

Child Care: Building Blocks of a Thriving Economy and Strong Community



A Report by the CSAC Child Care Working Group

I. Introduction

In recent years, county supervisors from across the state have expressed interest in exploring California's child care landscape and its impact on communities and local economies. Counties play a critical role in administering California's safety net services, with a strong focus on ensuring that children and families have access to health, behavioral health, and social services. However, recognizing the connection between child care access and overall family and economic stability, CSAC members expressed interest in taking a broader look at California's child care system, encompassing both subsidized and market rate care.

In response, the County Child Care Working Group was established. The group aimed to examine how investments in a more broadly accessible child care system can help address early childhood and family instabilities, reduce long-term pressures on county-administered services, and contribute to local and statewide economic prosperity.

The Working Group established the following goals:

- Develop a comprehensive understanding of California's subsidized and market rate child care systems, including unmet needs and the ways that limited access directly and indirectly impacts counties.
- Strengthen relationships with stakeholders in the child care space and identify potential partnerships for counties.
- Identify advocacy and other opportunities for CSAC and counties to engage on child care issues, including information and resource sharing about county programs and initiatives related to child care.

This report provides a summary of the Working Group's efforts in 2025, including an overview of meetings and key discussion topics. It highlights major findings and recurring themes and outlines next steps for continued county engagement. Additionally, an appendix of organizations is included to support further local action and collaboration.



2025 CSAC Child Care Working Group

Leadership:



Chair:
Supervisor Chuck Washington,
Riverside County



Vice Chair:
Supervisor Kent Boes,
Colusa County



Vice Chair:
Supervisor Susan Ellenberg,
Santa Clara County

Members:

Supervisor Lucas Frerichs, Yolo County
Supervisor Mani Grewal, Stanislaus County
Supervisor Chris Howard, Del Norte County
Supervisor Cassandra James, Solano County
Supervisor Eric Lucan, Marin County
Supervisor Holly Mitchell, Los Angeles County
Supervisor Trina Orrill, Inyo County
Supervisor Belia Ramos, Napa County
Supervisor Bruno Sabatier, Lake County
Supervisor Scott Silveira, Merced County
Supervisor Rosemarie Smallcombe, Mariposa County

CSAC Staff:

Danielle Bradley, Senior Legislative Analyst
Justin Garrett, Senior Legislative Advocate



II. Meeting Summaries

Meeting 1: An Overview of California's Child Care Landscape

Speakers and Presentations:

- [Legislative Analyst's Office](#): Edgar Cabral, Deputy Legislative Analyst; Sara Cortez, Principal Fiscal & Policy Analyst; Dylan Hawksworth-Lutzow, Fiscal & Policy Analyst – [Presentation Slides](#)
- [California Department of Social Services \(CDSS\)](#): Dr. Lupe Jaime-Mileham, Deputy Director – [Presentation Slides](#)

Prominent State Subsidized Care Programs

[CalWORKs Child Care](#): Current and former CalWORKs cash aid recipients may be eligible to receive assistance in paying for child care while employed or participating in welfare-to-work activities. The program, which is administered in three different stages, is intended to support families as parents transition to long-term child care necessary for a family to exit assistance and remain off aid. CalWORKs Stages One and Two are entitlement programs, while Stage Three services depend on availability of funds.

- Stage One: Administered by county welfare departments or their contractors, CalWORKs Stage One begins when a family starts receiving cash aid. Families remain in Stage One until the county determines that the family situation is stable.
- Stage Two: Administered by CDSS through contracts with Alternative Payment Programs (APPs), CalWORKs Stage Two serves CalWORKs recipients who have been stabilized or are transitioning off CalWORKs. Families exit Stage Two after they have been off of cash aid for 24 months.
- Stage Three: Administered by CDSS, Stage three provides services for former CalWORKs families who have not received aid for 24 months. Families may remain receiving Stage Three services until the children age out of eligibility or the family's income exceeds 85 percent of the state median income (SMI).

