

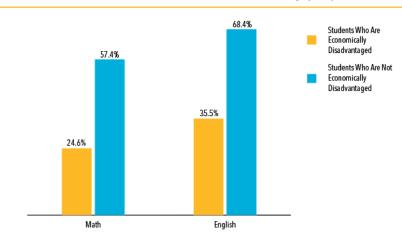
By Kristin Schumacher February 2017

Supporting California's Early Learners in Subsidized Child Care and Preschool

Ensuring that children receive a strong education is one of the keys to shared economic prosperity. Learning begins even before birth, so it is imperative that all children get a solid start in early childhood in order to be prepared to learn when they enter kindergarten. ¹ Unfortunately, poverty has a powerful, negative impact on children in their early years, and these disparities result in developmental gaps that can emerge very early and with lifelong consequences. ² Ensuring that families have access to high-quality child development programs can mitigate the effects of poverty and close gaps in learning and development. California's child care and development system allows parents with low and moderate incomes to find and maintain employment while providing care and education for their children. However, largely due to inadequate state and federal funding, only a small fraction of families who are eligible for California's subsidized child care and development programs receive care.

An Achievement Gap Exists Among California Students Based on Economic Status

Share of Students Who Met or Exceeded Standards in Statewide Testing by Subject, 2017

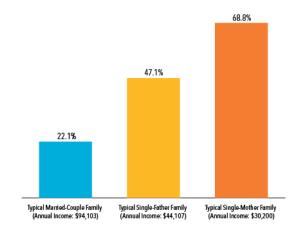


Note: Test scores are for students in grades 3 through 8 and in grade 11. Economic disadvantage is defined as being eligible for free or reduced price school meals or not having a parent who graduated from high school.

Source: California Department of Education, California Assessment of Student Performance and Progress, Smarter Balanced

The Cost of Child Care in California Is Very High for Families, but Especially for Single Parents

Child Care Costs for an Infant and a School-Age Child as a Share of Annual Family Income, 2016



Note: Cost of care is for a licensed center in California in 2016 (full-time for an infant and prorated according to the school year for a school-age child). Costs are based on countries' median cost of care weighted to reflect each country's population of infants and school-age children. Source: Budget Center analysis of data from the California Department of Education, 2016 Regional kerk Rate Survey and US Census Bureau

Annual Funding for Child Care and Preschool Remains Well Below the Pre-Recession Level

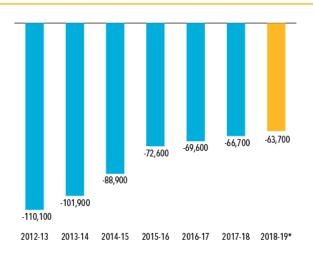
Total Funding for Subsidized Child Care and Preschool in California (Billions), Inflation-Adjusted



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

Even With Recent Increases, California Has 64,000 Fewer Subsidized Child Care and Preschool Slots Than in 2007-08

Annual Number of Subsidized Child Care and Preschool Slots, Compared to 2007-08



*Proposed

Note: Child care includes CalWORKs and non-CalWORKs programs. Slots include those funded with federal and/or state dollars. Source: Budget Center analysis of Department of Finance and Legislative Analyst's Office data

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¹ Center on the Developing Child, Harvard University, *Five Numbers to Remember About Early Childhood Development* (2009) and Christine Moon, Hugo Lagercrantz, and Patricia K. Kuhl, "Language Experience In Utero Affects Vowel Perception After Birth: A Two-County Study," *Acta Paediatrica* 102 (2013), pp. 156-160.

² Emma García, *Inequalities at the Starting Gate: Cognitive and Noncognitive Skills Gaps Between 2010-2011 Kindergarten Classmates* (Economic Policy Institute: June 2015), Nicole L. Hair, et al., "Association of Child Poverty, Brain Development, and Academic Achievement," *JAMA Pediatrics* 169 (2015), pp. 822-829, and James J. Heckman, "Schools, Skills, and Synapses," *Economic Inquiry* 46 (2008), pp. 289-324.