

Background

In 2021, California allocated \$250 million for the *Child Care and Development Infrastructure Grant Program*, which was a reinstatement of funding that was allocated in the 2019-20 budget but swept back into the General Fund at the beginning of the COVID-19 pandemic. The now funded Grant Program is being managed and rolled out by the California Department of Social Services (CDSS).

CDSS is administering \$100 million in grants for minor renovations and repairs to address issues related to health and safety, licensing, the COVID-19 pandemic, or disasters. Additionally, CDSS is administering \$150 million in grants for new construction and major renovation of child care facilities.

The *Master Plan for Early Learning and Care* and the *Assembly Blue Ribbon Commission on Early Childhood Education* clearly support funding for early learning and care facilities as a strategy to equitably expand the supply of early learning and care services. Public investment in facilities infrastructure is key to programs' capacity to provide quality services and adequately support economically insecure families and children.

Why More is Needed

Build Up California continues to work to ensure all providers are able to access the Child Care and Development Infrastructure Grant Program. However, we know \$250 million is just the beginning of what is needed for the field, and the current funding will go quickly for shovel-ready and repair and renovation projects.

The UC Berkeley Center for Cities and Schools estimated that over \$10 billion in funding is needed in California to address the facilities-related need for subsidized childcare for infants and toddlers at licensed home-based and center-based businesses. Whether home- or center-based, all providers throughout the state have unique needs when facing facilities funding concerns. For example, some may only need the ability to access grant funds, while others may need additional technical assistance (T.A.) in the pre-development aspect of their grant request. Some may have large projects with a gap

in funding that needs to be filled, while others have repair projects that could be considered a licensing violation. No one provider or their needs are the same. By providing additional funding and specifying how those funds are allocated, these investments can be accessible for all providers and meet the needs throughout the state effectively and sustainability. Targeted money is needed for T.A. and communities that need extra support to build capacity.

Budget Request

\$300 million, one-time funding, to ensure a targeted, strategic, and equitable approach directed to communities and families with the greatest need.

- ✓ **Tribal Communities** (\$80 M)
 - Planning/capacity building: \$10 M*
 - Dedicated facilities funds: \$70 M**
- ✓ **Rural Communities** (\$80 M)
 - Planning/capacity building: \$10 M*
 - Dedicated facilities funds: \$70 M**
- ✓ **Climate Resilience Repair and Renovation Grants** (\$100M)**
 - Family child care providers: \$50M
 - Center-based providers: \$50M
- ✓ **Technical Assistance** (\$20M)*
 - Targeted and customized support before and during the grant application and disbursement process by professionals with subject matter knowledge and skills on all phases of quality child care and early learning facilities development, repair, and renovation.
- ✓ **Planning, Pre-Development, and Start-up Cost Grants + Capacity Building in Child Care Deserts** (\$20M)*

*Eligible Use of ARPA Funds

**Infrastructure Funds Exempt from Gann Limit

Native American Communities

There is a clear need to invest in and expand early care and education programs that serve Native American children and families. “According to a forthcoming Bipartisan Policy Center (BPC) survey¹ of Native American parents, among Native American parents who say at least one member of their household is not currently working, 77% said child care responsibilities had an influence on their decision not to work, including 64% who say it had a significant influence.”

Building new child care facilities and expanding capacity in tribal communities is unique and needs its own set of funding support, application requirements, and deadlines. An investment of \$80 million to support tribal communities will ensure there is set aside resources available specifically for tribal communities as they work to build capacity and plan for facility development. Tribal Councils must often approve any request to seek or apply for funding before the application can begin and this process can take up to three months. Tribal child care programs also have a separate licensing process with CDSS, and set aside funding is needed in the existing grant program to allow CDSS to accept alternate assessments and monitoring to support quality. In addition to brick-and-mortar dollars, we must provide T.A., consultations, and planning grants that support the development of child care facilities and programs in tribal communities. Examples of T.A. include assessing care needs, identifying sites for new facilities, assessing the need for renovations, obtaining building plans and bids, and assessing financing level needed. Without earmarked funding for tribal communities, they will struggle to access the resources provided by the state for the current CDSS grant program.

Creating equitable early childhood programs in California means ensuring that everyone, including Native American children, have access to high-quality early childhood opportunities.

Rural Communities

Similar to tribal communities, rural communities have their own unique set of needs when it comes to capacity building and facility development. Child poverty in rural California is both more severe and more persistent than in non-rural areas of the state, and there are also large racial and ethnic disparities. Overall, one-quarter of rural children under age five live in poverty in our state.

At the same time, children in rural communities often lack quality early childhood care and education. Families in rural areas more frequently use home-based child care services, which serve smaller numbers of children than child care centers. No one provider in California is the same, and this is especially true in rural areas that do not largely depend on center based care. We must make specific investments in rural communities to build capacity, provide T.A., and assist providers in planning for and funding facility expansion or renovation.

Child Care Deserts

According to Advancement Project, California’s early care and education facilities infrastructure only has the capacity to serve less than a quarter of our youngest learners. Out of the nearly 1 million children under age two who need quality child care in California, there are only 47,000 publicly funded seats.² 60% of California children from low-income families live in child care deserts.³ Demand far exceeds supply for high-quality child care, particularly for low-income families, and the COVID-19 pandemic has only exacerbated California’s early learning and care capacity problem.

In order to get to the point of building facilities in child care deserts, we need to support planning and pre-development costs. Providers need support in getting plans made, getting bids, obtaining permits, all which could cost thousands to hundreds of thousands of dollars. Without pre-development support, child care deserts will never get to the point of actually building capacity.

For more information, please contact Ericka Omena Erickson, Build Up California Director, at erickson@liifund.org or (415) 415.489.6119.

¹ [Ensuring Federal Programs are More Inclusive of Native Americans](#)

² [Building California’s Future: Tackling the Facilities Challenge for Our Youngest Learners](#)

³ [Early Childhood Facilities: What Research Tells Us](#)