[California Alternative Payment Program \(CAPP\)](#): Using federal and state funding, CAPP provides child care vouchers for eligible low-income families. CAPP agencies help eligible families find and pay for child care services by a provider selected by the family. See Meeting #3 for additional information on CAPP agencies.



[General Child Care and Development](#): Unlike CAPP vouchers, general child care programs are funded through direct contracts with licensed centers and family child care home networks. The contractors provide care and child development services for income eligible children from birth to 12 years of age. CDSS contracts directly with these organizations to provide a fixed number of slots.

[California State Preschool Program \(CSPP\)](#): Administered by the California Department of Education (CDE), CSPP serves eligible three- and four-year olds through both part-day and full-day services. These programs are run through local educational agencies, colleges, community-action agencies, and private nonprofit agencies. Beginning July 2024 through June 30, 2027, CSPP providers may choose to serve two-year olds.

[Transitional Kindergarten \(TK\)](#): Unlike other state funded child care programs, TK is not restricted to income eligibility. Beginning in the 2025-26 school year, all children who turn four by September 1 of the school year may enroll in TK. TK is free of charge to families and provided by local education agencies.

Recent Changes to California's Child Care System

[Universal Prekindergarten \(UPK\)](#): As part of the 2021-22 State Budget, California launched UPK with the goal of guaranteeing all four-year-olds have access to high quality, developmentally appropriate early learning regardless of income, location, or background. UPK is predominately comprised of TK and CSPP, but it also includes other subsidized programs that serve three and four years, like the Head Start Program. While families may select which pre-K program to enroll in, TK is the only option available free of cost to all four-year-olds regardless of income.

[Child Care Slot Expansion](#): The 2021-22 Budget also sought to add an additional 206,800 child care slots phased in over multiple years. Prior to the expansion, the state funded approximately 100,000 non-CalWORKs child care slots. However, due to state budget challenges, implementation of the full child care slot expansion has been delayed to FY 2027-28. Most of the expansion focuses on creating new slots for the California State Preschool Program and the General Child Care Program.

[Child Care Administration Transition](#): Effective July 1, 2021, the vast number of California's child care programs transferred from the California Department of Education (CDE) to the California Department of Social Services (CDSS). CDE continues oversight and administration of CSPP and TK.



Statewide Collective Bargaining: [AB 378 \(Limon\) \(Chapter 385, Statutes of 2019\)](#) established the right to unionize for licensed family child care homes and license-exempt family, friend, and neighbor providers who participate in subsidized care programs. It also established the ability of these providers to collectively bargain with the state over reimbursement rates, payment systems, training and professional development, and other working conditions. See meeting 3 details for additional information on the statewide union, Child Care Providers United (CCPU).

[Rate Reform](#): California has paid subsidized child care providers through two different rates: The Regional Market Rate (RMR) and the Standard Reimbursement Rate (SRR). The RMR varies by county and is based on regional market surveys, while the SRR is a flat rate for providers across the state. The 2021-2022 Budget kicked off a multi-year process for implementing a new single child care reimbursement structure for all subsidized child care and preschool programs. While referred to as a single rate structure, this does not mean all providers will receive the same reimbursement rates. Instead, the State will use a consistent method of calculating rates for all programs using an alternative methodology based on the cost of providing care rather than a market survey. The alternative methodology is intended to help better inform the costs of providing care for different types of programs using variables like program size, geographic location, and ages of children served. While the state completed development of the alternative methodology cost model, the rate setting process is still ongoing. The most recent update can be viewed in the CDSS Child Care and State Preschool Rate Reform [October 2025 Quarterly Update](#).

