



Early Childhood Policy Council

Meeting Agenda, Attendance, and Summary Report

Wednesday, February 26, 2025

9 a.m.–12 p.m.

Physical Meeting:

WestEd, 5th floor, Capitol Room, 1000 G Street, Sacramento, CA 95814

Agenda

1. Welcome and Introductions
 - Welcome
 - Council updates
 - Review of agenda
 - Public comment
2. Review of the Relevant Items in Governor's Budget Proposal and ECPC Budget Letter
 - Presentation
 - Council discussion
 - Possible Council action
 - Public comment
3. Progress on the Master Plan for Early Learning and Care
 - Presentation
 - Council discussion
 - Public comment
4. Update on Rate Reform
 - Status update
 - Council questions

- Public comment
- 5. Final Child Care Transition Quarterly Report
 - Final report from the California Department of Social Services
 - Related updates from the California Department of Education
 - Council questions
 - Public comment
- 6. General Public Comment
 - Members of the public are invited to provide comment
- 7. Adjourn

Attendance:

Council Members: Andrea Fernandez Mendoza, Miren Algorri, Mayra Alvarez, Lisette Frausto, Natali Gaxiola, Mary Ann Hansen, Mary Ignatius, Lupe Jaime-Mileham, Sonia Jaramillo, Robin Layton, Socorro Martin, Tonia McMillian, Paula Merrigan, Carola Oliva-Olson, Kim Patillo Brownson, Laura (Kay) Ruhstaller, Dean Tagawa, Janet Zamudio

Parent Advisory Committee Members: Mary Ignatius, Deborah Corley-Marzett, Lisette Frausto, Patricia Lozano

Workforce Advisory Committee Members: Tonia McMillian, Miren Algorri, AnnLouise Bonnitto, Virginia Eigen, Latonda Williams

Guest Speakers:

- California Department of Finance:
 - George Harris, Finance Director
 - Brittany Thompson, Budget Analyst
- Jacqueline Barocio, Branch Chief, Central Operations Branch, Child Care and Development Division (CCDD), California Department of Social Services (CDSS)

Summary Report:

Welcome and Introductions:

Claire Ramsey, Chair and Chief Deputy Director of the CDSS, opened the first Early Childhood Policy Council (ECPC) meeting of 2025. Chair Ramsey introduced new ECPC members Mary Ann Hansen, Executive Director at First 5 Humboldt, and Socorro Martin, family child care provider and union member, and acknowledged the resignations of

Council members Scott Moore and Sarah Neville-Morgan at the end of 2024. Chair Ramsey shared her appreciation for their many years of service on the Council. She noted that the remaining ECPC meeting dates are May 29, August 27, and November 20.

Full welcoming remarks are recorded on pages 3–5 of the [ECPC February 26 meeting transcript](#).

Review of the Relevant Items in Governor’s Budget Proposal and ECPC Budget Letter

Governor’s Budget Proposal

Dr. Lupe Jaime-Mileham, Deputy Director of the CCDD, the CDSS, and representatives of the California Department of Finance reviewed the [Governor’s fiscal year 2025–2026 Budget Proposal](#). Full remarks begin on page 6 of the [ECPC February 26 transcript](#).

The Governor’s proposed budget includes \$6.4 billion in total funds, including \$4.6 billion in general funds for child care and development programs. This is a net increase of \$287.8 million from the Budget Act of 2024 and reflects the 2024–25 general child care expansion, rising caseloads, and a 2.43 percent cost-of-living adjustment as required by statute. Since 2016–17, the child care and development budget has grown around 200 percent ([CDSS: Fiscal Year 2025–26 Budget Proposal, slide 3](#)).

Key budget proposals include *ECPC Reappropriation* that requests reappropriation of \$75, 2000 in the general fund that is projected to go unspent for ECPC convenings for the next three years through June 30, 2028. Nonfiscal proposals include cleanup language in the CDSS reporting requirements to remove outdated references to programs administrated by the California Department of Education (CDE) that were inadvertently carried over into the Welfare and Institution code when the child care and development programs were transferred from CDE to CDSS. Additionally, there is a proposal to correct the statutory definitions of part-time and full-time from Senate Bill 140, chapter 198, in 2023, where a provision was inadvertently left defining full-time as six hours per day. The proposal will correctly state the hourly, weekly, and monthly definitions to be based on a five-hour instead of a six-hour day ([CDSS, slide 4](#)).

