To: Commission on Children and Families
From: Jacquelyn McCroskey, Chair, Policy Roundtable for Child Care
Date: January 14, 2013

Impacts of Child Care Funding Cuts

The Children's Data Network funded by First 5 LA selected the issue of recurrent cuts to ECE programs as its first "rapid response" project designed to demonstrate leveraging of data to improve outcomes for young children and their families through increased access to timely, accurate, and actionable information. The Advancement Project-Healthy City worked closely with the Policy Roundtable for Child Care, the Child Care Planning Committee, the Office of Child Care, LACOE Head Start and others to develop an initial report, "Shrinking Investments Yield Smaller Returns." Published in the spring of 2012, the report mapped losses of ECE programs between 2008 and 2011.

Key findings included:

- Between 2008-11 the State cut funding for early care and education programs by $1.2 billion, resulting in loss of access for over 100,000 children across California
- LA County lost about 22,000 licensed child care spaces
- The most dramatic losses in licensed child care spaces in LA were in family child care homes –1400 homes (15%) ceased providing services
- Low-income working class communities were hardest hit.

These data helped to inform the Board of Supervisors during the 2012 budget debates. In addition to the budget cuts themselves, one of the most hotly debated issues was the Governor's proposal for "administrative restructuring" of subsidized child care programs from the California Department of Education (CDE) to county departments of social services. Following discussion at the May 22, 2012 meeting, the BOS sent a letter to the Governor urging consideration of alternatives to his proposal for administrative restructuring. They "recommended that CDE be charged to streamline the current subsidized child development system, including but not limited to: consolidating similar contracts; amending contracts to include more focus on performance; structuring contracts to maximize the use of State, Federal and local resources; simplifying eligibility and reimbursement determinations; and facilitating the articulation between child development and the K-12 system."

This year, the 2013-14 Governor's Budget Summary includes several significant issues:

* Adjustments to CalWORKS child care for Stage 2 (families with stable work activities and those transitioning off of aid for up to 2 years) and Stage 3 (families who have transitioned off of aid for more than 2 years and still have a child care need). Stage 2 and Stage 3 funds are administered by CDE.
* Convening a "stakeholder group to assess the current structure of opportunities for streamlining and other improvements"

* Funding of Medicaid expansion required by the Affordable Care Act would require a "discussion with counties" about "what additional programs the counties should be responsible for if the state assumes the majority of health care costs. ... The counties would assume programmatic and fiscal responsibility for various human services programs, including subsidized child care."

Recently the Office of Child Care, Policy Roundtable, Child Care Planning Committee and others assisted Healthy City in developing a website to spread the word – www.savemyseatla.org. Key findings from recent analyses include:

- Overall, the early child care and education system in LA County has been badly damaged and damage sustained between 2008-11 is not evenly spread:

  Pomona lost 566 seats, Compton lost 462 seats and Willowbrook lost 750 seats – while Santa Monica gained 424 seats

- Access to quality care with licensed, trained providers is severely limited – on average there is 1 licensed space for every 5 children ages 0-5 in LA County

  There are 7 seats for every 100 infants and toddlers

  There are 38 seats for every 100 children ages 3-5

- Lack of availability also hits hard at low-income working families

  There are 21 licensed seats for every 100 infants and toddlers

  There are 50 seats for every 100 3-5 year olds

- Availability varies –

  Lennox – 11 seats for every 100 infants and toddlers & 12 seats for every 100 3-5 year olds

  Woodland Hills – 26 seats for every 100 3-5 year olds

- California's early care and education system is at a breaking point

  Providers have been damaged by loss of funding and further cuts could force them to close their doors

- Further cuts will hurt low-income families most – a 10% cut would eliminate almost 60% of available subsidized licensed child care seats

Shrinking Investments Yield Smaller Returns

Mapping the Loss of Early Childhood Education Investment and Infrastructure in LA County During the 2008-2011 Great Recession

April 2012

A collaboration of

Child Care Resource Center™ Quality · Support · Development · Education

FIRST 5 LA Champions For Our Children www.First5LA.org

best start BestStartLA.org FIRST 5 LA

HealthyCity

Advancement Project

www.AdvancementProjectCA.org

Purpose & Background

Amidst the politics of austerity, California has made staggering cuts to the early care and education sector, resulting in lost opportunities for children to be educated, parents to continue working, and members of the early care and education workforce to remain employed and contributing to the state's economic recovery.

During the Great Recession from 2008–2011, the State cut funding for early care and education programs by $1.2 billion, resulting in the loss of access to vital early education programs for over 100,000 children across the state. Every single early care and education program has faced significant budget cuts, including some programs that have faced budget cuts as high as 67% of their original funding levels.

In an era of scarce public resources, California must spend wisely and prioritize investments that pay off. The maps in this report provide a concrete view of where and how our state has chosen to invest—and divest—in its children, its working families and its workforce, and how it might re-deploy those resources in the future.

Despite innumerable studies demonstrating that investing in early care and education yields a return on investment of up to $7 per public dollar contributed, the economic benefits of investing in early care and education have been overlooked, even though these programs more than pay for themselves in the longer-term.[1]

1. Heckman, James J. & Moon, Seong Hyeok & Pinto, Rodrigo & Savelyev, Peter A. & Yavitz, Adam, 2010. "The rate of return to the HighScope Perry Preschool Program," Journal of Public Economics, Elsevier, vol. 94(1-2), pages 114-128, February. http://www.nber.org/papers/w15471

Overview

LA County Lost 22,000 Family Child Care Spaces Between 2008-2011

Although there have been losses in both licensed centers and homes between 2008 and 2011, the most dramatic loss has occurred in the number of licensed homes. Specifically, 2,873 (27.4%) licensed homes ceased providing child care and development services resulting in a loss of 22,000 spaces throughout the County.

Insufficient Child Care Spaces Available

There are only 29,078 licensed spaces in centers or family child care homes for the population of 437,883 infants and toddlers in Los Angeles County. There are only 169,660 spaces in centers of family child care homes for 451,217 preschoolers in LA County.

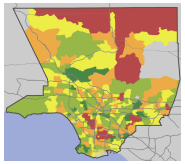
Working Families Need Child Care to Survive

Access to full day licensed child care programs is severely limited, potentially resulting in: 1) limited access to quality programs, 2) compromised development, 3) compromised school readiness, 4) compromised ability for parents to work, and 5) dampened employment for workers in the early care and education sector.

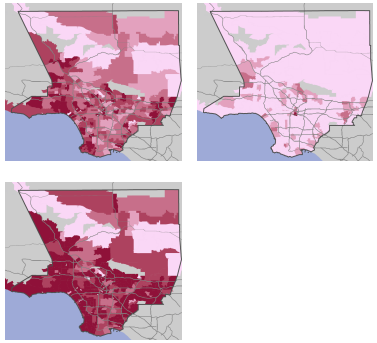
Child Care Crucial for Low-Income, Working Families

Access to licensed child care allows low-income families to be part of the workforce. This is an important factor in moving out of poverty. In Los Angeles County, 37% of infants and toddlers living in working families are low-income. Yet many of these families do not have access to child care.