California for All Kids: Master Plan for Early Learning and Care

In December 2020, the California Health and Human Services Agency (CalHHS) released the [Master Plan for Early Learning and Care](#), which created a ten-year roadmap to build a comprehensive, equitable, and high-quality early learning and care system across California. The Master Plan included four action goals:

1. Unify and Strengthen Programs and Services to Support Children's Learning and Development
2. Support Children's Learning and Development by Enhancing Educator Competencies, Incentivizing and Funding Career Pathways, and Implementing Supportive Program Standards
3. Unify Funding to Advance Equity and Opportunity
4. Streamline Early Childhood Governance and Administration to Improve Equity



In December 2024, CDSS released a [Progress Report](#) on implementation of the Master Plan, which Dr. Jaime-Mileham [provided an overview](#) of to the Working Group. While there have been many investments and policy changes made since the Master Plan was first released, the following highlights were of particular interest during the meeting:

- *Expansion of Subsidized Child Care:* Since 2021, 129,000 additional subsidized child care subsidies have been funded through new slots and vouchers.
- *UPK Implementation:* Since 2021, California has more than doubled its investment in CSPP and tripled its investment in TK. Beginning with the current school year (2025-2026), all children who are four years old by September 1st are eligible to enroll in TK regardless of income.
- *Reduced Family Fees:* The 2023-24 Budget revised the family fee schedule for subsidized care programs. As of October 1, 2023, families below 75 percent of the State Median Income (SMI) are no longer required to pay a family fee, and fees are capped at 1 percent of a families' monthly income for families at 75 percent or over the SMI. Prior to this change, family fees were up to 10 percent of a families' monthly income, making even subsidized care unaffordable for low-income families.
- *Cost Based Rate Structure:* California continues to move to a single rate structure for child care providers that is informed by the actual cost of providing services, rather than market surveys.

Meeting 2: California's ECE Workforce and Unmet Needs

Speakers and Presentations:

- [California Budget & Policy Center](#): Laura Pryor, Research Director – [Presentation Slides](#)
- [UC Berkeley Center for the Study of Child Care Employment \(CSCCE\)](#): Anna Powell, Associate Director, Research & Policy – [Presentation Slides](#)

After establishing a shared foundation on California's child care landscape and recent policy changes in the first meeting, the Working Group focused this session on a more detailed exploration of child care accessibility and affordability for families, as well as a clearer understanding of the workforce's needs and persistent gaps. The Working Group was joined by two prominent research organizations who have conducted extensive work in this space.



Access within California's Child Care System

According to [the Public Policy Institute of California \(PPIC\)](#), the median price of child care for one preschool age child ranges from \$9,000-\$24,000 across the state. Infant care is even more expensive due to mandated lower staffing ratios, ranging from \$11,000 to \$29,000 per child. That means that the annual cost of preschool and infant care ranges from 6-28 percent of the median household income per child.

As shown through the California Budget & Policy Center's presentation to the Working Group, the cost of child care as a percentage of single mothers' median income is even higher, averaging 60.5 percent statewide. In several counties, that number is even higher. For example, in Los Angeles County, the annual cost of child care equates to 65.2 percent of single mothers' median income and in Colusa County it equates to 73.6 percent.

While family fee reform and increased investments in state subsidized programs have greatly reduced the cost of care for low income families, access to subsidized care remains unavailable for the vast majority of eligible children. In 2023, only 14 percent of children eligible for subsidized care accessed services.

Despite a clear need for subsidized care, availability for CSPP exceeds demand. In 2022, total enrollment for CSPP was less than half of total capacity. Although California Budget & Policy Center does not have one definitive reason for the low take up rates of state preschool slots, [their reports](#) point to a broad range of potential reasons, including workforce challenges, TK expansion to 4-year-olds, lack of knowledge about available programs, and programs not meeting the needs of eligible families.

California's ECE Workforce

The Working Group was fortunate to be joined by Anna Powell, Associate Director of Research and Policy at the UC Berkeley Center for the Study of Child Care Employment (CSCCE). Founded in 1999, CSCCE provides research and analysis on the preparation, working conditions, and compensation of the ECE workforce.

California's ECE workforce is made up of [nearly entirely women](#). Additionally, most early educators are women of color, except for TK teachers who are predominately White. Both family child care providers and center-based teachers with a bachelor's degree make significantly less than a TK teacher. While a TK teacher's average annual wage is \$84,700, the average annual wage of a center-based teacher with a bachelor's degree is



only \$42,600. For a family child care provider with a bachelor's degree, the average annual wage is only \$35,300.