The Governor’s proposed budget maintains funding to continue the Cost of Care Plus Rate monthly payments adopted for the state subsidies of child care providers consistent with requirements related to the reimbursement floor established in the 2024 Budget Act, pending a new rate structure. The administration continues to work toward a single rate structure and will use an alternate methodology for estimating cost of care. The administration will provide the Legislature with a timeline for this transition to reimbursement rates informed by the Cost of Care under the state’s alternate methodology rather than the current structure that is largely informed by the private market rates. Jaime-Mileham noted that the current memorandum understanding with Child Care Provider’s United (CCPU) is set to expire on June 30, 2025. On December

8, 2025, by mutual agreement, the state and CCPU will open the bargaining table to negotiate the state's next assessor agreement. ([CDSS, slide 5](#))

The CDE's Early Education proposed budget includes funding for transitional kindergarten (TK), the California State Preschool Program (CSPP), and the Inclusive Early Education Expansion Program (IEEEP) ([CDSS, slide 7](#)).

- TK:

- Increase to \$3.9 billion ongoing Proposition 98 General Fund (Prop 98) to expand TK
- Includes \$2.4 billion specifically for eligibility expansion and \$1.5 billion to lower staff-to-child ratios from 12:1 to 10:1

- CSPP:

- \$2.9 billion total (\$1.9 billion Prop 98 and \$1 billion non-Prop 98)
- Includes 2.43 percent cost-of-living adjustment for all CSPPs

- IEEEEP:

- 2024 Budget Act funding for the IEEEEP was adjusted from \$250 million to \$100 million
- 2025–26 Governor's budget includes a corresponding adjustment to decrease state-level activity funding from \$50 million to \$10 million, with the difference provided directly to grantees

Jaime-Mileham highlighted safety-net proposals in the Governor's budget, including slight increases in CalWORKs allocations, CalFresh hearings support for applicants and recipients, as well as the use of the National Accuracy Clearinghouse to improve efficiency in federal benefit usage. She also announced that the state was selected to participate in the *Federal Work and Family Well-Being Pilot* to test alternative performance measures in the Temporary Assistance for Needy Families program. California's pilot will build upon a strong foundation of supportive and barrier-removal services to facilitate climate employment as well as well-being. ([CDSS, slide 8](#))

Child welfare budget proposal investments ([CDSS, slide 7](#)) includes the following:

- \$1.7 million for the implementation of the Child and Adolescent Needs and Strength activities in preparation for the implementation of the tier rate structure as part of the child welfare rate reform. The tier rate structure will replace the interim rate structure for foster care rates paid to caregivers and providers and introduce a new approach where, unlike previous rate structures, the rates will be determined by the child, non-minor dependent needs, and strengths regardless of their placement settings.
- \$1.5 million investment to continue the improved data quality cleanup through the end of the Child Welfare Service/Case Management System developmental phase

Council Discussion

Karin Bloomer opened the floor for Council discussion on the Governor's Budget Proposal. The full text of the Council discussion is on pages 9–15 of the [ECPC February 26 transcript](#). *Themes that emerged from the Council discussion included:*

- **True Cost of Care:** Multiple council members emphasized the urgency of implementing a new rate system. Discussions are ongoing about how and when the state will finalize and fund the alternative methodology.
- **Medi-Cal Coverage:** Members requested clarification on state plans to maintain continuous coverage for young children amid federal changes.
- **Prop 64 Funds:** Questions about cannabis tax revenues allocated to child care slots and how any shortfall or legislative changes could affect promised slot expansions.
- **Infant/Toddler Slots:** Persistent concern about availability and cost of care for the youngest children.
- **CalWORKs 0.2% Increase:** Due to rising living costs, some members viewed this as insufficient.

Selections From Public Comment and Chat

“That living adjustment doesn't include a rate increase for subsidy payments.”

“A new rate needs to reflect the true cost of care for California's child care system to implement its intent of being a safe and educating space for our children while their parents go to work. Since the new rate and method won't be implemented until July 1, 2026, contractors need 2025–26 to be a bridge year to be paid by contract not attendance.”

ECPC Budget Letter/Possible Council Action

ECPC member **Andrea Fernandez Mendoza** on behalf of herself and **Donna Sneeringer**, who was absent, facilitated a review of the [draft budget letter](#) to gather feedback from the Council. Their full remarks begin on page 16 of the [ECPC February 26 transcript](#).