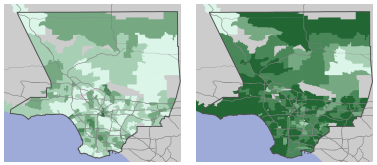
Map 1



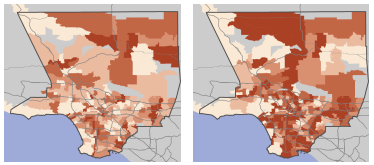
Maps 2–4



Map 5 & 6



Map 7 & 8



Changes in Licensed Child Care Spaces

2008–2011

Spaces Gained or Lost

More Loss — More Gain

-304 -80 1 149

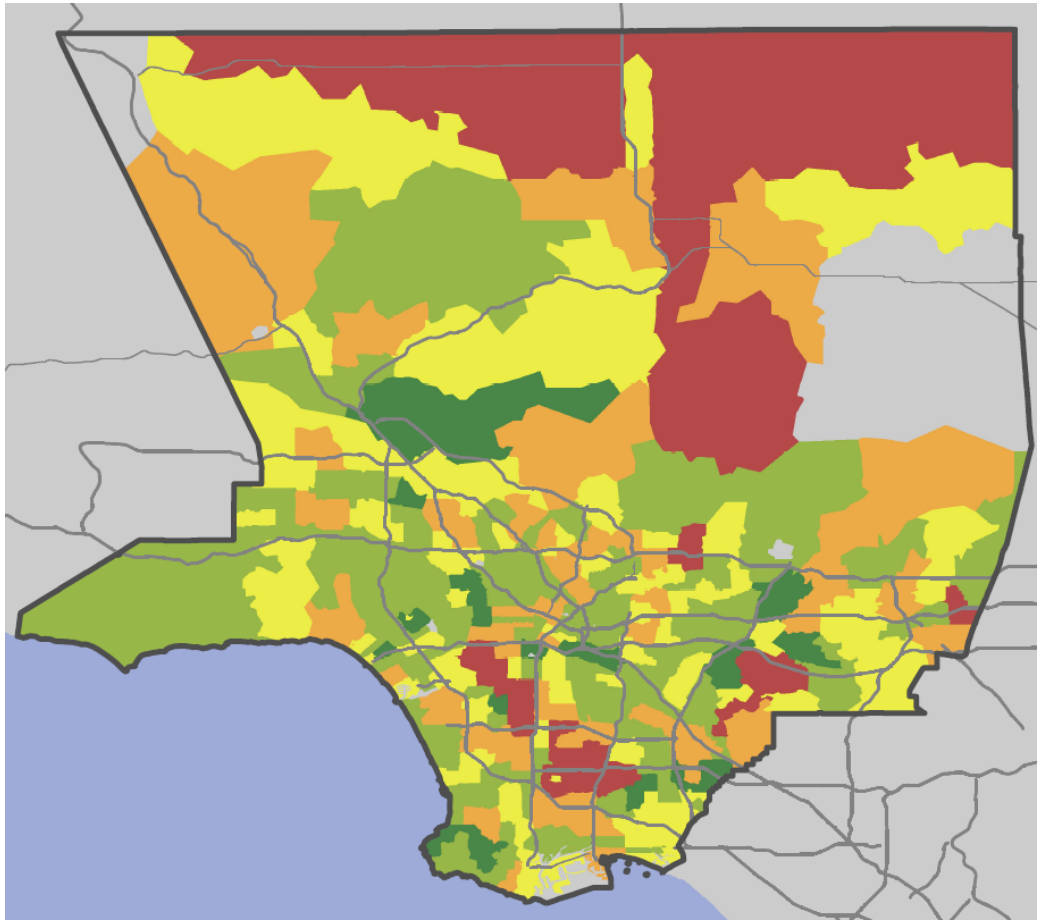
data not available*

LA County Boundary

freeway

N

0 12 Miles



Having high quality child care in any community is essential for child development and education. For parents, having reliable options for child care allows them to participate in the workforce. For early care and education workers, loss of ECE spaces means thousands of workers being faced with unemployment. This map indicates the gain or loss in numbers of licensed family child care homes and child care centers throughout the Great Recession.

Larger, detailed maps are available on pages 8-15.

Data classified manually

*Data is not shown if: (1) outside LA County or (2) count of seats is not available or (3) count of children is zero

Geo Data
NAVTEQ;
U.S. Census Bureau

Map by
Matt Agustin, Healthy City

Many communities in Los Angeles County have experienced severe losses in licensed child care spaces during the Great Recession. Child care and development services need to be where families are located and at a cost that is manageable on a constrained budget; losing a large supply of care from any particular vicinity forces families to travel farther or change work/school plans, or worse yet, stop working.

The most dramatic reduction occurred for licensed family child care providers. Between 2008 and 2011, 2873 (27.4%) licensed homes ceased providing child care and development services resulting in a loss of 22,000 spaces throughout the County. Losses are county wide, not relegated to isolated areas. The most severe losses occurred in south and southwest Los Angeles County, the Antelope Valley, Pomona, and sections of the San Gabriel Valley.

Licensed Child Care Spaces for Children

2011

Spaces Per 100 Children

0 6 16 31 51+

Darker areas show a higher ratio of available spaces

LA County Boundary

data not available*

freeway

N 0 12 Miles

Data classified manually

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Geo Data
NAVTEQ;
U.S. Census Bureau

Maps by
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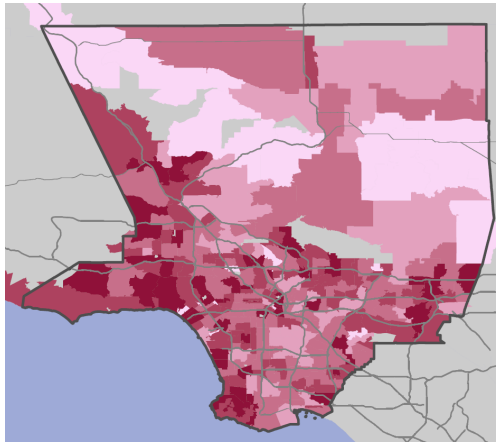
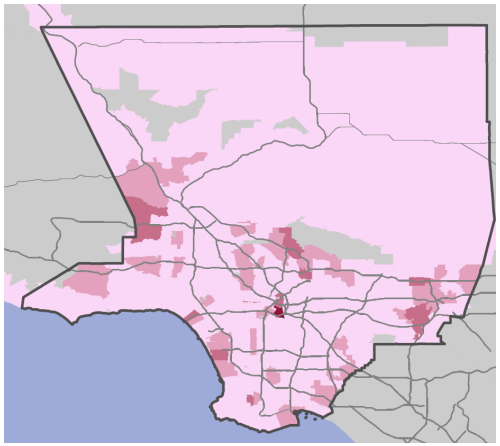


Spaces for children 0-5

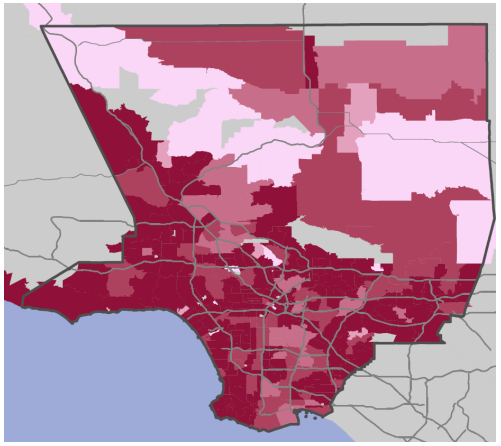
Access to licensed child care programs for children 0-5 years is severely limited in many communities of Los Angeles County, limiting children's potential for school readiness and parents' access to stable quality child care, and continued employment prospect for workers in the early care and education sector.
Child care spaces are not evenly distributed; availability is not necessarily dependent on need. There are communities with great unmet need (see the lighter areas on the maps); lack of spaces in these areas is probably the result of several factors: regulatory barriers to creating needed facilities, lack of capital to invest in facility development, or the need for subsidies to enable low-income families to purchase available care. Areas with higher income families attract the development of more early care and education spaces because the market is not dependent on subsidies or the market-rate for more affluent centers or homes is sufficiently high to enable providers to recoup the cost of the necessary investment in facilities development or regulatory hurdles.