The expansion of transitional kindergarten has affected both family child care providers and center-based programs. Although family child care providers have experienced less severe impacts than center-based providers, both have reported revenue losses. As the average age of children in their care decreases, staffing ratios increase, driving up costs and further squeezing already razor-thin operating margins.

[California Early Care and Education Workforce Study](#)

CSCCE leads the California ECE Workforce Study, which is an ongoing study that focuses on demographics, working conditions, compensation, well-being, and composition of California's ECE workforce. In October, CSCCE released the latest state and regional-level data, including profiles of select counties. This most recent profile updates findings from the last comprehensive statewide study conducted by CSCCE in 2020.

Meeting 3: Meeting California's ECE Stakeholders

Speakers and Presentations:

- [Child Care Providers United \(CCPU\)](#): Dion Aroner, Consultant & former CA State Assemblymember
- [California Child Care Resource & Referral Network](#): Linda Asato, Executive Director – [Presentation Slides](#)
- [Thriving Families CA](#): McKenzie Richardson, Director of Government Affairs – [Presentation Slides](#)
- [Children Now](#): Stacy Lee, Chief Learning Officer and Senior Managing Director for Early Childhood; Sara Bachez, Director of Education Policy and Advocacy – [Presentation Slides](#)

While these organizations do not encompass all of the major players in California's early childhood and education policy space, they represent some of the diverse organizations that are members of the [Early Care and Education \(ECE\) Coalition](#).

Child Care Providers United (CCPU)

CCPU is the union representing more than 60,000 family child care providers throughout California and is a partnership of SEIU Local 99, SEIU Local 521, and UDW/AFSCME Local 3930. In addition to policy advocacy, community organizing, and



support and training, CCPU negotiates contracts with the State of California related to wages and benefits. The state [recently ratified](#) CCPU's 2025-28 contract through the passage of [SB 151 \(Chapter 108, Statutes of 2025\)](#). The new contract includes:

- \$37 million ongoing, per year in COLAs
- \$90 million one-time stabilization payments
- \$80 million ongoing, per-year retirement funding
- \$100 million ongoing, per-year health care funding
- \$15 million ongoing, per-year for training and continuing education
- Ability to re-negotiate rate increases if the legislature allocates more money in future budgets
- Significant progress on rate reform structure and a commitment to move to prospective pay
- Continuing payment by enrollment in care rather than daily attendance

California Child Care Resource & Referral Network

The California Child Care Resource & Referral Network (Network) is a non-profit membership organization of 58 local child care [resource and referral agencies \(R&Rs\)](#). Child care resource and referral agencies are state-funded, community-based programs that exist in every county in California. R&Rs make up a well-developed system that supports parents, child care providers, and local communities. The Network has a unique and powerful role of listening to the varied needs of local communities and connecting this to policy advocacy. They partner with families, child care providers, members, and community leaders to ensure all children have the opportunity to learn and grow.

Thriving Families CA

Thriving Families CA (TFC) is a 47-year network of community-based public and private nonprofit agencies that support working families and children. Established in 1977, TFC is the lead voice for public and private nonprofit agencies who contract with California Department of Social Services (CDSS) to provide child care subsidies to families and to ensure children keep learning while parents are earning.

TFC's members are Alternative Payment Programs (APPs), which are public and private community-based organizations that provide services and serve as a "one-stop" shop for families eligible for subsidized child care. APPs serve low-income working families who are eligible for CalWORKs Stages 1, 2 and 3 child care in addition to serving



working nonCalWORKs families who meet specific income thresholds. APPs may offer a variety of child care arrangements for parents to choose from including in-home care, family child care and center-based care. The APP program is intended to increase parental choice and accommodate the individual cultural and linguistic needs of the family and children.

