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**PATHWAYS TO ECONOMIC RECOVERY FOR WOMEN, COMMUNITIES OF COLOR,
AND THE CARE ECONOMY**

When health crises like COVID-19 emerge, the shocks to economic, social, and health systems have ripple effects for the diverse communities in the workforce. The pandemic illuminated the unique challenges faced by sectors where women and people of color are significantly represented. Industries with the highest rate of women were also the hardest hit during COVID-19. These industries include; personal care services, early care and education, retail, and hospitality. These sectors make-up the jobs and careers in the “care economy” and usually have a higher number of women of color. According to the Los Angeles Economic Development Corporation’s (LAEDC) Pathways to Economic Resiliency report, women are typically responsible for childcare duties and voluntarily left the workforce at higher rates to care for children at home leading to higher numbers of unemployment claims. Women have accounted for nearly 56 percent of workforce exits since the onset of the pandemic, while only making up 48 percent of the workforce. Many female-dominated industries lack protections such as paid sick leave or unemployment insurance. When those jobs disappeared, women had no social safety net to fall back on. As leaders face the enormous challenge of rebuilding post-pandemic economies, recovery for women must be at the center of their strategies.

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According to the National Women's Law Center, 93 percent of early care and education workers are women, and many are women of color and immigrants. This industry's workforce has decreased 15 percent since the start of the pandemic, leaving many women out of work. As of May 21, 2021, only 80 percent of licensed family childcare homes and 70 percent of licensed early care and education programs were open. Lack of access to childcare makes it harder for parents, especially mothers, to fully participate in the workforce. In areas with the greatest shortage of early care and education spaces, women's labor force participation is about three percentage points less than in areas with a high capacity of early care and education spaces, hurting families and hindering U.S. growth and competitiveness.

There are a number of challenges in the early care and education industry for both workers and families such as affordable and quality child-care, fair compensation for workers, and upskilling opportunities. According to the 2017 Los Angeles County (County) Early Care and Education Needs Assessment, childcare professionals earn a median hourly wage of \$11.61 and preschool teachers earn a median hourly wage of \$15.25, compared to kindergarten teachers who earn a median hourly wage of \$30.74. There must be a focus on creating an early care and education system that responds to the needs of the workers and families at different socioeconomic statuses. Early care and education is one of the building blocks for increasing women's participation in the workforce and addressing the wage gap for women

Additionally, a focus on recovery for communities of color is equally important to building an inclusive and equitable economy. The unemployment rates during the pandemic remained high for people of color. For Black women and Latinas unemployment rates were at 8.6 percent and 7.5 percent respectively. For White women, the rate dropped to 4.8 percent. Workers that identified as Black, Asian, Hispanic/Latino, and possessed a high school degree or less filed unemployment claims at higher rates according to LAEDC. Moreover, over 93 percent of all County businesses are small businesses with less than 20 employees. Most women-owned businesses tend to be smaller — sole proprietorships or informal microenterprises with fewer than five employees, making it harder to access traditional lending products and pandemic relief

programs such as the Paycheck Protection Program (PPP). Furthermore, closing the gender gap in entrepreneurship would help reduce poverty, create jobs, and spur growth and innovation. The County should work together with stakeholders to target lines of credit and other forms of finance, boost the creation of e-commerce platforms to enable access to markets, and help business incubators to overcome biases when it comes to investing in women-owned businesses.

The County has taken important steps to uplift emerging entrepreneurs and businesses through the County's first-of-its kind Entrepreneurship Center in East Los Angeles, and the County's Small Business Concierge in the Office of Small Business. We must now take a transformational approach to ensure inclusive economic mobility while tackling any impact the pandemic has had to the gender and racial wealth gap.

I THEREFORE MOVE THAT THE BOARD OF SUPERVISORS:

1. Direct the Director of the Department of Consumer and Business Affairs (DCBA), in consultation with the Chief Executive Officer (CEO), and the Directors Workforce Development, Aging, and Community Services (WDACS), the Los Angeles County Development Authority (LACDA), the Office for the Advancement of Early Care and Education (OAECE), the Women and Girls Initiative (WGI), the Department of Public Social Services (DPSS) and the administration of the upcoming Economic and Workforce Development, and other relevant stakeholders, to report back in writing within 60 days with a plan and framework to establish an *Economic Mobility Initiative (Initiative)* that targets outreach to women and people of color. The *Initiative* shall include the creation of a Community Impact Entrepreneurship Academy (Entrepreneurship Academy) to stabilize and grow women-owned businesses and businesses of color. The report should include, but not be limited to:
 - a. A structure for the Entrepreneurship Academy, including creation of a cohort style program with assigned mentors, technical assistance, capacity building, legal assistance, and connection to contracting opportunities for emerging businesses.