Spaces for children 0-3

Access to licensed child care for infants and toddlers is severely lacking in many communities of Los Angeles County, limiting children's potential for a stimulating environment and parents' access to stable quality child care.

Most of the county has very few or no licensed spaces to serve infants/toddlers. There are only 29,078 licensed spaces in centers or family child care homes for the population of 437,883 infants and toddlers in Los Angeles County. Areas with the smallest ("better") child:space ratios for infant care are pockets in the downtown area, Pasadena and foothill communities, east San Gabriel Valley, and parts of the San Fernando Valley. But even in these scattered areas, not every infant or toddler will find a space. Most of Los Angeles County is impacted by a severe shortage of licensed child care spaces for infants and toddlers.



Spaces for children 3-5

Although the number of spaces for preschool-age children is better than for infants, there are still many communities lacking in adequate licensed preschool spaces. There are 169,660 licensed spaces in centers or family child care homes for 451,217 preschoolers in Los Angeles County. There is not enough licensed care to allow parents reasonable choices in many areas of LA County.

Areas with the least number of spaces include rural areas in Antelope Valley, parts of Glendale, Burbank, Whittier, and North Hollywood as displayed on the map.

Licensed Child Care Spaces for Children of Working Families

2011

Spaces Per 100 Children

0 10 19 34 72+

LA County Boundary

data not available*

freeway

N

0 12 Miles

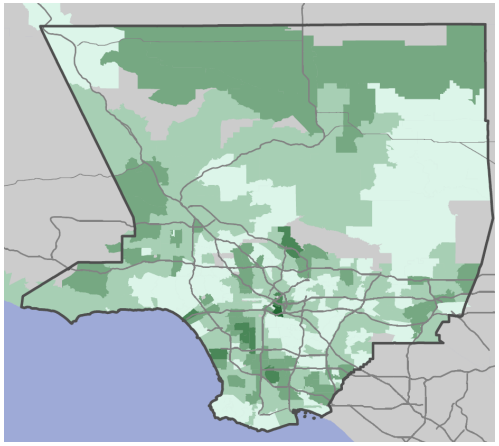
Data classified manually

*Data is not shown if: (1) outside LA County or (2) count of seats is not available or (3) count of children is zero

Geo Data
NAVTEQ;
U.S. Census Bureau

Maps by
Matt Agustin, Healthy City

The truest picture of need for child care and development options is the number of children in families where all parents/guardians are in the workforce. This is a smaller portion of the overall population but reflects "active consumers" of care.



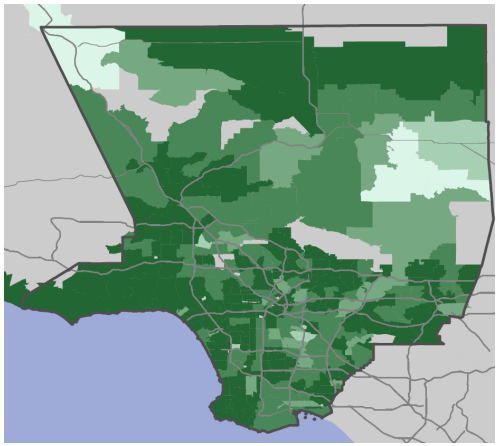
Spaces for children of working families, 0-3 years

Access to full day licensed child care programs for infants and toddlers is severely limited, potentially resulting in: 1) limited access to quality programs, 2) compromised development, and 3) compromised ability for parents to work, 4) dampened employment prospects for early care and education providers, despite much unmet demand. This extreme under-supply of care for children ages 0-3 years creates a context where families may have very few, if any choices for how they arrange the care for their youngest children. The frequent result is that families turn to license-exempt child care. This can lead to inconsistent care arrangements, compromised child development, and compromised ability of parents to maintain employment.

There are only 29,078 licensed spaces in centers or family child care homes to serve the 211,299 infants/toddlers in families where all parents are in the workforce.

While one area (downtown Los Angeles) has a greater supply (nearly 1 space for every 1 infant/toddler), it is an area that attracts many working parents who bring their children to the vicinity with them. This swells the "population" that would be likely to use care, creating greater demand pressures on the limited spaces available.

As is displayed on the map, there are numerous areas of significant unmet need for infant /toddler care scattered throughout all of Los Angeles County.



Spaces for children of working families, 3-5 years

While the availability of care for preschool-age children is much greater than that for children 0-3, there is still a tremendous shortfall in spaces to meet the need for preschool for children ages 3-5.

There are only 169,660 licensed spaces in centers or family child care homes to serve 222,918 preschoolers in families where all parents are in the workforce. The most significant gaps are in Southeast Los Angeles County and in parts of the San Gabriel Valley.

Licensed Child Care Spaces for Children in Low-Income Working Families 2011

Spaces Per 100 Children

0 11 21 31 51+

LA County Boundary

data not available*

freeway

N

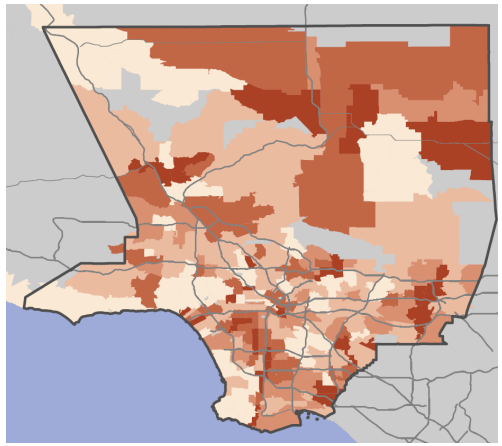
0 12 Miles

Data classified manually

*Data is not shown if: (1) outside LA County or (2) count of seats is not available or (3) count of children is zero

Geo Data
NAVTEQ;
U.S. Census Bureau

Maps by
Matt Agustin, Healthy City

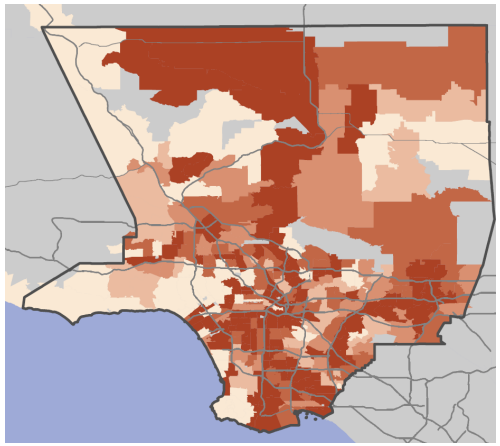


Spaces for children in Low-Income Working Families, 0-3

The map for 0-3 year olds in low-income working families appears to display a greater supply of care for low-income working families than all licensed infant care (MAP 3) only because the population of income eligible families who can access subsidized services is much smaller than the total population of infant/toddlers with working families.

In Los Angeles County, 37% of infant/toddlers live in low-income working families.

There are 16,448 infants and toddlers served through subsidized child care and development programs, while there are 77,942 eligible for services. This equates to about 1 subsidized space per 5 eligible infant/toddlers (21%). All areas of Los Angeles County face severe shortages of licensed spaces for infants and toddlers, particularly in parts of Long Beach, Hawthorne, South Los Angeles, Lynwood, Paramount, Baldwin Park, Palmdale, and parts of Pomona and Van Nuys.