Children Now

Children Now is a nonpartisan, nonprofit organization based in California that focuses on advocating for policies and investments that improve the lives of children, from prenatal through age 26. Children Now works to influence state and local policies affecting children, including issues related to education, health care, child welfare, and early childhood development. Children Now also leads the coalition, The Children's Movement, which brings together a vast and diverse group of organizations across California that have a shared goal of putting kids first in policymaking. Children Now has also developed the [2025 California County Scorecard of Children's Well-Being](#). This interactive tool examines 40 key indicators of child well-being to develop a comprehensive picture of children's health, education, and welfare in all 58 counties.

Meeting 4: The Role of First 5s

Speakers and Presentations:

- [First 5 Association of California \(F5AC\)](#): Courtney Armstrong, Director of Government Relations
- [First 5 Amador County](#): Nina Machado, Executive Director
- [First 5 Sonoma County](#): Angie Dillon-Shore, Executive Director
- [First 5 Orange County](#): Kimberly Goll, President & Chief Executive Officer; Tiffany Alva, Director of Partnerships and Government Affairs – [Presentation Slides](#)

About County First 5s

In 1998, California voters approved Proposition 10, the "Children and Families Act," which created the 58 first 5 county commissions as well as the statewide California Children and Families Commission, also known as [First 5 California](#). The Act established a new tax on cigarettes and other tobacco products to support, promote, and improve early childhood development through coordinated programs that emphasize child health, parent education, child care, and other services and programs for children prenatal through age five. The Act directs 80 percent of Prop. 10 revenues to go toward the 58 First 5 county commissions, and the remaining 20 percent is allocated to First 5 California to support statewide programs, research, and media campaigns.



Local First 5s provide and fund a variety of locally tailored programs designed to improve lifelong outcomes for young children and their families. Local First 5s also serve as important coordinating and convening partners in counties, connecting health, education, and social services providers. Unfortunately, local First 5s continue to face declining revenue driven by reduced tobacco product sales. While the overall reduction in tobacco consumption is indisputably positive for the health of Californians, local First 5s have been forced to cut programming and layoff staff without alternative funding sources or backfills.

First 5 Association of California (F5AC)

The First 5 Association of California (F5AC) is a membership and advocacy organization representing all 58 county First 5s. Recognizing that local First 5s best understand the needs of their communities, F5AC was formed to represent the interests of First 5s with state and federal policymakers, uplift the work they are doing in their communities, and shape policies to build better and more equitable early childhood systems across the state.

Following an overview of local First 5s and the challenging funding landscape by F5AC, the Working Group was joined by three separate county First 5s leaders representing rural, suburban, and urban viewpoints.

First 5 Amador County

The Working Group was joined by First 5 Amador Executive Director Nina Machado, who has worked in this role since 2002. With a population of approximately 42,000, First 5 Amador is one of the 21 counties who qualify for funding through the [Small Population County Funding Augmentation \(SPCFA\)](#). The SPCFA provides funding to augment annual tax revenues to local First 5s with small populations and low birth rates (1,000 or fewer annual births). In January 2025, First 5 CA approved up to \$15 million over three years to eligible counties.

Ms. Machado shared some of the challenges unique to Amador County that are often shared by other small and rural communities. One big challenge that contributes to the county's ECE workforce challenges is the lack of any community colleges or universities physically located within Amador County. In recognition of this need, First 5 Amador partnered with [Amador College Connect](#) on their ECE study program that connects participants to a variety of online child development programs, including AA degrees, certificates, and apprenticeships. Amador First 5 also operates the [Amador Quality for](#)



[Kids](#), which offers support, coaching, and incentives to assist ECE providers in reaching higher levels of quality of care.

First 5 Sonoma County

For the suburban county perspective, the Working Group heard from Angie Dillon-Shore, Executive Director of First 5 Sonoma County. In 2017, Sonoma County was struck by one of the most destructive wildfires in California's history. While communities across the North Bay were affected, the City of Santa Rosa alone lost more than 3,000 homes, or about 5% of its already limited housing stock. Overnight, the county also lost nearly 500 licensed child care spaces. As the community worked to rebuild, subsequent fires, floods, and the COVID-19 pandemic further strained the region's housing and child care markets. By 2021, Ms. Dillon-Shore noted, the county had only two-thirds of the child care providers it had before the 2017 fires.