Fernandez Mendoza explained that the draft budget letter acknowledges the Governor's and Legislature's responsiveness to ECPC's asks during the last budget cycle while also factoring in current budget challenges due to the California wildfires and the federal administration climate impacting communities and providers. The letter praises recent family-fee reductions, rate increases, and expansions of child care slots while emphasizing the critical need for ongoing, reliable funding. It also underscores the importance of fully implementing a true cost-of-care reimbursement system, continuing to fund 200,000 new child care spaces, and keeping all these efforts aligned with

federal regulations on enrollment-based payments. Finally, it underscores the need for financial support to attract and retain members of the early childhood education workforce.

Council Discussion

Bloomer opened the floor for Council discussion on the ECPC Budget Letter. The full text of the Council discussion is on pages 17–26 of the [ECPC February 26 transcript](#).

Recommendations were made to highlight the governor’s preservation of health and social services programs and continued support of the Rate and Quality Advisory Panel and the inclusion of center-based programs following negotiations with CCPU. A suggestion to underscore the need for dedicated funding for promised child care slots by Budget Year 2025-26 and a commitment to continuing to backfill declining Proposition 64 revenue.

Possible Council Action

Fernandez Mendoza polled the Council for any members abstaining from supporting the letter. Abstentions from Council members who work for the administration were acknowledged. A voice vote of endorsement was then taken.

Robin Layton asked if the Council was interested in preparing a letter to respond to the May Revise. Council members were in agreement. Andrea Fernandez Mendoza volunteered to draft the letter for Council consideration. A Council member suggested that Donna Sneeringer join Andrea Fernandez Mendoza in the effort. The draft letter will be shared with Council members in advance of the May 29 ECPC meeting and discussed at the meeting for possible endorsement.

Selections From Public Comment and Chat

“Thank you for your work on the letter. I appreciate the inclusion of Center-Based Programs as part of the mixed delivery system.”

“Note no mention in the budget letter about facilities funding needs, for renovation and repair or new facilities. :-)”

“I understand there was a motion for the letters’ approval and thank everyone who worked on getting it this far. I am wondering if using the, ‘true cost of care,’ gives notion that this is inclusive of early education[,] being that caring for a child and educating a child are two different notions.”

Progress on the Master Plan for Early Learning and Care

Chair Ramsey shared progress updates on the Master Plan for Early Learning and Care (MPELC). Full remarks begin on page 23 of the [ECPC February 26 transcript](#).

Ramsey celebrated that since the launch of the MPELC in 2020, total funding for child care and development programs has almost doubled from \$3.5 billion in fiscal year 2021 to over \$6 billion in the current fiscal year. She reported on the [state's progress toward the four MPELC goals](#) and related achievements:

Goal 1: Unify and Strengthen Programs and Services to Support Children's Learning and Development ([CDSS: MPELC Progress Report, slide 2](#)).

Goal 2: Support Children's Learning and Development by Enhancing Educator Competencies, Incentivizing and Funding Career Pathways, and Implementing Supportive Program Standards ([MPELC Progress Report, slide 3](#)).

Goal 3: Unify Funding to Advance Equity and Opportunity ([MPELC Progress Report, slide 4](#)).

Goal 4: Streamline Early Childhood Governance and Administration to Improve Equity ([MPELC Progress Report, slides 5–6](#)).

Ramsey thanked attendees for the support leading to these accomplishments in the state's early childhood system.

Council Discussion

Bloomer opened the floor for Council discussion. The full text of the Council discussion is on pages 30–38 of the [ECPC February 26 transcript](#).

Themes that emerged from the Council discussion included:

- **Implementation Gaps:** Concerns that expansions and training investments are not fully reaching classrooms (e.g., adult-child ratios, resources for inclusive education).
- **Infants/Toddlers:** Requests to better address the persistent shortage of infant/toddler slots.
- **Whole-Child Lens:** There is a desire for a more robust discussion on healthcare access (e.g., Medi-Cal) and mental health support.
- **Federal Uncertainty:** Anxiety over changes in federal immigration policy and the lack of a coordinated plan to protect families and programs from adverse impacts.
- **Fire Disasters:** Questions about support for providers who lost facilities or faced licensing barriers due to wildfires.

Selections From Public Comment and Chat

“Educator education and quality of care is not mutually exclusive. The QRIS [Quality Rating and Improvement System] heard expert presentations on this yesterday.”