Spaces for children in Low-Income Working Families, 3-5

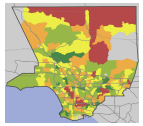
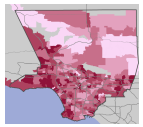
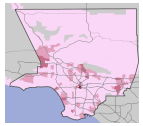
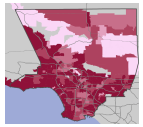
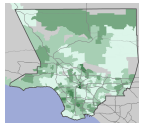
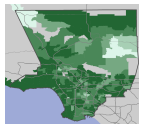
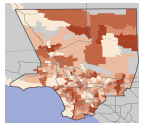
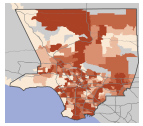
As with the other maps, there are more spaces/services to support preschool-age children in low-income working families than for low-income infant/toddlers. However there is still a significant shortfall in subsidized services to meet the need.

There are 38,200 preschoolers in low-income working families served through subsidized child care and development programs, while there are 75,776 eligible for services. This equates to 1 of every 2 eligible children (50%) receiving preschool. The areas with the greatest shortage of licensed spaces include parts of south Los Angeles, Paramount, and Palmdale.

While access to child care is limited for all children, access to full day licensed child care programs for infants and toddlers is severely limited, potentially resulting in: 1) limited access to quality programs, 2) compromised development, 3) compromised school-readiness, and 4) compromised ability for parents to work. Access to licensed child care allows low-income families to be a part of the workforce. This is an important factor in moving out of poverty.

At a Glance

Children and families in Los Angeles County lack sufficient access to child care. This insufficiency has been exacerbated by the recession and budget reductions. Gaps in care jeopardize parent employment, child development, and school readiness.

Demographic	Availability	The bottom line	Hardest hit regions	View the map
All children, change from 2008–2011	22,000 spaces lost between 2008 and 2011.	Between 2008 and 2011, 2,873 (-27.4 %) licensed family child care homes closed and ceased providing child care and development services.	Antelope Valley, San Gabriel Valley, South and Southeast LA, North Pasadena, and Pomona	 Page 3, 8
Children 0–5 years	198,738 licensed spaces for 888,600 children 0–5 years. 1 in 4.5 have access to care.	Parents are left with few, if any reasonable options for licensed care and education.	Low to moderate income areas of LA county.	 Page 4, 9
Children 0–3 years	29,078 licensed spaces for 437,838 infants & toddlers. 1 in 15 have access to care.	The supply of early learning and care placements for children under the age of 3 is completely inadequate.	All areas of the county	 Page 4, 10
Children 3–5 years	169,660 licensed spaces for 451,217 preschoolers. 1 in 2.7 have access to care.	As children reach preschool age, access to licensed care increases, though still not enough to meet the need.	Antelope Valley, parts of Glendale, Burbank, North Hollywood, Whittier, and Southeast LA	 Page 4, 11
Working Families with Children 0–3	29,078 licensed spaces for 211,299 infants & toddlers. 1 in 7.3 have access to care.	Children under the age of 3 from working families face especially restricted access to licensed care.	All areas of the County	 Page 5, 12
Working Families with Children 3–5	169,660 licensed spaces for 222,918 children.	Care for preschool-age children in working families is much more available than for infant/toddlers, but is still inadequate compared to need.	Southeast Los Angeles County and parts of the San Gabriel Valley	 Page 5, 13
Low income Working Families 0–3 years	16,448 families served, while 77,942 families are eligible. 1 in 5 have access to care.	Many poorer children don't have access to early learning opportunities and working families are without the necessary care arrangements to support continued employment.	Long Beach, Hawthorne, South LA, Lynwood, Paramount, Baldwin Park, and Palmdale	 Page 6, 14
Low income Working Families 3–5 years	38,200 families served, while 75,776 families are eligible. 1 in 2 have access to care.	Many poorer children don't have access to early learning opportunities and working families are without the necessary care arrangements to support continued employment.	Parts of South LA, Paramount, and Palmdale	 Page 6, 15

Changes in Licensed capacity, 2008–2011

Spaces Gained or Lost

More Loss — More Gain

-304 -80 1 149

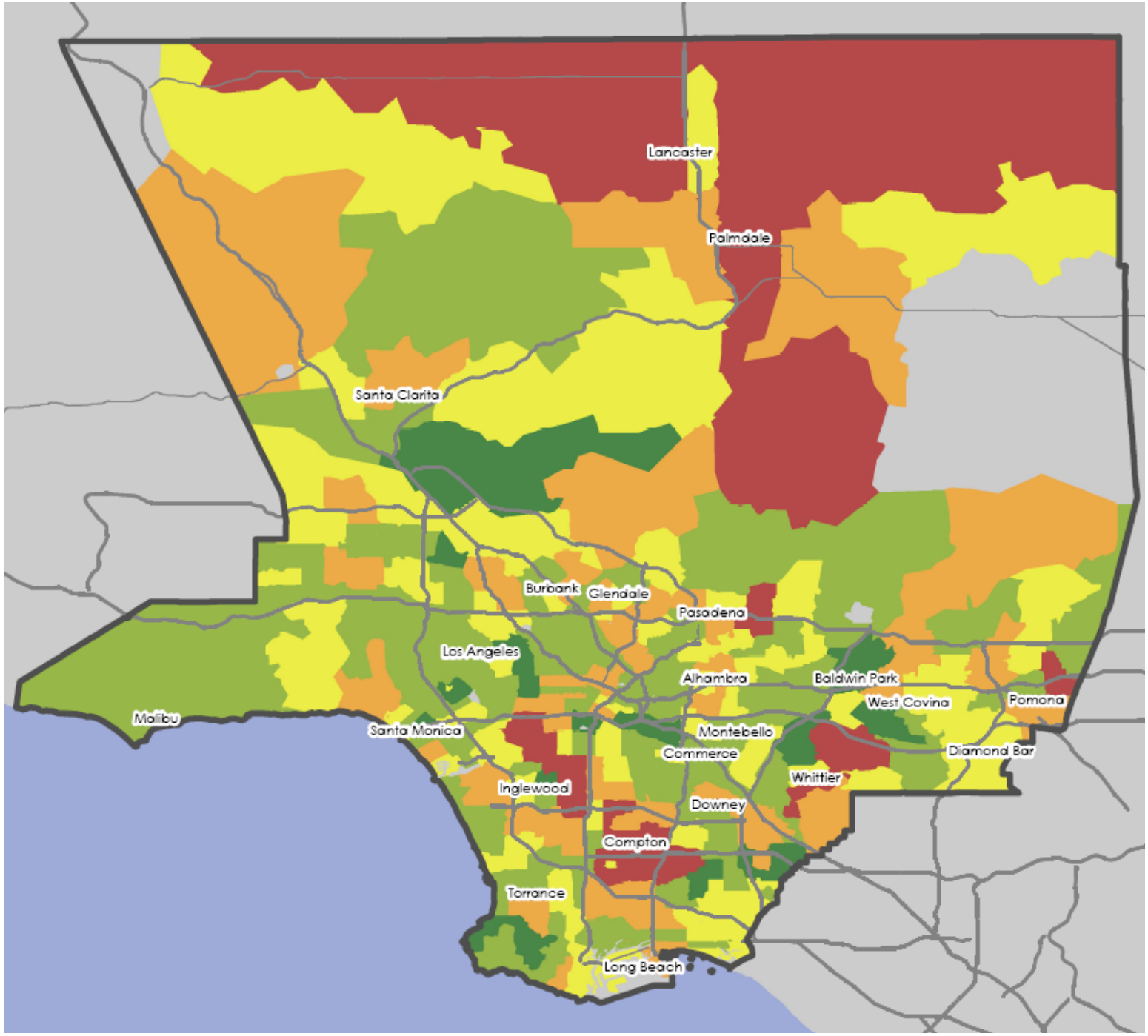
data not available*

LA County Boundary

freeway

N

0 — 12 Miles



Data classified manually

*Data is not shown if: (1) outside LA County or (2) count of seats is not available or (3) count of children is zero