Following the COVID-19 pandemic, a [coalition formed](#) to discuss a potential revenue generating measure to address early childhood needs in the region. In November 2024, Sonoma County voters approved Measure I, the [Sonoma County Child Care & Children's Health Initiative](#). The measure authorized a permanent $\frac{1}{4}$ percent sales tax that provides a dedicated local revenue source to strengthen the early care and education (ECE) system and promote children's health and development. Of the total funding, which is estimated to generate \$32 million annually, 60 percent of funds will support expanding and supporting the child care sector and 40 percent of the funds will be used to fund strategies that support children's physical and mental health.

First 5 Orange County

Rounding out our meeting with First 5s, the Working Group was joined by First 5 Orange County President and CEO Kimberly Goll. In 2021, First 5 Orange County released a report, "[Child Care and its Impact on Orange County's Economy](#)." This report, which is the second phase of a larger child care landscape analysis, sought to quantify the economic impacts of child care affordability and availability. The economic analysis was conducted by the Chief Economic Advisor for the Orange County Business Council, Dr. Wallace Walrod. The analysis found the following economic impacts to Orange County's overall economy as a result of child care related challenges:

- \$4.3 billion annually in lost productivity and wages
- \$372 million annually in lost tax revenue
- More than 67,000 lost jobs annually



As part of Phase III of First 5 Orange County's Child Care Landscape efforts, First 5 Orange County launched the [Child Care Task Force](#) to pull together a cross-sector group of stakeholders with a desire to develop and implement local solutions to the child care crisis in Orange County.

Meeting 5: Exploring the Role of the Business Community and Public-Private Partnerships

Speakers and Presentations:

- [U.S. Chamber Foundation](#): Aaron Merchen, Executive Director, Policy and Programs
- [California Chamber of Commerce \(CalChamber\)](#): Ashley Hoffman, Senior Policy Advocate – [Presentation Slides](#)
- [Santa Rosa Metro Chamber](#): Ananda Sweet, Chief Executive Officer
- [First 5 San Luis Obispo](#): Wendy Wendt, Executive Director – [Uplift Regionwide Child Care Coalition](#); [Coalition Focus Areas](#)

While many of the programs discussed by the Working Group focused on subsidized child care, it is important to recognize that the broader child care system is primarily composed of market-rate providers. Access to quality, affordable care is essential to a strong economy. Without it, parents and caregivers cannot reliably remain in or return to the workforce. To better understand child care's impact on businesses and the role the business community can play in expanding access, the Working Group heard from federal, state, and local business organizations that have been deeply involved in advancing child care solutions.

U.S. Chamber Foundation

The U.S. Chamber of Commerce Foundation is the 501(c)(3) nonprofit of the U.S. Chamber of Commerce, which strives to tap into the power of business to create positive solutions through strategic partnerships and innovative programs. Unlike the U.S. Chamber, the U.S. Chamber Foundation does not engage in lobbying or policy advocacy.

As one of its key focus areas, the [Foundation's work](#) in early childhood education and care is centered in recognizing that investing in ECE is essential for building a skilled workforce, driving innovation, and fostering community growth. Aaron Merchen, Senior Director of Early Childhood Education with the Foundation, joined the Working Group to speak on a couple of the programs the Foundation is working on to support these efforts.



- [Untapped Potential: Economic Impacts of Childcare Breakdowns in the U.S.](#) – The Foundation has conducted studies in numerous states across the country to better understand the impact of the childcare problem in their communities. The reports estimate that, collectively, states have lost billions of dollars in economic activity due to breakdowns in the childcare system.
- [Employer Roadmap: Childcare Solutions for Working Parents](#) – During the COVID-19 pandemic, the Foundation was contacted by hundreds of employers seeking solutions to support working parents. In response, the Foundation developed the [ECE Employer Roadmap](#), which is designed for senior business leaders to understand the available options to address childcare needs for working parents.

