CCL uses its authority to resolve noncompliance issues.
- o Shorten the length of time it takes to resolve noncompliance issues.
- o Require immediate consequences for all serious violations.
- o Create well-defined civil penalties and eliminate discretion among licensing analysts.

#### **The expansion of early care and education system capacity must address impact on licensing.**

- o Any increase in facilities and providers will have an administrative cost that should be included in budget allocations for the department, and should be taken into consideration when considering costs of new programs.
- o The role of licensing in universal preschool and other quality efforts must be integrated from the planning through the implementation stages.

#### **Licensing is an appropriate, fundamental government function and should not be privatized.**

The core function of licensing is so critical to the safety of children that it must remain a state

responsibility, accountable to our elected officials. Attempts to increase cost-effectiveness by delegating responsibilities to other institutions and nonprofit organizations are not acceptable.

- o The first and foremost duty of licensing is the health and safety of the children in care.

**Community Care Licensing (CCL) should be proactive, not reactive.** So long as CCL is underfunded, it is forced to react to problems, to focus on complaints rather than prevention. A restored licensing program will result in better trained and informed providers, who will be able to comply with licensing regulations or get the support they need to do so.

- Increase the regional advocates and local CCL advisory committees,
- emphasize the value of prevention by supporting providers,
- explore effective communication between CCL and providers,
- Licensing staff should be trained in child development.

**Emphasize the value of prevention.**

**Create a seamless background check system.**

- o Explore the possibility of establishing one system for all care settings.
- o Institute a firm timeline for processing background checks.
- o Create inter-system streamlining and work to eliminate delays in processing.

## PROVIDER PAYMENT AND RATE STRUCTURE

The provider rate system is complex. There are two main systems, the first is the Standard Reimbursement Rate (SRR) which is the rate paid to contracted programs. The SRR is the maximum amount the state will pay per day, per-child for subsidized center-based child care programs that directly contract with the California Department of Education (CDE). The SRR is a fixed statewide rate.

Family child care homes and centers that do not have contracts are reimbursed at rates related to the private child care market. This is known as the Regional Market Rate (RMR). The RMR is based on market rate surveys that are conducted every other year. There are also several special rates including one for infants, one for children with disabilities and one for odd-hour care. When rates are too low there are negative consequences including providers subsidizing the cost of care themselves, providers ceasing to care for children in the subsidized system, family child care homes and centers going out of business, or providers passing the increased costs on to parents.

### Overall Budget and Policy Priorities

Explore the possibility of creating one reimbursement structure with tiered rates based on regional cost differences and increases for quality of care for all subsidized programs.

- o Advocate for field input, which includes parents, providers and contractors, to develop the methodology of a single reimbursement rate structure.
- o Update the rates annually.
- o Allow for full equity and choice for both subsidized and private pay parents.
- o Review the implementation process to ensure standardization.
- o Explore simplification of rates.
- o Create a quality rating system that incorporates all the elements listed below under QRS.
- o Advocate for a Tiered Reimbursement system based on identified quality factors.
- o Reject any proposals that would reduce funding to the early care and education delivery system.

**Continue to enhance the effectiveness of the current system until a single reimbursement structure is created.**

*Standard Reimbursement Rate (SRR), Provider Payment:*

- o Rebench the SRR to reflect the actual cost of care (Title 5 standards) and require mandatory annual COLAs.
- o Increase the SRR based on any new program mandates and quality requirements.
- o Explore using unearned and yielded contract funds to increase the SRR.
- o Update parent eligibility standards.
- o Allow flexibility across contract types.
- o Review restrictions that make administration of contracts challenging.

*Regional Market Rate (RMR):*

- o Conduct an independent analysis of the methodology for current and potential use.
- o Simplify the administration of the RMR.

### **Quality Rating System (QRS):**

- o Connect ratings to licensing but monitor through a separate organization.
- o Licensing requirements should be the baseline of any quality rating system.
- o Any QRS must incorporate adequate resources (incentives) and an infrastructure to improve quality.
- o QRS should include: Input from the field, review of existing state systems, research & best practice review.

### **Explore whether an electronic payment system is feasible.**

- o Include both the payments between the state and the contractor and the payment between the contractor and the provider.

## **STAFF COMPENSATION, PROFESSIONAL DEVELOPMENT, AND RETENTION**

Quality child care requires well-trained and well-paid child care staff. Child care staff need to earn a living wage and should receive full benefits so that the staff members can achieve economic self-sufficiency. The child care industry is plagued by high turnover rates which create instability for young children and deprive children of the quality they deserve. Most parents are unable to afford the full-cost of quality child care; meaning that additional funds are needed to bridge the gap between the fees parents pay and the wages childhood educators receive. We need to further define staff competencies and build educational capacity and support so that our dedicated work force can access education and other assistance.