Geo Data
NAVTEQ;
U.S. Census Bureau

Map by
Matt Agustin, Healthy City

Licensed child care capacity for children 0-5, 2011

Spaces Per 100 Children

0 6 16 31 51+

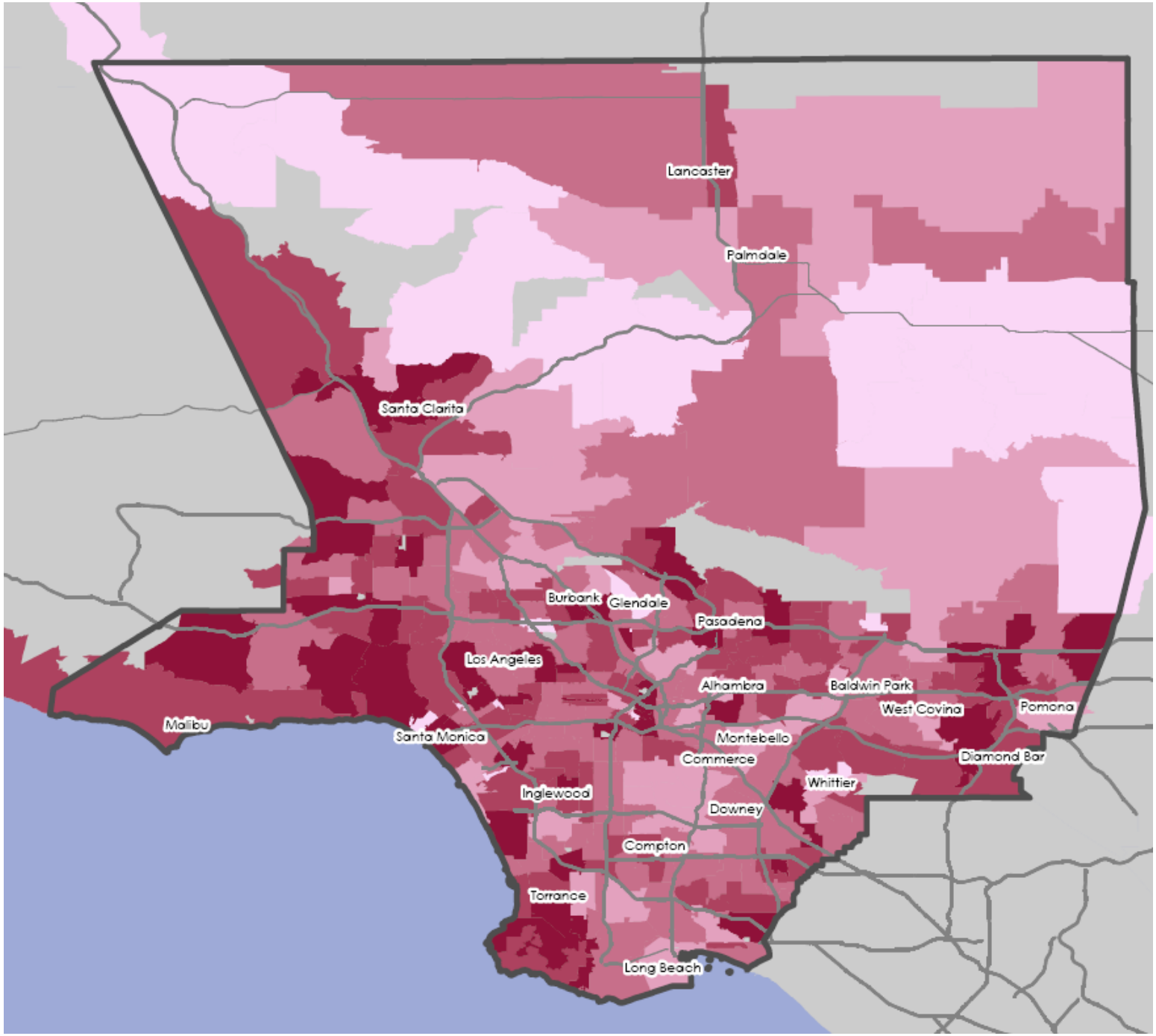
LA County Boundary

data not available*

freeway

N

0 12 Miles



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Licensed child care capacity for children 0-3, 2011

