

### SB 1307 –Early Childhood Education Workforce Investment Act IN BRIEF population.<sup>6</sup> The turnover

SB 1307 incentivizes employment in early childhood education by making early childhood education (ECE) workers eligible for state subsidized child care.

# BACKGROUND

The cost of childcare can account for a significant portion of a family's earnings, with annual costs currently over \$10,000 annually per child.<sup>1</sup> To help accommodate for the significant costs of childcare, California offers subsidized child care programs for families with lower incomes. State subsidized child care can come in several different forms, including direct contract programs such as the California State Preschool Program (CSPP), family child care education home networks, and voucher programs. Enrollment in these programs is prioritized for certain populations, including children who have been neglected or abused, families with lower incomes, and families with English as a second language. To access state subsidized child care, a family has to make less than 85 % of the state median income dependent on their family size.

While many families seek state subsidized child care, there is a lack of availability in most programs. In 2017, eight out of nine children eligible for state subsidized child care did not receive services from full-day, full year programs due to mismatch in the amount of children eligible for care and availability of spaces.<sup>2</sup>

On the national level, several states have enacted legislation to incentivize growth in the ECE workforce. In Kentucky employees working in child care centers or homes are eligible for state child care subsidies regardless of their household income.<sup>3</sup> Massachusetts is also running a pilot program to prioritize ECE workers in childcare subsidy eligibility.<sup>4</sup>

## THE PROBLEM

California is facing a dramatic workforce shortage for early child care workers. In 2022, California had 7,200 fewer child care slots and 7,000 fewer child care jobs than before the COVID-19 pandemic.<sup>5</sup> This shortage is often attributed to low wages, a lack of state support, and the high cost of childcare for ECE workers' own children. Poverty rates of ECE workers are roughly double that of the general

<sup>1</sup> 2023 Kids Count Data Book

population.<sup>6</sup> The turnover rate for ECE workers is 30% each year.<sup>7</sup> This is worsened by the high cost of childcare as a large portion of the ECE workforce have children under age six.<sup>8</sup> When having to factor in the cost of care for their children, potential and current ECE workers are disincentivized from joining the workforce due low wages and a lack of benefits.

A shortage in the ECE workforce has large impacts on all other aspects of the economy.<sup>9</sup> In 2020–21, 13% of parents with young children had to quit, change or refuse a job because of child care. When parents are unable to find care, they have to consider reducing their working hours or leaving the workforce.

#### THE SOLUTION

SB 1307 encourages the growth of the early childhood educator workforce by making ECE workers eligible for state subsidized child care.

Specifically, this bill will provide eligibility for state subsidized child care regardless of their income for individual(s) with verified employment at a child care center or family child care home.

Additionally, SB 1307 adds ECE worker families to the priority list for subsidized child care programs. By doing so, this bill incentivizes employment in the ECE space and clears the path for more people to enter this workforce.

Increasing the ECE workforce will increase the amount of child care available to all Californians.

### SUPPORT

All Five (Sponsor)

## FOR MORE INFORMATION

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<sup>&</sup>lt;sup>2</sup> <u>Millions of Children Are Eligible for Subsidized Child Care but Only a</u> <u>Fraction Received Services in 2017</u>

<sup>&</sup>lt;sup>3</sup> Ibid.

<sup>&</sup>lt;sup>4</sup> <u>Ibid.</u>

<sup>&</sup>lt;sup>5</sup> <u>CSCCE Early Educator Compensation California</u>

<sup>&</sup>lt;sup>6</sup> Poverty in California

<sup>&</sup>lt;sup>7</sup> Investigating Teaching Staff Turnover Early Child Hood Education.

<sup>&</sup>lt;sup>8</sup> What the Bluegrass State Can Teach Us About Increasing Access to Child Care

<sup>&</sup>lt;sup>9</sup> The Child Care Sector Will Continue to Struggle Hiring Staff Unless It Creates Good Jobs