



# **Early Childhood Policy Council**

## **Meeting Agenda, Attendance, and Summary Report**

Thursday, November 20, 2025  
9:00 a.m. – 12:00 p.m.

Physical Meeting:  
WestEd, 5<sup>th</sup> floor, Capitol Room, 1000 G Street, Sacramento, CA 95814

### **Agenda**

#### **Welcome and Introduction**

- Welcome
- Review of agenda
- Recognition of Council member transitions
- Report from Chairs of Advisory Committees

#### **Update on Rate Reform**

- Presentation
- Council discussion

#### **California's Changing Child Care Landscape**

- Presentation by the Public Policy Institute of California
- Council discussion

#### **Looking Ahead to 2026**

- Council meeting dates
- Subcommittee for budget letter
- Enacted legislation that impacts the Council

#### **General Public Comment**

## Attendance:

**Council Members:** Andrea Fernandez Mendoza, Carola Oliva-Olson, Claire Ramsey, Diana Ramos, Donna Sneeringer, Janet Zamudio, Karla Pleitéz Howell, Kim Pattillo Brownson, Lissete Frausto, Lupe Jaime-Mileham, Mary Ann Hansen, Mary Ignatius, Mayra E. Alvarez, Natali Gaxiola, Robin Layton, Socorro Martin, Sonia Jaramillo, Stephen Propheter, Tonia McMillian.

**Parent Advisory Committee Members:** Deborah Corley-Marzett, Lissete Frausto, Mary Ignatius, Patricia Lozano, Yenni Rivera.

**Workforce Advisory Committee Members:** AnnLouise Bonnitto, Debra Ward, Tonia McMillian, Virginia Eigen, Zoila Carolina Toma.

## Guest Speakers:

- Caroline Danielson (Public Policy Institute of California)
- Deborah Rawson, Jackie Barocio (California Department of Social Services).

## Summary Report:

### Welcome and Introductions:

**Claire Ramsey**, chair of the Early Childhood Policy Council (ECPC) and Chief Deputy Director of the California Department of Social Services (CDSS), opened the third and final Council meeting of 2025.

Full welcoming remarks are recorded on pages 3–5 of the [ECPC November 20 meeting transcript](#).

### Recognition of Council Member Transitions

**Ramsey** explained that several members of the Council were reaching the end of their terms and took a moment to acknowledge their service. She welcomed newly appointed members (Dr. Diana Ramos, Karla Pleitéz Howell, Stephen Propheter, Ristyn Woolley, and Claire Ramsey) beginning their terms and provided an opportunity for them to introduce themselves. She then introduced herself in her role as the new Council chair. Parent Advisory Committee member **Mary Ignatius** noted that her term on that committee is ending soon. She asked for clarification about the application and onboarding process for the Parent Advisory Committee, emphasizing the importance that parents' lived experience be reflected within the committee. **Chair Ramsey**, **Dr. Jaime Lupe-Mileham**, and **Karin Bloomer** addressed her questions.

## Report from Chairs of Advisory Committees

**Tonia McMillian**, chair of the Workforce Advisory Committee, provided an overview of the most recent joint meeting of the Parent and Workforce Advisory Committees. The main topics for the meeting were potential impacts of the then ongoing federal government shutdown and the state's efforts to improve its Quality Rating Improvement System (QRIS). Additional topics discussed were rate reform, workforce equity, funding, and collaboration.

### Prioritizing Rate Reform

Committee members advocated for the state to fully implement the new single rate structure before shifting focus to QRIS indicators and assessments. They noted that providers may be able to make improvements, including hiring additional staffing, once new rates are in place.

### Workforce Equity, Intentional Funding, and Collaboration

Discussion addressed the exclusion of family child care providers in decision-making processes. Committee members advocated for opportunities to contribute within the system, expanded wraparound services for providers, and equitable access to training and resources. There was also significant concern about existing budget constraints within early childhood programs. Committee members emphasized the need for intentional, equitable funding mechanisms, suggesting that funding should follow the child regardless of program type. Members also highlighted the importance of centering the holistic support of children and families by building cross-sector partnerships focused on collaboration rather than competition.

### **Update on Rate Reform:**

#### Phases of Rate Reform and Policy Engagement

**Jacqueline Barocio** provided an overview of the two main phases of the state's rate reform process. The first phase centered on developing an alternative methodology cost model, designed in collaboration with Prenatal to Five Fiscal Strategies (P5) and overseen by the Rate and Quality Advisory Panel (RQAP). The state used a data-driven approach that considered program standards, health and safety requirements, and current practices in order to estimate the actual cost of providing child care. The model, which replaces the previous regional market surveys, was completed in July 2025 and will be updated every three years.