Spaces Per 100 Children

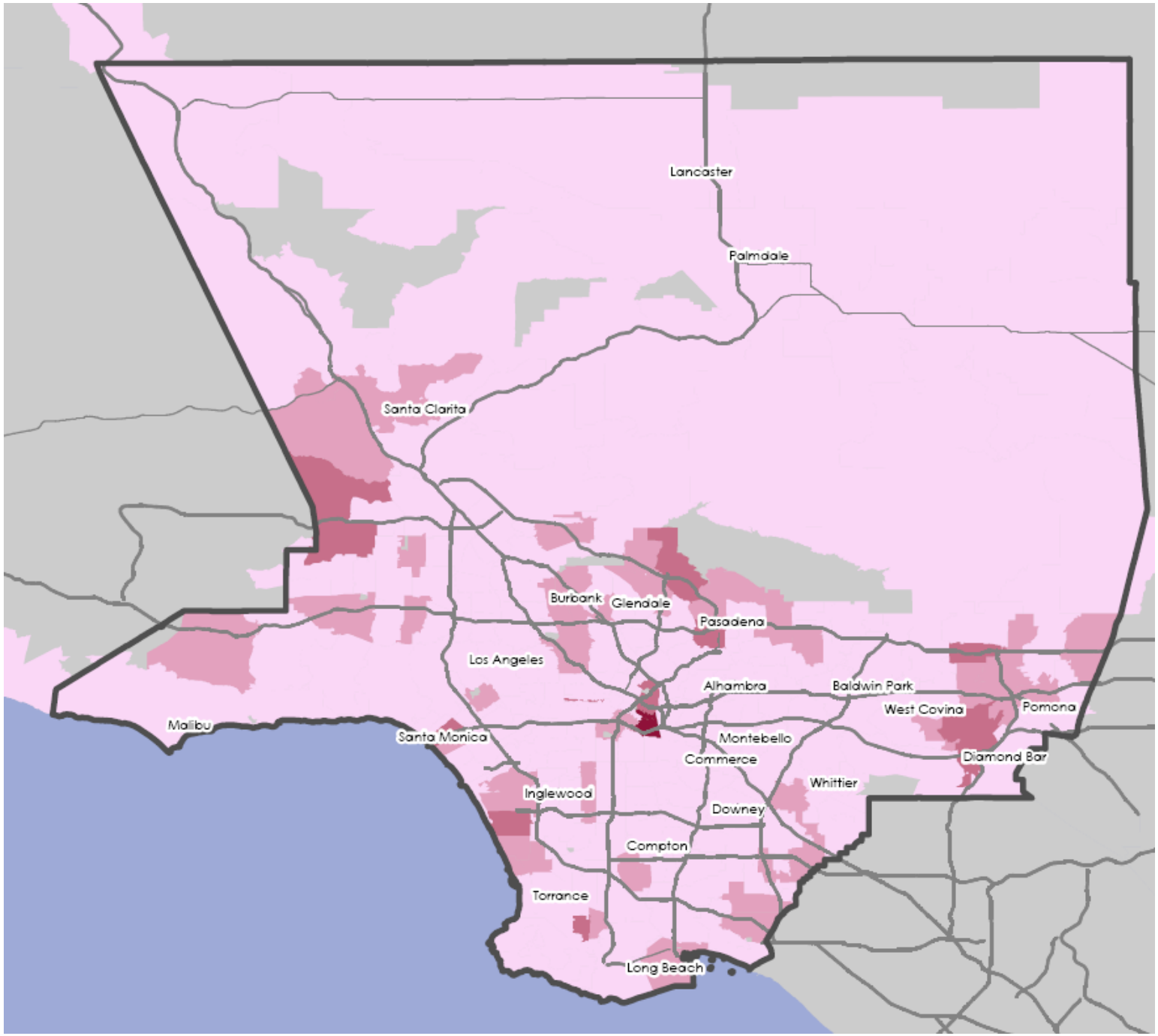
0 6 16 31 51+

LA County Boundary

data not available*

freeway

N 0 12 Miles



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LA County Boundary

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freeway

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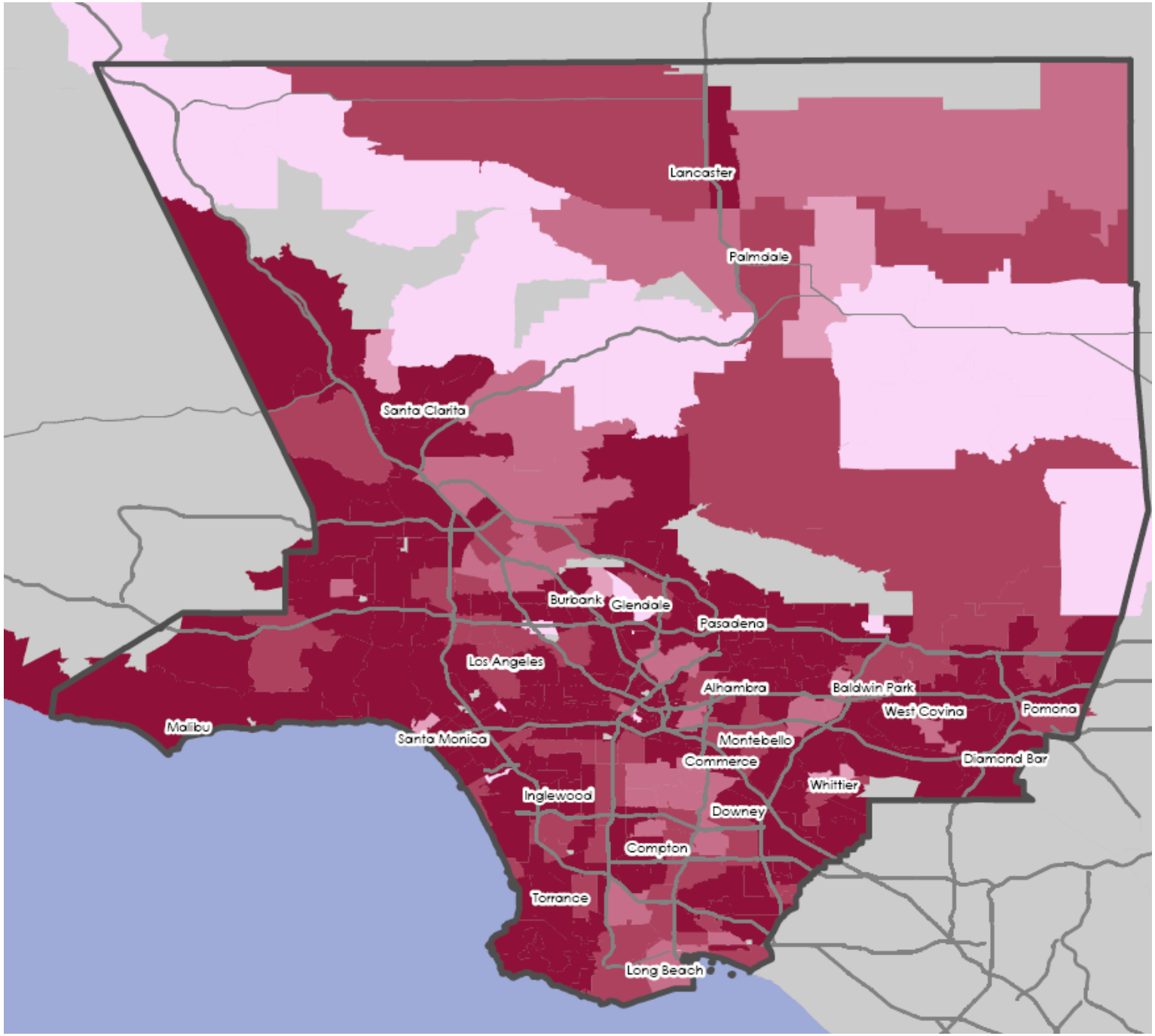


Data classified manually

*Data is not shown if: (1) outside LA County or (2) count of seats is not available or (3) count of children is zero