“The term ‘toddler’ doesn’t exist in Title 22 that governs FCCHs [Family Child Care Homes]. That lack of acknowledgment is part of the reason this system is broken. If the council would endorse the implementation of the 18m proposal that Save California Child Care has, it would help to stabilize costs and provide increased access to infant child care for a minimum of 8,000 up to possibly 20,000 parents instantaneously. This would also bring age grouping alignment between other child care avenues already in place in California.”

“... the support given to include children with disabilities in child care programs has been limited to training/pd [professional development] for staff. We need support in terms of class size, and access to speech, PT [Physical Therapy], OT [Occupational Therapist] professionals. As a non-LEA [local educational agency] program, we have none of these.”

“There is [pending legislation to extend immigration raid protections](#) to child care.”

“The Children’s Partnership and Californians Together are relaunching ALL IN for Safe Spaces to offer this support in CA—and agree that we can do more. AB 699 focuses on K–12[,] and the AG is leading but we do need more for ECE [early childhood education].”

Update on Rate Reform

Jacqueline Barocio shared a rate reform update. Full remarks begin on page 39 of the [ECPC February 26 transcript](#).

Barocio acknowledged the yearslong work that has led to progress on the alternative methodology and rate reform, noting that “(the CDSS) is excited to be in these final stages before implementation.” She identified key events in the process, including the 2018 Reimbursement Rate Work Group recommendation to implement a comprehensive rate reform, the 2018 *Lifting Children and Families Out of Poverty Task Force Report*, the 2019 California Assembly Blue Ribbon Commission Report, the 2019 *Preschool Development Grant Strategic Plan*, and the 2020 *Master Plan for Early Learning and Care*. She also underscored the 2022 Joint Labor Management Committee and the 2022 Rate and Quality Work Group, which developed recommendations for a single reimbursement rate structure, as well as the ongoing Rate and Quality Advisory Panel where CDSS continues to receive input and feedback on rate reform.

The collective bargaining process with CCPU to determine rates for represented family child care providers commenced in December 2024 and is currently underway. Rates for unrepresented center programs will occur in parallel through the budget development process in partnership with the Legislature, which was kicked off with the introduction of the Governor’s Budget on January 10. The [Report to the Legislature on Implementation of the Single Rate Structure for Subsidized Child Care and Preschool](#) was submitted to the Legislature on January 7, 2025, and describes high-level activities

that must occur in order for implementation of the single rate structure to take place and identifies key cost categories and general timelines associated with the implementation of the single rate structure. The next implementation report is due in April 2025. ([CDSS: Rate Reform, slide 2](#))

Opportunities for public engagement in the rate reform process are ongoing, including quarterly Rate Reform and Quality Panel meetings. The next Rate Reform and Quality Panel meeting will be on March 6, when the rate reform implementation report will be discussed in detail. The ECPC will also continue to hold quarterly public meetings with rate reform as a standing agenda item. Barocio encouraged the public to submit any feedback or comments about the single rate structure via email (singlratestructure@dss.ca.gov) ([CDSS, Rate Reform, slide 5](#)).

Barocio also reviewed key milestones as the rate-setting and implementation stage approaches ([CDSS, Rate Reform, slide 4](#)).

She emphasized that “the July 1, 2025, deadline in which the state will set rates informed by the alternative methodology and submit those rates and the department’s detailed cost estimation report to the federal government, ... and then the implementation of new rates, will occur fiscal year 25–26, or as soon as possible.”

She clarified that “there are many components of the alternative methodology that still remain to be finalized. So the timing of when the single rate structure would be implemented would be subject to both the finalization of those decisions, but then also the time needed to execute the necessary implementation activities. I will flag that in state statute, if rates informed by the alternative methodology are not implemented by July 1, 2025, then by that date the [CDSS] is required to submit a timeline for transitioning to the new rates to the legislature.”

Once the new rate structure is fully implemented, the CDSS is planning for the design and build of CalSPARK, a new data system that will incorporate the full functionality for the new single rate structure.

Information about rate reform is on the [CDSS Rate Reform and Quality webpage](#).

Council Questions

Ramsey opened the floor to questions from the Council. The full text of Council questions is on pages 41–47 of the [ECPC February 26 transcript](#). *Themes emerging from the Council questions included:*

- **Urgency vs. Complexity:** Council members emphasized the dire need for adequate rates now. CDSS cited the complexity of negotiations, legislative processes, and technical implementation.