The second phase focuses on designing and implementing a single rate structure. The goal of the new rate structure is to unify the existing reimbursement systems and ensure equitable rates that reflect the cost of care. The design process is ongoing, with many policy and operational questions still under review and open for feedback through the

Joint Labor-Management Committee. The state is also seeking broader feedback and input from the field, including through ECPC meetings.

### Clarifications on Methodology and Rate Setting

**Barocio** clarified that finalizing the alternative methodology did not, by itself, set new reimbursement rates. Current payments still rely on the regional market rate and standard reimbursement rate, which may be adjusted periodically. These existing rates will be replaced in the future with rates under the single rate structure, informed by the alternative methodology and other policy considerations.

### Cost Model Outputs and Funding Alignment

**Jeanna Capito**, representing P5, explained that the alternative methodology provides outputs related to the cost of care. How these outputs align with existing reimbursement rates often depends on age group and care type. In other states, they have seen a pattern where infant-toddler care with smaller ratios has higher cost outputs than school-age care. **Barocio** confirmed that regardless of the cost outputs, the state is not considering reducing reimbursement rates, and the 2025–26 state budget provided a cost-of-living increase. Future rate adjustments will be subject to the budget development and collective bargaining processes, as well as any adjustments to the alternative methodology cost-of-care estimate.

### Regional and Age Group Variation

**Capito** provided comparative data illustrating significant variation in the gap between current rates and cost estimates based on age and program region. She pointed out that payment rates for 3-year-olds are generally closest to the estimated cost of care. Rates for 2- and 4-year-olds show larger funding shortfalls, particularly in certain regions. The cost model uses consistent criteria across program types, but outcomes differ because of enrollment and program structure.

### Key Implementation Considerations

**Barocio** identified several outstanding policy questions that must be addressed before a single rate structure can be finalized:

- Defining appropriate time increments for rates
- Reconciling differences between current reimbursement systems
- Establishing standard age groupings
- Addressing rates for enhanced inclusion and care during non-traditional hours
- Conducting equity evaluation of rates
- Managing local implementation and automation challenges

The state continues to engage with interest holders to refine these areas, with discussion happening in various formal and informal forums and in the legislative budget process.

### Enhanced Inclusion and Non-Traditional Hours

**Deborah Rawson**, Administrator in the Policy Office of the CDSS Child Care and Development Division, explained that the state is still working to determine the appropriate rate adjustments for two types of child care services:

- Non-traditional hours (NTH)
- Inclusion services

She described the adjustment factors currently used in setting rates for NTH care and care for children with exceptional needs or disabilities. She relayed that earlier interest holder feedback has identified gaps between modeled costs and actual provider expenses for NTH care, especially for weekend care. She then provided guiding questions for the Council's feedback in each area.

### Council Discussion

**Chair Ramsey** opened the floor to the Council. The full text of Council discussion on rate reform is on pages 17–24 and 25–29 of the [ECPC November 20 transcript](#). The following themes emerged from the discussion:

- There is a need to clearly define NTH and determine what constitutes fair compensation for providing care during these times.
- The question was raised whether any current reimbursement rates—particularly for infants and toddlers—are higher than the actual cost of care in any region.
- There were concerns about the Rate Reform Workgroup ending before all input can be considered. How will ongoing engagement with interest holders, especially family child care providers, be handled moving forward?
- There is uncertainty whether the state will meaningfully apply the Rate Reform Workgroup's recommendations or if decisions have already been finalized.
- There needs to be clarification about what happens when cost studies are outdated, including the process and timeline for conducting the next federally required study.
- There was a request to be able to submit feedback in writing after Rate Reform Workgroup meetings. Council members would also like advance notice of agenda topics and any guiding questions so they can prepare more thoughtful responses.

- There are questions about whether eligibility for inclusion services rates can be expanded to cover children who have 504 plans or who are still undergoing assessment.
- There were concerns about how increasing administrative burdens, cost complexities, and additional benefit and labor requirements will be addressed within the new system.
- Participants expressed the need for expanded professional development—particularly for family child care and family, friend, and neighbor providers—to better support children with higher or special needs.
- Interest holders are seeking clear information about what will happen after the current panel ends and the “hold harmless” period expires, especially if a permanent rate has not been set by the deadline.

