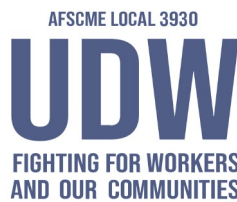


Pathways LA



February 5, 2025

Governor Newsom
State of California
303 10th St Suite 1173
Sacramento, CA 95814

Tony Thurmond
State Superintendent of Public Instruction
1430 N Street, Suite 5000
Sacramento, CA 95814

Pro Temp McGuire
California State Senate
1021 O St., Suite 8518
Sacramento, CA 95814

Speaker Rivas
California State Assembly
1021 O St., Suite 8330
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The Early Care and Education (ECE) Coalition envisions child care and early childhood education systems that serve and meet the diverse needs of all children, families, and ECE professionals, especially Black, Latinx, Indigenous people, and others harmed by systemic racism and additional injustices. These systems will justly compensate all who serve children and families and will integrate culturally, developmentally, and linguistically relevant, responsive, and affirming high-quality care and education for children, inclusive of children with disabilities.

The Coalition advocates for state budget investments and policies that aim to promote equity by serving the highest-need children first. We hold ourselves accountable for ensuring the investments, policies, and research we advance are anti-racist and will liberate all children and families. To do this, the Coalition follows and uplifts the expertise and stories of families and ECE professionals.

The ECE Coalition requests that the budget act include:

- **Implementing a cost-based rate system** that reimburses ECE providers the true cost of care of a **child's authorized enrollment**, based on the Federal requirements, **and** allocating **ongoing funding** for the new rate system.
- Prioritizing the release of **additional ECE spaces**.
- Ensuring ECE programs receive dedicated funding and support to **recover from the devastating LA wildfires**. Funding and support should be equitably distributed to ensure LA's most vulnerable communities can rebuild and thrive.

California pays ECE providers for delivering publicly-funded ECE services to families, but state policies have underpaid these providers for too long. Fortunately, providers, advocates, Governor Newsom, the Legislative Women's Caucus, and the Legislature have worked to address the systemic inequalities built into the ECE rate structure. Under current law, ECE providers set their fees based on **how much families can afford to pay**. The State then sets a percentage of that fee to "reimburse" child care providers who care for children in families with lower incomes. This amount **does not cover the full cost of providing** enriching care to our children.

Significant State dollars have been invested to improve families' access to publicly-funded ECE services. Unfortunately, as the Legislature and Administration have recognized, the cost of living has significantly increased in California and nationwide. Today, 1.8 million California children, the majority of whom are children of color, are eligible for publicly funded ECE services but do not have access.

Since World War II, California has provided children and families with publicly-funded ECE programs. The Legislature, particularly the Legislative Women's Caucus, has championed increasing investments in ECE for decades. Governor Newsom was the first California Governor to champion investing in ECE, developing the state's first **Master Plan for Early Learning and Care that calls for updating how the state pays providers to reflect the actual cost of care.**

California's ECE system has made significant investments over the last six years by: committing to 206,800 additional ECE spaces, two successful collective bargaining contracts between CCPU and the state including Cost of Care Plus monthly payments for subsidy providers, implementing equitable family fees, universal transitional kindergarten, and advancing a multitude of policy reforms to improve children's and families' access to care. Over the same period, other states have implemented universal preschool programs and surpassed California's investments in ECE by adopting dedicated funding streams for ECE, offering universal child care to families under 400% of the poverty level, adopting a reimbursement rate system that covers the full cost of providing care, and establishing [ECE as a constitutional right](#). Moreover, we must prioritize ECE providers as LA recovers and rebuilds from the fires. Before the fires, LA parents were struggling to find ECE programs. Without additional support to reopen or establish a program, we cannot expect ECE providers to have the capacity to reopen.

2025 is the year for California to lead the nation again in ECE by embracing the priorities highlighted above. We look forward to working with you this session to once again make California the national leader in ECE!

Sincerely,

Members of the ECE Coalition

Cc:

Joe Stephenshaw, Director, Department of Finance
Jennifer Troia, Director, Department of Social Services
Senator Scott D. Wiener, Chair, Senate Budget Committee; Chair Legislative Women's Caucus
Senator Akilah Weber-Pierson, M.D, Chair, Senate Budget Sub. 3 Committee on Health and Human Services
Assemblymember Jesse Gabriel, Chair, Assembly Budget Committee
Assemblymember Dr. Corey Jackson, Chair, Assembly Budget Sub. 2 Committee on Human Services
Assemblymember David Alvarez, Chair, Assembly Budget Sub. 3 Committee on Education Finance