### **Overall Budget and Policy Priorities**

- o Professional standards and compensation for the early care and education (ECE) workforce should be comparable to that for K-12 teachers, with an appropriate career ladder and extensive professional supports to maintain the diversity of the existing workforce.
  - A career ladder with steps leading to a BA+credential needs to be in place to permit staff and providers to increase their education incrementally and to receive improvements in compensation in tandem with increases in education.
  - The content of educational experiences for the ECE workforce should be appropriate for the age of children in child care, spanning infants through school age children.
  - Extensive supports need to be in place to permit the existing workforce to access education. These include fee and textbook reimbursement, evening/weekend classes, geographically accessible community-based classes for credit, tutoring/cohort support for General Education classes, adequate college counseling, and increased number and variety of credit-bearing courses. These measures will help to maintain the current diverse workforce.
- o Support the California Community College Early Childhood Alignment Project (CCCECAP), which is developing a statewide lower-division, teacher preparation “Program of Study” in a consistent 24-unit core. This is a collaborative project currently being undertaken by the state association of community college ECE instructors and a preliminary report is due in June of 2007. In connection with this project:
  - Urge the legislature to legislate and fund statewide coordination across ECE higher education systems (community colleges, CSUs, UC, private institutions), focusing on the issues of student access, student support, and articulation/transfer, resulting in a more coherent and accessible professional development system for ECE teacher preparation.
- o State funding and policymaking is needed to support the articulation between two-year colleges and universities.
- o Recognize the importance of alternatives including community based training linked to a career ladder.
- o Develop an ECE credential that is linked to an overhauled Child Development Permit to create a pathway to higher education for people in the ECE workforce.

- o Coordinate CARES and AB212 goals and application process to create a seamless program for participants and continue to fund and integrate both programs past their currently scheduled expiration in 2008.
- o Encourage institutions of higher education throughout the state to promote language supports and classes for students with English as a second language.
- o Explore the use of a Quality Rating System, including defining the term quality.
- o Define ECE teacher competencies, as the basis for a revamped ECE teacher credentialing system—including cultural and linguistic competency, and developmentally appropriate practice.
- o Monitor the Governor’s health care plan and ensure that it will benefit the ECE workforce.
- o Link teacher/provider compensation with education and training:
  - Consider wider adoption of successful local models such as San Francisco’s Wages Plus program.
  - Continue the study of star rating or quality rating systems (e.g., study what other states have done, even if not feasible under current circumstances in California.)
  - Seek a reimbursement rate increase targeted to compensation.

## FINANCING AND SYSTEMIC ISSUES

California has many strong child care programs from which we can build, but the system has grown and evolved without long-term comprehensive planning. Real reform cannot be based on a short-sighted, fiscally-based approach to the well-being and development of our children. Changes to strengthen the system should be based on a comprehensive, inclusive planning process. This process should look at all aspects of early care and education from the viewpoint of children and their families. This review needs to determine the true cost of quality care, which cannot be uncovered by focusing on the State's fiscal constraints. Rather than simply accepting the current underfunded system, we should explore increasing revenue to meet the needs of all of our children.

### Overall Budget and Policy Priorities

#### **Maintain and expand an integrated early care and education/preschool/school readiness system with adequate resources.**

- o Early care and education initiatives should build on the existing system.
- o Every family should have access to appropriate care and education via a system that serves all children from birth and takes into account socioeconomic disparities, access for children with special needs, and access to culturally and linguistically appropriate care.
- o California's current child care system is designed both to meet the needs of children and to support working families. We should strengthen all aspects of the system and oppose proposals that would further fragment or bifurcate it.

#### **Develop a comprehensive planning process**

- o California needs a comprehensive planning process including a focus on preschool, infant care, and the needs of working families, English language learners and children with special needs.
- o Planning should look at child development from early care and education best practices, not simply importing the K-12 model. The process should include representatives of all programs, age groups and communities.

#### **Ensure adequate funding for the early care and education system.**

- o We should seek new continuous sources of funding that are adequate, effective and on-going.
- o We should adequately fund the state and local child care infrastructure, including resource and referral agencies, local planning councils, as well as California Department of Education and Department of Social Services oversight.
- o No low-income families or providers should be cut as a way to finance the system.
- o We must invest and develop family and child centers policies in response to the increased work requirements required by the 2006 federal TANF reauthorization.

#### **We must ensure that families and children have access to comprehensive services.**

- o We should work with other groups to expand all children's access to basic services and to create linkages among them. These services include health care, housing, nutrition, foster care and child protective services, and other vital child and family supports.
- o Child care providers and advocates must work collaboratively with other service providers to make comprehensive services available and learn from the model of Head Start.
- o Services to immigrant families and children should be maintained and expanded.
- o Family income must be sufficient to meet children's basic needs, as measured by self-sufficiency standards. Furthermore, CalWORKs benefits should not be cut.

## **SPONSOR, FUNDING AND CONTACT INFORMATION**

The Children's Roundtable Child Care Subcommittee, the California Child Care Coordinators Association, the California Resource and Referral Network, the California Child Development Coalition, Parent Voices, the California Child Development Corps and the Child Care Law Center co-sponsored a meeting December 5, 2006 designed to develop the 2007 budget and policy proposals. The report is based on the conclusions of that meeting. It was prepared by the Child Care Law Center in consultation with our co-sponsors and the 93 Work Group participants.

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