Geo Data
NAVTEQ;
U.S. Census Bureau

Map by
Matt Agustin, Healthy City

Licensed child care capacity for children of working families 0-3, 2011

Spaces Per 100 Children

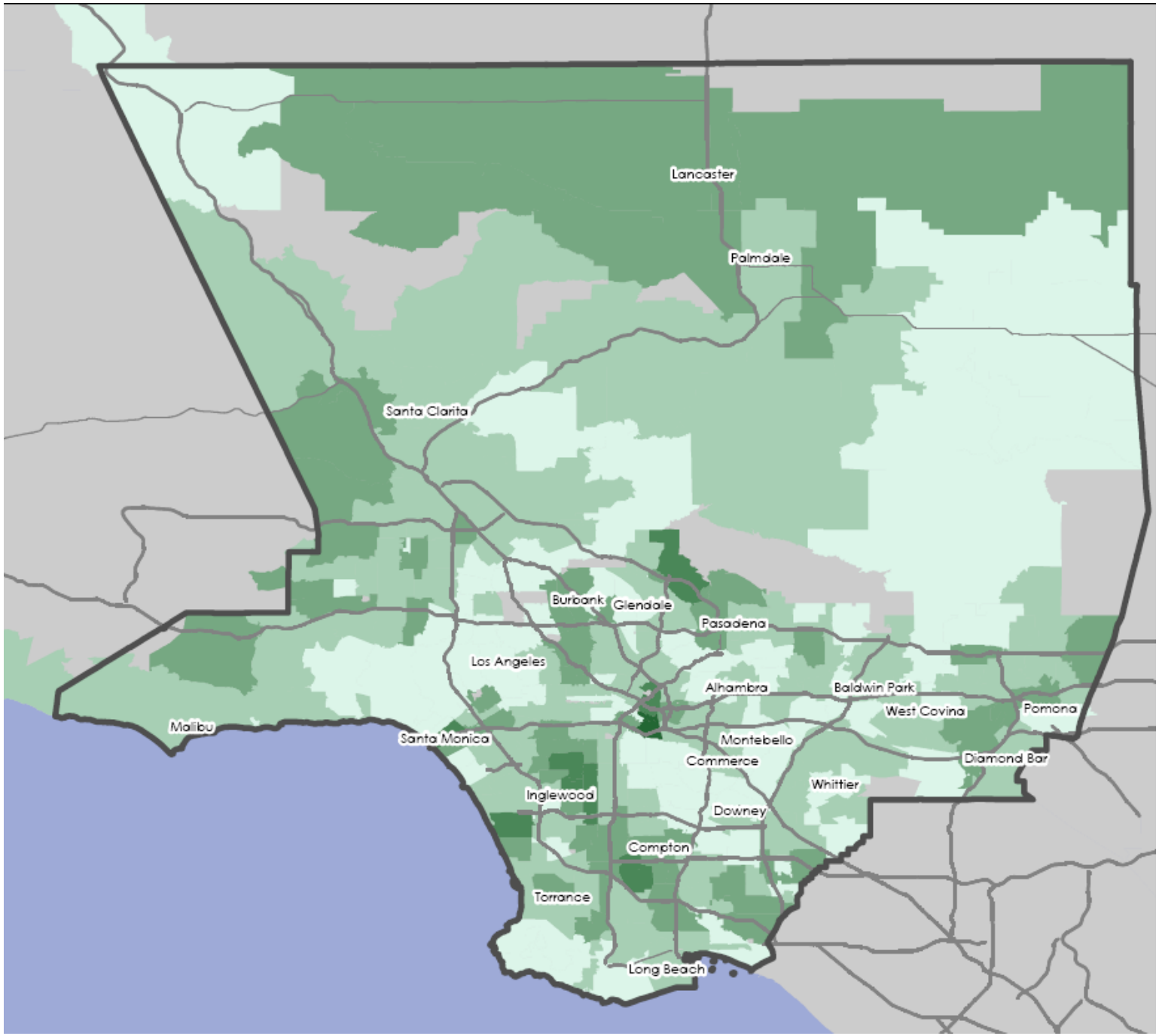
0 10 19 34 73+

LA County Boundary

data not available*

freeway

N 0 12 Miles



Data classified by natural breaks

*Data is not shown if: (1) outside LA County or (2) count of seats is not available or (3) count of children is zero

Geo Data
NAVTEQ;
U.S. Census Bureau

Map by
Matt Agustin, Healthy City

Licensed child care capacity for children of working families 3-5, 2011

Spaces Per 100 Children

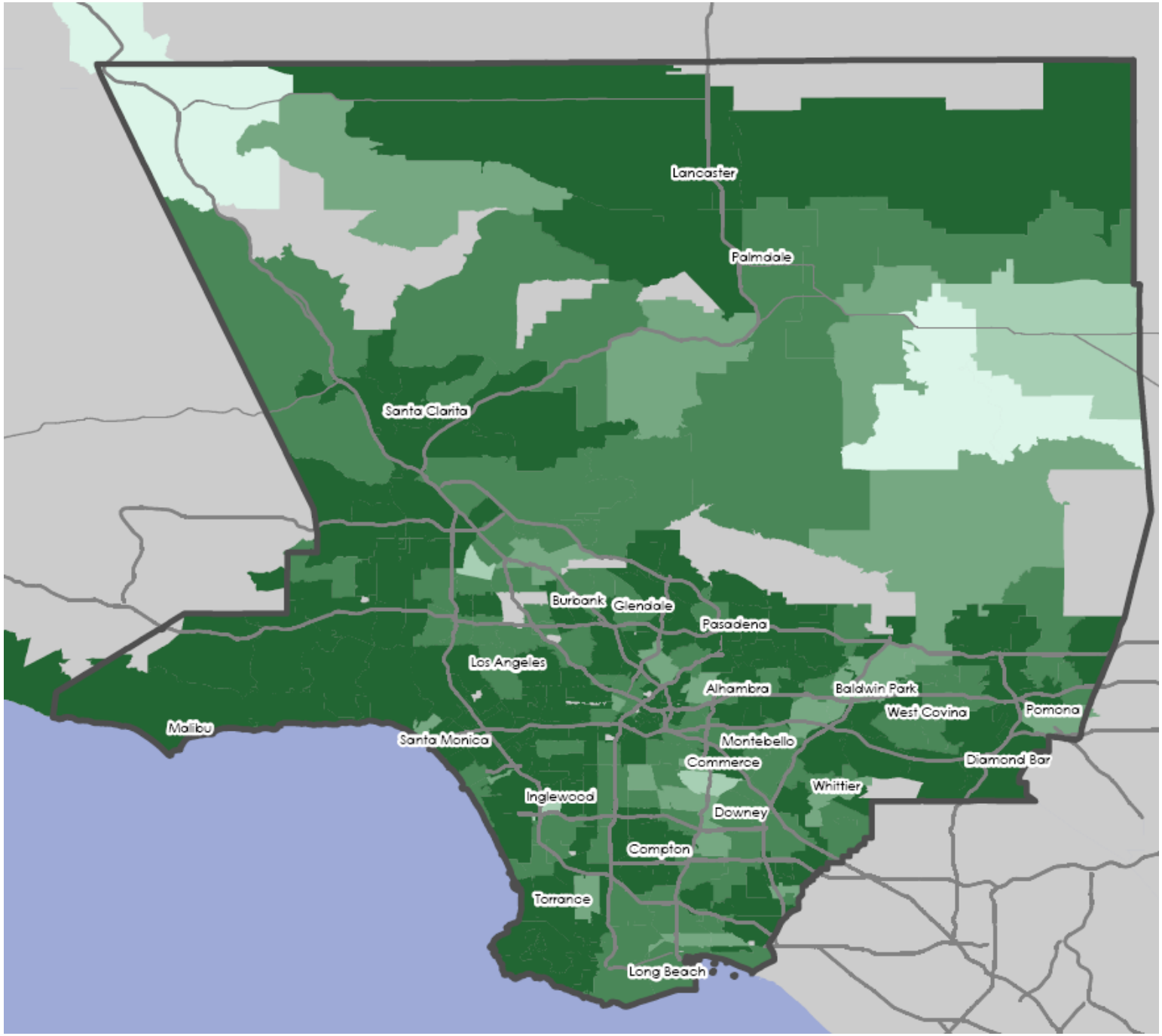
0 10 19 34 73+

LA County Boundary

data not available*

freeway

N 0 12 Miles



Data classified manually

*Data is not shown if: (1) outside LA County or (2) count of seats is not available or (3) count of children is zero

Geo Data
NAVTEQ;
U.S. Census Bureau

Map by
Matt Agustin, Healthy City

Licensed child care capacity for children of low-income working families 0-3, 2011