### **California’s Changing Child Care Landscape:**

**Caroline Danielson**, Senior Researcher at the Public Policy Institute of California (PPIC), shared findings from a recently published report that explores the impacts of payment policies within the state’s early care and education systems.

#### Project Overview and Funding

The [\*California’s Changing Child Care Landscape\*](#) report is part of an ongoing 4-year, US Department of Health and Human Services-funded study, for which PPIC is collaborating with Mission Analytics and other partners. The project is part of a multistate collaborative focused on the relationship between payment policies in the Child Care Development Fund Program and child care access. The research seeks to understand how the early care and education landscape has shifted in the wake of the COVID pandemic, focusing on new state investments, changing family experiences, cost pressures, and policy developments. The work draws from both recent and decade-long trends.

#### Data Sources and Methodology

Key data sources include census data for estimating the population of children 0–5 years of age, California’s Community Care Licensing division data on child care providers, and Transitional Kindergarten (TK) enrollments from the California Department of Education. In Summer 2024, PPIC conducted a survey of local Resource and Referral organizations, alternative payment providers, and planning councils. Their contractor, Mission Analytics, held parent and provider focus groups in five counties.

#### Family Perspective: Affordability and Public Support

Child care is essential for both children’s development and parental employment. Analysis of regional market rates and income shows high costs and regional disparities,

with families in lower-income counties spending a higher proportion of income on care. A significant majority of Californians support greater public funding for child care.

### Funding Trends and Perceptions of Affordability

Funding for early child care and education in California has grown substantially over the past decade. Federal investments increased during the pandemic, and state contributions have also increased, with notable growth in TK funding. Survey results show a majority of respondents believe subsidized child care has become more affordable, but this varies by age group. The main improvements have been for preschool-age children, with less positive change for infant and toddler care. The reduction of family fees during the pandemic is recognized as a key factor in affordability improvements.

### Provider Landscape: Turnover and Actual and Perceived Capacity

Nearly half of the agencies surveyed reported increased staff turnover, often citing wages, working conditions, and broader economic factors. Family child care home providers experience higher turnover compared to center-based care, with recent trends suggesting an uptick in openings and a reduction in closings.

Review of Community Care Licensing data showed an ongoing decline in the total capacity of family child care homes from 2015 through 2021. However, since 2022, the family child care home capacity has been increasing. Center-based child care capacity increased from 2015 through 2020 and has shown little change since 2021. Despite the current growth trends, more than half of survey respondents reported that the supply of subsidized providers for children ages 0–5 years has decreased. This highlights a disconnect between measured capacity and perceived supply.

### Transitional Kindergarten Expansion

The TK expansion is strongly influencing child care dynamics. Survey responses and focus group feedback indicate that significant numbers of children are leaving other child care programs for TK. Providers express concern that TK expansion is negatively impacting their programs, especially their preschool-age enrollments. In response, they are shifting to enroll more infants and toddlers. The changing enrollment brings new operational and financial challenges due to different staffing ratios and qualifications and licensing requirements. At the same time, some providers and parents acknowledge that TK has increased educational access for those who may not otherwise have been able to afford it.

### Parental Experiences and Preferences Regarding TK

Parents in focus groups flagged challenges with TK, such as large class sizes, supervision issues, and limited hours that may not fit family work schedules. Universal

TK is intended to make care more affordable. However, it is not always the preferred or most accessible option for families' particular needs.

### Policy Implications and Ongoing Dialogue

The impacts of TK and the shifting supply of child care are important to consider in policy decision-making, particularly in efforts to support adequate care for infants and toddlers. **Danielson** invited discussion from Council participants.

### Council Discussion

**Bloomer** opened the floor to questions and comments from the Council. The full text of Council discussion is on pages 34–38 and 40–43 of the [ECPC November 20 transcript](#). Themes emerging from the Council questions included the following:

- There are significant challenges and delays in opening, relicensing, and navigating licensing for child care centers and family child care homes. Council members noted unclear regulations, inconsistencies, and long wait times.
- Both center-based and family child care providers face barriers to expansion, which limit the number of available child care spaces.
- The distinction between licensed and license-exempt providers impacts data collection and an accurate understanding of child care trends.
- Recent growth in the number of licensed family child care homes may be due in part to new providers entering the field, providers transitioning from exempt status, and policy changes or grant programs.
- Child care affordability remains a major concern for families. High family fees and co-pays create financial hardship, especially for families with multiple children. This remains true despite the availability of some free or subsidized programs.
- There are regional differences in access to child care supports and programs and ongoing disparities in payment across counties.
- Child care providers are also small business owners, and they are facing increased operational costs, workforce challenges, and administrative complexities in the post-pandemic economy.
- The broad impacts of TK can be seen in enrollment patterns, access to care for younger and older children, wraparound care needs, and movement between TK and preschool settings due to developmental needs.
- There are calls to expand the focus of research on TK impacts. Council members advocate for looking beyond the 0–3-year-old population and considering the entire age range of children utilizing child care, including those in TK and older children.