- b. Lines of credit and other forms of finance, including commercial lease assistance and microloans for those accepted into the Entrepreneurship Academy that can be used for start-up and expansion, as well as increased costs due to COVID-19 safety regulations.
 - c. Resources to support training opportunities for small businesses and micro-entrepreneurs such as technical assistance, upskilling, and digital literacy to transition small business services to an online platform.
 - d. A plan to develop an asset building revolving loan fund for those participating in the Entrepreneurship Academy.
 - e. Resources needed to administer the Entrepreneurship Academy.
2. Direct the CEO to identify any staffing needs and costs that would be required to implement the *Initiative* along with identification of any potential funding sources to support the initiative and an oversight structure within the new Economic and Workforce Development Department.
3. Direct the Director of WDACS, in consultation with the administration of the new Economic and Workforce Development Agency, to report back within 60 days to identify opportunities to incentivize the rapid re-employment of women through the *Los Angeles County Works Initiative* and establish a framework for High Road Training Partnerships that target outreach to women.
4. Instruct the Director of the OAECE, in consultation with the Roundtable for Child Care and Development, the Child Care Planning Committee, the Directors of WDACS, DPSS, DCBA, LACDA, WGI, the CEO, and other relevant departments, to report back in writing within 120 days with a plan and framework for implementing a comprehensive early care and education workforce development strategy equipped to support new and current workers in the field through educational and job training opportunities. The report should include:
 - a. An approach to stabilize licensed early care and education providers that are open during COVID-19 recovery and re-engage early care and education providers who have closed during the pandemic.

- b. A plan to support early care and education professionals to improve their qualifications and advance along the California Early Learning Career Lattice. Strategies may include but not be limited to support for Family, Friends, and Neighbors (FFN) to become licensed family child care homes, career and college advisement, apprenticeships, and financial incentives to increase completion of training, college coursework, degrees, and Child Development Permits.
 - c. Maximize partnerships with outside organizations and colleges such as Quality Start LA, the Los Angeles County Office of Education, First 5 LA, Resource and Referral agencies, Alternative Payment agencies, CHILD360, and Partnerships in Education, Articulation, and Collaboration in Higher Education (PEACH) to leverage systems alignment, training and educational opportunities.
 - d. Consult with relevant ECE stakeholders to provide recommendations to reduce fees, streamline the permitting process and review childcare as a permitted use in certain zones to catalyze the opening of new childcare providers in Los Angeles County.
 - e. Identify funding to capitalize early care and education providers who were forced to close between March 2020 to present to spur re-opening.
 - f. Identify any staffing needs and costs that would be required to implement the comprehensive workforce development strategy along with identification of any potential funding sources.
5. Instruct the Director of the OAECE, in consultation with the Policy Roundtable for Child Care and Development, to report back on policy recommendations for unmet needs of the early care and education workforce in Los Angeles County in writing within 120 days with information related to:
- a. Compensation needs for early care and education workforce who serve different ages of children in a variety of settings.

- b. Proposed financial models to increase the wages for licensed early care and education centers and family childcare homes based on best practices from other jurisdictions.
6. Direct the CEO through the County's legislative advocates to recommend a legislative strategy to provide economic opportunities for the early care and education industry including streamlining the facility permitting processes, an improved reimbursement rate system that covers the cost of quality care, and business growth resources for early care and education providers.
7. Direct the County's legislative advocates to advocate for passage of President Biden's infrastructure plan to expand tax credits to encourage businesses to build childcare facilities at places of work.
8. Direct the CEO, in consultation with, the Directors of DCBA, LACDA, and the Department of Regional Planning to identify county-owned and leased properties, as well as vacant property offered by the faith-based community, that could serve as future childcare facilities and report back in 90 days with recommendations.

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