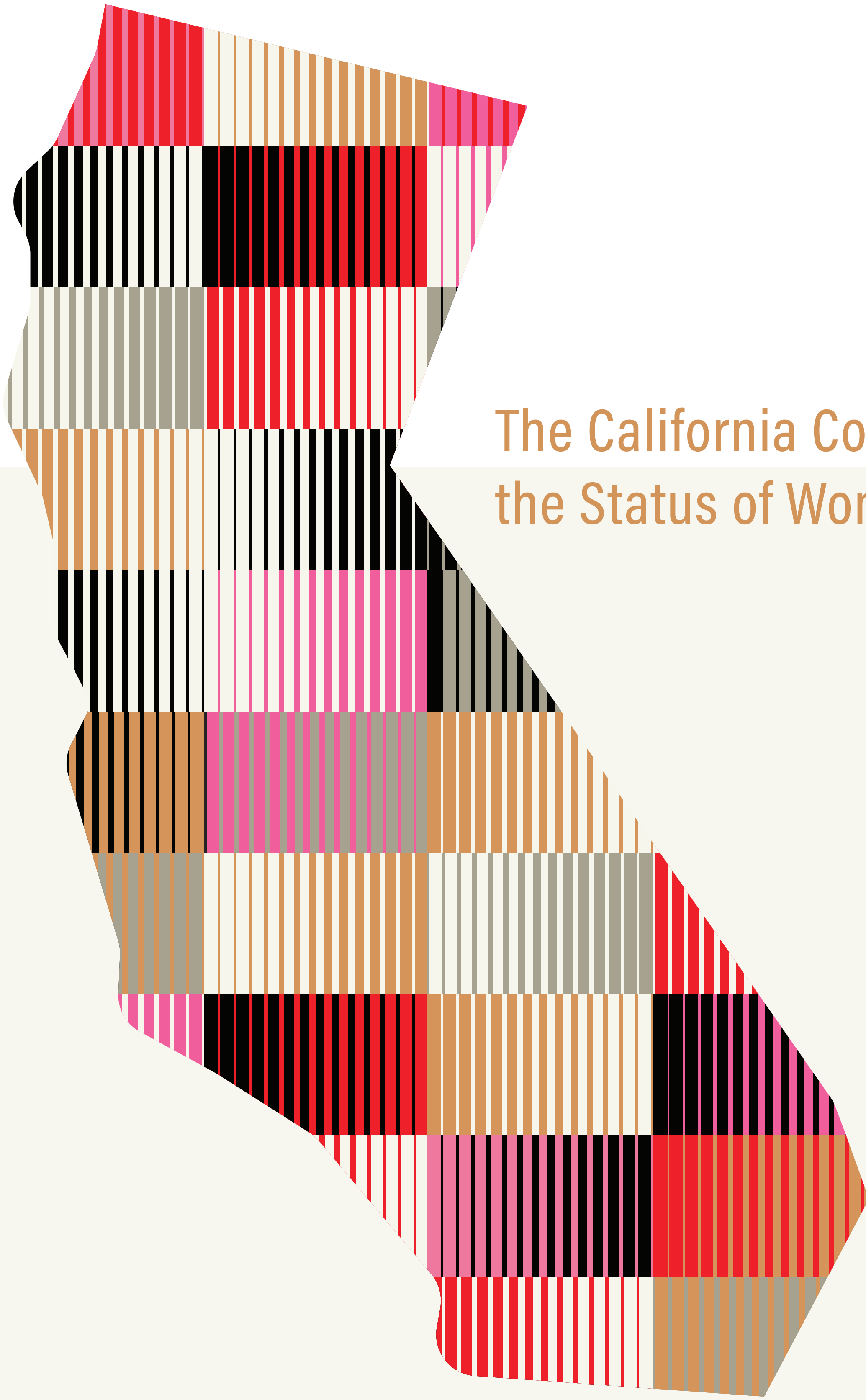
CALIFORNIA BLUEPRINT FOR WOMEN'S PANDEMIC ECONOMIC RECOVERY



The California Commission on the Status of Women and Girls

The California Commission on the Status of Women and Girls was established in 1965. By the 1960s modernism was a global movement seeking a new alignment with the experience and values of modern industrial life. The design for this report reflects the similarities of our modern circumstances to that era and showcases how much progress has been made that we can learn from and the work that is still needed as we radically reimagine a future that is wholly inclusive of women and girls.

TABLE OF CONTENTS

EXECUTIVE SUMMARY

Introduction

For more than 50 years, the California Commission on the Status of Women and Girls (CCSWG) has identified and worked to eliminate inequities in state laws, practices, and conditions that affect California's women and girls. Established as a state agency with 17 appointed commissioners in 1965, the Commission regularly assesses gender equity in a variety of public policy areas, including: health and health access, safety, employment, education, equal representation in the military and the media, and issues relative to the workforce and the economy. The Commission provides leadership through research, policy and program development, education, outreach and collaboration, advocacy, and strategic partnerships.