- Council members highlighted the need for policy and system changes, especially regarding licensing processes, support for providers, and improved integration of data and services.
- Expansion of infant and toddler care and fulfillment of previously promised child care slots remain pressing priorities.
- Ongoing evolution and adaptation are needed in response to new policies, economic changes, the implementation of universal TK programs, and the needs of families and providers.

## **Looking Ahead to 2026:**

### 2026 Council Meeting Dates

The Council announced the meeting schedule for 2026 to ensure members are able to plan in advance. Meetings are set for 9:00 a.m.–12 p.m. on February 26, May 27, August 27, and November 28. Confirmation of these dates will be provided to all members in writing.

### Subcommittee for Budget Letter

As they have done in previous years, the Council agreed to draft a budget letter advocating for its early childhood funding priorities in the 2026 Budget cycle. The initial budget letter is drafted by a subcommittee. The draft is presented to the Council for feedback and approval at the February meeting, and the final letter is submitted to the Governor and Legislature. **Andrea Fernandez Mendoza** and **Zoila Toma** volunteered to serve as the budget letter subcommittee, and support will be provided as needed to facilitate their work.

### Enacted Legislation Impacting the Council

**Chair Ramsey** highlighted two new pieces of legislation relevant to the Council's work:

- Assembly Bill 495 directs the California State Attorney General to establish models for policies limiting assistance with immigration enforcement in child care programs. The Office of the Attorney General will ensure interest holder engagement ahead of the April 1 publishing deadline.
- Assembly Bill 563 mandates the Council provide an annual report to the Legislature that documents program successes, challenges, and system gaps, and includes policy recommendations and budget proposals on critical issues such as facilities, workforce, and family access.

Members provided several important suggestions, including: (1) involving the Council in the development and review of the annual report prior to its submission; (2) engaging external partners (e.g., the Office of the Attorney General); (3) broadening policy

discussions around school safety zones; and (4) increasing the Council's role in generating legislative ideas.

### **General Public Comment:**

Before the meeting adjourned, **Bloomer** invited verbal public comment. The text of public comments is on pages 47-52 of the [ECPC November 20 transcript](#).

“We strongly recommend that proposals brought to this committee include: (1) a clear summary of existing laws and regulations that providers must follow (such as overtime requirements) and (2) concrete examples of how other states address these issues, as well as any specific proposals the Administration is actively considering. This level of clarity will allow stakeholders to provide meaningful, actionable feedback.”

“As a parent with a child enrolled in a family childcare home program I see day to day the hard work that the providers put into making sure that every child that is under their care not only is playing but learning as well. They provide safety, nurturing, curriculum, and nutritional meals and many times have to use their own money to make it possible. We need to prioritize a rate reform that will pay for the true cost of care, and accurately reflects the cost of living in different regions, so that children and families can continue having the care they need and we can pay all ECE teachers a living wage and one that reflects the importance of the profession.”

“As a family child care educator it is frustrating to listen to these conversations and have centers and home based programs separated from each other. equity is an action word as long as FCC educators are separated during talks of pay and resources true equity and inclusion won't happen.”

“On behalf of Early Edge CA, we thank the Council for convening this important discussion and CDSS for their presentation. We want to emphasize that the actual true cost of care must be fully funded by the state so providers receive fair compensation for their work, including during nontraditional hours. In addition, enhanced inclusion within the rate structure is essential. We also urge additional consideration for the critical role providers play in supporting families. Providers work with young children and their families even before they have been identified for an IEP or IFSP, and their time, expertise, and efforts must be recognized and adequately supported.”

Additionally, concerns were raised about logistical issues related to the Workforce Registry, specifically requests for flexibility and easier data management for providers at the county level.

### **Adjourn**

**Chair Ramsey** thanked the Council and members of the public for their service and participation throughout this.

Meeting adjourned.