CalChamber

The Working Group was also joined by the California Chamber of Commerce (CalChamber), which is the largest, broad-based business advocate to government in California. Ashley Hoffman, a Senior Policy Advocate with CalChamber, shared results from a member survey conducted on currently offered employee child care benefits and the challenges that come with providing these benefits. Ms. Hoffman also provided a similar overview of the survey results at the August 20th Assembly Select Committee on Child Care Costs [hearing](#).

According to the CalChamber survey, 30 percent of respondents offer employee benefits related to child care. The types of benefits listed encompass a broad range, including flexibility to work from home, flexible spending accounts, and in some cases, onsite care. Of the 30 percent of respondents who offer benefits, about 60 percent believe it improves employee retention. CalChamber respondents also noted difficulties with providing child care benefits, including costs, scalability, and the need for consistent use and enrollment.

Ms. Hoffman also spoke about an example of a current public-private partnership aimed at increasing employer contributions to childcare in San Diego County. The YMCA Childcare Resource Service is the resource and referral agency in San Diego County. They operate an [Employer-Supported Child Care Solutions program](#), in which the YMCA works with interested employers at no cost to assess their employees' child care needs, and explore and implement employer-funded childcare benefit programs.

Santa Rosa Metro Chamber

The Working Group was also joined by Santa Rosa Metro Chamber CEO Ananda Sweet,



who has been a long-term leader in advocating for early childhood education investments, family-friendly workplace policies, and stakeholder education on the return on investment for workforce development. During the previous Working Group meeting, First 5 Sonoma County highlighted the critical role the Santa Rosa Metro Chamber played in garnering community support for Measure I. Demonstrating her commitment to linking high quality child care as a smart economic investment for communities, Ms. Sweet told the Working Group, “Tell me anything you care about, and I will tell you how critical child care is to that issue.”

Similar to the YMCA in San Diego, the Santa Rosa Metro Chamber operates an [Employer Supported Child Care program](#). Through the program, the Chamber provides consultations to local businesses on options and opportunities in creating and funding care for employees. These services include conducting employee need assessments, producing returns on investment (ROI) comparisons for various models, and connecting businesses with possible providers of care.

First 5 San Luis Obispo

Although the San Luis Obispo (SLO) Chamber of Commerce was unable to join the Working Group meeting due to a scheduling conflict, President & CEO Jim Dantona enthusiastically recommended First 5 SLO Executive Director Wendy Wendt to present to the Working Group. Ms. Wendt was a former Board member of the SLO Chamber and is currently coordinating the [Uplift Child Care Coalition](#), which is part of the broader [Uplift Central Coast](#).

Uplift Central Coast is a six-county coalition (Santa Cruz, San Benito, Monterey, San Luis Obispo, Santa Barbara, and Ventura) that is working to create a regional economic development plan. Uplift Central Coast is one of the [13 Jobs First Regions](#) in the state, charged with leading the development of a plan to administer [California Jobs First grants](#) throughout the region.

[Uplift's Regional Plan](#) identified child care as a key economic mobility strategy, with four areas of focus: 1) expand and retain the child workforce; 2) expand child care facilities; 3) encourage employer supported and subsidized care; and 4) improve centralized resources and support family navigation of child care options. In February, Uplift awarded \$9 million in Catalyst Predevelopment Funding to 36 organizations, including \$220,000 to First 5 San Luis Obispo County to form the [Uplift Regionwide Child Care Coalition](#).



III. Key Findings & Common Themes

Persistent Gaps in Access: Despite significant investments and policy reforms in child care and early childhood education over the past decade, large gaps in access remain. The creation of new subsidized child care slots has not kept pace with rising demand. Additionally, locating a child care provider, whether subsidized or through the private market, can be extremely difficult for families to navigate and the care available does not always meet family needs.