- **Legislative Hearing:** Some legislators have signaled an interest in moving quickly once the model is ready. The department clarified that final dollar amounts depend on negotiations and budget decisions, not just the cost model.
- **CalSPARK:** A planned statewide data system to unify multiple legacy systems. Interest holders expressed concern about timelines, user engagement, and ensuring it does not delay rate implementation.

Selections From Public Comment and Chat

“Here is the link for the two [CALSPARK Webinars](#) that were held.”

Final Child Care Transition Quarterly Report

Jaime-Mileham shared the Child Care Transition updates, including automation, rate and quality reform, Equity-Centered QRIS Advisory panel, and the Child and Adult Care Food Program (CACFP). Full remarks begin on page 48 of the [ECPC February 26 transcript](#). Read the [January 2025 Child Care Quarterly Report to the Legislature](#).

CDSS launched the Brilliant Beginnings Initiative in 2021 to support and improve upon the child care data landscape via CalSPARK, Child Care Connect, and [MyChildCarePlan.org](#). The Stage 2 project approval life cycle process continues for CalSPARK. The primary focus of Stage 2 is to understand the needs of the new system and complete market research to understand available solutions. The CDSS continued its ongoing collaboration with the California Child Care Resource & Referral Network for the hosting and maintenance of MyChildCarePlan.org. Additionally, MyChildCarePlan.org published the Family Fee Scale and fee waiver policies in a resource article, “Child Care Subsidies—Eligibility Overview.” By doing so, MyChildCarePlan.org now meets and complies with the Child Care Development Fund 45 Code of Federal Regulations § 98.33(a)(8) consumer education requirement. Scheduled to replace MyChildCarePlan.org next year, Child Care Connect will meet federal child care consumer education requirements and state mandates ([CDSS: ECPC Transition Update, slide 3](#)).

The Equity-Centered QRIS Advisory Panel was started by the CDSS in August 2024 and will convene until November 2025. In the fall of 2025, the panel will produce a report for the CDSS with recommendations on quality definitions related to rate reform and to support the revamping of the new CDSS-funded QRIS. The meetings are open to the public via webinar format. Jaime-Mileham encouraged attendees to continue to attend the public meetings and provide feedback.

The CDSS has worked to expand access to CACFP trainings and workshops in multiple languages for child care center staff to strengthen managerial and operational practices and provide regulatory and meal pattern information to assist operators in successfully administering the program. The CACFP Branch continues to leverage data to improve program operations around reporting and program analysis and, in cooperation with the

California Health and Human Services Agency and the University of California Agriculture and Natural Resources Nutrition Policy Institute, is finalizing an interactive map dashboard for the public around state nutrition statistics ([CDSS, ECPC Transition Update, slide 5](#)).

Jaime-Mileham expressed thanks to attendees for their efforts during the transition of child care and development programs from the CDE to the CDSS in less than a year's time and underscored that participants' "direct feedback, honest feedback, courageous feedback is invaluable to the success of this division." She also thanked the CDE and state legislators.

More information is on the [CDSS Equity-Centered QRIS Advisory Panel webpage](#).

More information is on the [CDSS CACFP webpage](#).

Resources are available at the [CDSS Child Care and Transition website](#), and those interested can stay engaged by joining the [CCDD listserv](#).

Council Questions

Ramsey opened the floor to questions from the Council. The full text of Council questions is on pages 49–51 of the [ECPC February 26 transcript](#). *Themes emerging from Council questions included:*

Council members praised the progress but repeated concerns about licensing barriers, especially for providers recovering from disasters such as wildfires. Others requested thorough interest holder engagement in developing CalSPARK so that any new system reduces burdens instead of adding new ones.

Selections From Public Comment and Chat

"Not all [Resource & Referral agencies] are allowing providers to update their info [on MyChildCarePlan.org] and also choosing what is allowed regardless of what the provider wants listed."

"Historically, rate 'ceilings' are the maximum allowable amounts that providers could be subsidized[,] and therefore there was a degree of separation for counties and APPs [Alternative Payment Programs] from being perceived as a provider's employer of record since providers, as independent contractors, would set their own rates....Therefore, the State should concurrently release clear policy/legislation to clarify that counties and APPs are not employers of record for providers who would remain independent contractors—despite the ABC test—including when care is provided in the child's home."

General Public Comment

Before the meeting adjourned, the Chair invited verbal public comment. The partial text of public comments is on pages 50–53 of the [ECPC February 26 transcript](#).

Adjourn

Chair Ramsey thanked the public, the Council, and Advisory Committee members for attending.

Meeting adjourned.