Spaces Per 100 Children

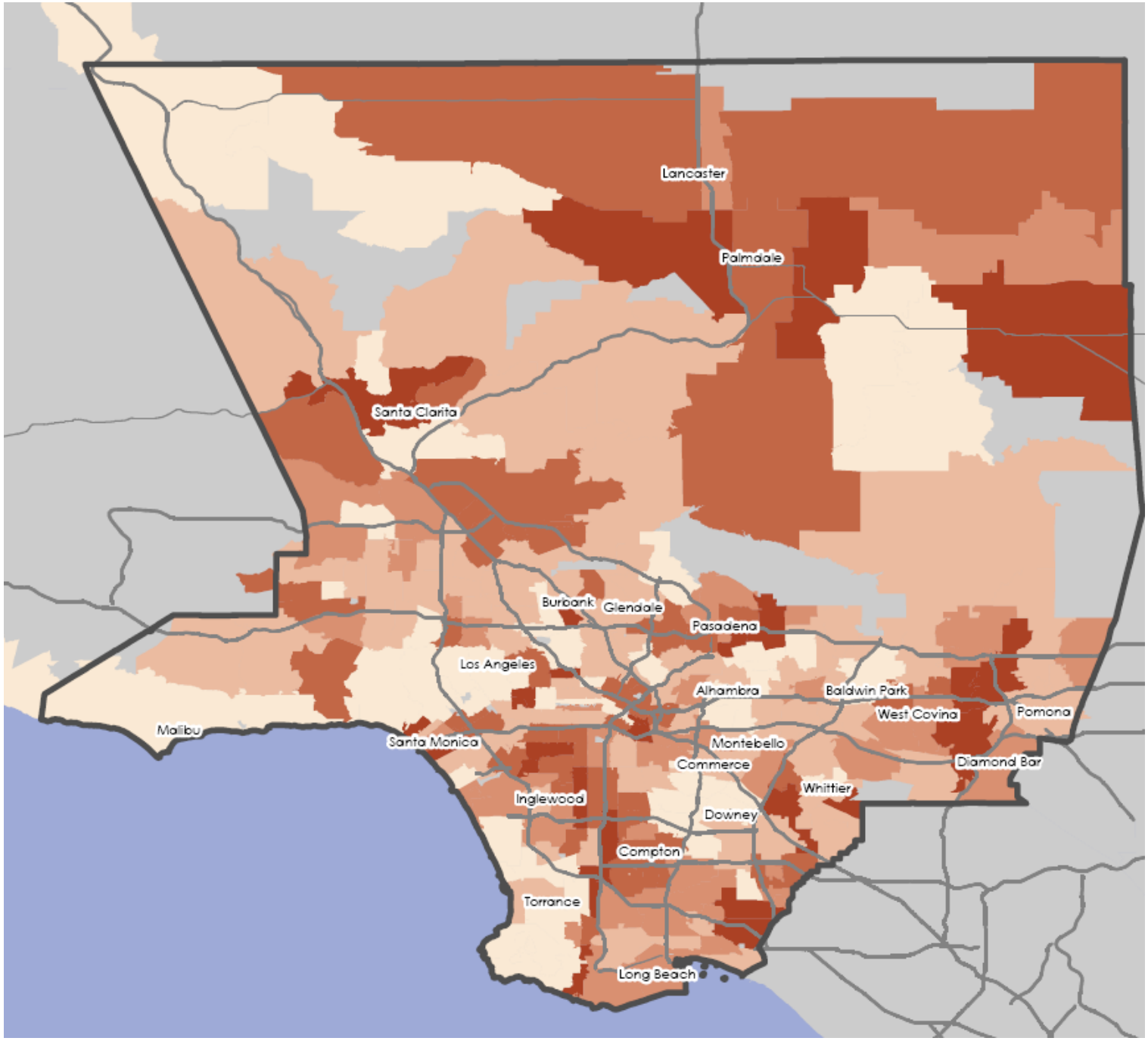
0 11 21 31 51+

LA County Boundary

data not available*

freeway

N 0 12 Miles



Data classified manually

*Data is not shown if: (1) outside LA County or (2) count of seats is not available or (3) count of children is zero

Geo Data
NAVTEQ;
U.S. Census Bureau

Map by
Matt Agustin, Healthy City

Licensed child care capacity for children of low-income working families 3-5 2011

Spaces Per 100 Children

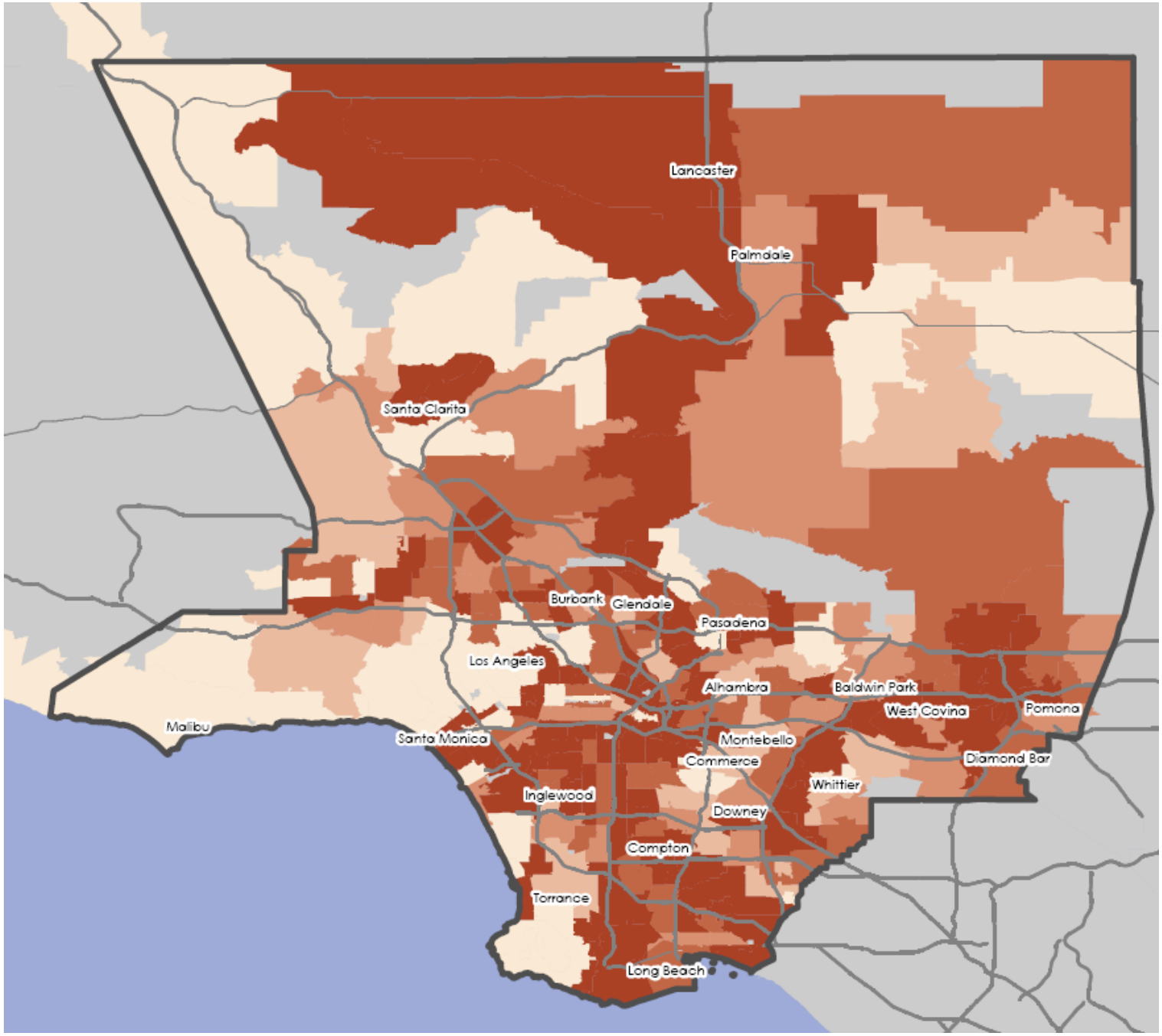
0 11 21 31 51+

LA County Boundary

data not available*

freeway

N 0 12 Miles



Data classified manually

*Data is not shown if: (1) outside LA County or (2) count of seats is not available or (3) count of children is zero

Geo Data
NAVTEQ;
U.S. Census Bureau

Map by
Matt Agustin, Healthy City

Data Sources

Children by age and by census tract/zip	Los Angeles County ISD/Urban Research (2009)
Children in families where all parents are in the workforce by age cohort and census tract/zip code	Los Angeles County ISD/Urban Research (2009)
Children in low-income families (75% SMI) where all parents are working by age cohort and census tract/zip code from Los Angeles County ISD/Urban Research	Los Angeles County ISD/Urban Research (2009)
Licensed child care spaces	The Community Care Licensing data base for Los Angeles County (capacity and zip code fields) (2011) (2008)
Number of subsidized child care spaces for low income working families by zip code and ages served	A survey of subsidized spaces/sites completed May 2011 by the Los Angeles Child Care Planning Committee, LACOE Head Start, and LAUP. (2011)
Number of children served in other subsidy programs by age and program type	The CDE 801 aggregate report for Los Angeles County. (2010)
Population: Single Years of Age (Table QT-P2)	U.S. Census Bureau (2010)

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