Unintended Impacts of Universal Preschool Expansion: California's efforts to expand universal preschool have improved access to early learning opportunities for three- and four-year-olds. However, these efforts have also contributed to higher costs and reduced availability of care for infants and toddlers. In addition, limited day preschool and transitional kindergarten schedules create challenges for working families who need full-day care.

Low Compensation for Providers: Compensation for child care providers has not kept pace with inflation and remains low relative to K–8 educators. Poverty rates among early childhood educators continue to exceed those in other industries, contributing to high turnover and workforce shortages across the sector.

Declining Local Funding Sources: Local First 5 Commissions face declining revenue due to reduced tobacco tax revenue. While local First 5s are not direct child care providers, declining revenues impact services provided to all young children and families across the state, particularly those served by subsidized child care programs. Without state backfill or new funding sources, many communities risk losing vital early childhood programs and services.

Economic Impacts of Limited Access: The lack of affordable and accessible child care keeps parents, particularly women, out of the workforce, constrains business recruitment and retention, and results in lost earnings and productivity at both local and state levels.

Partnership Opportunities with the Business Community: The private sector plays an important role in expanding child care access. Regional economic studies have demonstrated that child care is a key component of a strong economy, and successful public–private partnerships across California have helped increase the availability of care.



IV. Next Steps

- Work with CSAC officers to get direction for child care workgroup in 2026.
- Within the context of CSAC's overall 2026 advocacy priorities, continue to advocate for state and federal policies that support increased access to child care, particularly as it relates to programs that serve county clients accessing safety net services.
- Promote stakeholder engagement and partnerships at the county and regional level (see appendix for a toolkit of resources and contacts).
- Learn more about significant initiatives being led by early childhood leaders, employers, and communities in boosting access to child care, and opportunities for counties to engage in those efforts.
- Identify an opportunity to share further child care resources, speakers, and initiatives with counties, such as a workshop at the 2026 Annual Meeting.



Appendix – Opportunities for County Engagement: Local Resources & Contacts

The organizations below play important roles in providing, supporting, and advocating for stronger investments in California’s child care system, each with locally based chapters or agencies. While not exhaustive, this list offers a starting point for counties seeking to engage in local child care initiatives.

- **Alternative Payment Program Agencies:** Community-based organizations that connect families to safety net services and serve as a one-stop shop for families eligible for subsidized care. [Locate your alternative payment program agency.](#)
- **Community Foundations:** Non-profit, autonomous, nonsectarian philanthropic institutions with a long-term goal of building permanent funds by many separate donors to carry out charitable interests. Community foundations are local conveners and help identify solutions to community issues and leverage resources to support projects aimed at addressing these issues. [Find your local community foundation.](#)
- **County First 5s:** All 58 counties have a First 5 County Commission that is responsible for providing oversight of revenue and programming at the local level to support children and families from prenatal to age 5. [Find your County First 5.](#)
- **County Offices of Education (COEs):** Provide oversight and support to local school districts within the county, operate specialized programs, and help school districts implement state policies. Many COEs also help coordinate and support the rollout of UPK in schools within the county. [Locate your COE.](#)
- **Head Start:** A federally funded ECE program that provides comprehensive services, including education and family support, to low-income children ages 0-5 and their families. A map of California’s Head Start Programs can be viewed on [Head Start California’s website.](#)
- **Local Chamber of Commerce/Business Council:** Support and promote the local business community by advocating on policy issues, fostering economic development, and providing networking and resources to help businesses grow. They serve as conveners that connect businesses, government, and community partners to strengthen the local economy. [Locate your Chamber or Business Council.](#)



- **Local Child Care and Development Planning Councils (LPCs):** LPCs plan for child care and development services based on the needs of families in the local community, and are intended to serve as a forum to address the needs of families for all types of care (subsidized and non-subsidized). [Locate your LPC.](#)
- **Local Resource and Referral (R&R) Agency:** Community-based organizations that help families find child care, assists child care providers in licensing and training, and maintain a directory of local child care providers. [Find your local R&R Agency.](#)