> 41% of mothers working from home provided extra childcare, while only 15% of fathers did when schools closed.

The California Commission on the Status of Women and Girls (CCSWG) is deeply concerned by the systematic erosion of women's well-being, human rights, and economic status that have been profoundly accelerated by COVID-19 and the associated economic crisis which has led to a worsening of some existing systemic inequities.

This California Blueprint for Women's Pandemic Economic Recovery, the first of its kind, centers the economic needs of women and girls as critical to the state's economic recovery from the COVID-19 pandemic, which remains ongoing. During the first two years of the pandemic, women in the United States lost more than 5.4 million net jobs. Data shows that the economic crisis exacerbated the cumulative and collective crises women in California were already experiencing. The erosion of women's well-being, human rights, and economic status will likely continue unless halted by deliberate policy interventions and strategic support from government and key stakeholders.

The California Commission on the Status of Women and Girls (CCSWG), in partnership with the California Research Bureau, conducted an initial literature review on the state of women in California for the Women's Recovery Response effort launched in 2021. Studies consistently report that women, especially women of color, experienced greater loss in jobs, income, and childcare services. At the same time, concerns regarding their mental health grew at an alarming rate. In partnership with The California Policy Lab (CPL) we conducted our own research that shed light on points of pain and bright spots of hope for a more equitable economic recovery for women.

The California Commission on the Status of Women and Girls (CCSWG) has constructed this statewide blueprint for a recovery response that centers women and supports deliberate gendered policy interventions, but it is only the first step. As California's women and families grapple with the long-term consequences of the COVID-19 pandemic, it is imperative that impacted people with lived experience are empowered to inform policy decisions being made on their behalf, so that services and resources can be designed and implemented appropriately.

Direct and inclusive investments in women, made particularly to women of color, Lesbian Gay, Bisexual, Transgender, Queer, Intersex, Asexual (LGBTQIA+) women, disabled women, immigrant women, young women and girls, and women from across the economic spectrum, can ensure that women have a voice proportionate to their contributions and concerns.

California's women and girls, those most impacted by the COVID-19 crisis, must be front and center in leadership roles as we rebuild a postpandemic future.

In July of 2021 the California Commission on the Status of Women and Girls (CCSWG) announced the receipt of a one-time state budget allocation of $7.9 million to be used to facilitate a Women's Recovery Response Grant Program. This effort focuses on supporting organizations at the local level as they respond to the unique needs of women in their communities under COVID-19, and includes a network of local commissions on women as well as organizations providing direct service support. The Commission is grateful to Governor Gavin Newsom, Budget Committee Chairs Senator Nancy Skinner and Assemblymember Phil Ting, California Senate and Assembly Budget staff, and the Legislative Women's Caucus for this necessary and unprecedented commitment to California's women and girls in this time of crisis. We look forward to working together to expand this effort to fully meet the growing need of this historic moment.

The Women's Recovery Response and this Blueprint are designed to focus specifically and primarily on the economic impact of COVID-19 on California's women and girls. Through future work, the Commission will further explore additional impacts of the crisis as well as recommendations for intervention and support.

According to a report released from the Center for the Advancement of Women in Los Angeles, women and girls in California have disproportionately struggled in a variety of ways during the pandemic, including in the workforce, caring for their families and maintaining mental wellness. The Center for the Advancement of Women at Mount Saint Mary's University noted that nearly 80% of the jobs initially lost were clustered in retail, education, hospitality, healthcare, and government - industries in which women are overrepresented in lower paying positions. This disparity was reflected in early data, which show that 25% of women in California were unemployed compared to only 20% of men, as COVID-19 began to impact the economy.

Additional findings from the Center for the Advancement of Women at Mount Saint Mary's University's 2021 Report on the Status of Women and Girls in California show that 41% of mothers working from home provided extra childcare, while only 15% of fathers did when schools closed. In March of 2021, 13.4% of Latinas, 12.8% of Black women and 12.5% of Asian women statewide were officially unemployed, defined as those actively looking for work. That compares with 11.5% of white women at that time.

These additional challenges took a toll on the mental health of many women. According to Mount St. Mary's University, 70% of women suffered anxiety and more than 50% experienced mild to severe depression. Women of color — more than 60% of California's female population — were the hardest hit.

For some women, the situation has begun to improve as the economy reopens. In February of 2022, the Bureau of Labor Statistics (BLS) released data showing women gained 347,000 new net jobs in the economy, or 51%, while men gained 331,000. The growth for women appears to be driven by hiring in hospitality and health care as the economy once again opens up. The childcare industry also added 8,000 jobs in February 2022, helping a workforce that is 95% women return to jobs, while supporting working women in other industries who rely on childcare to work or attend school.

While recent interventions, supports, and employment opportunities improved economic outcomes for some California women, others continue to fare far worse than their pre-pandemic status. Of course, women are not a monolith. Long-standing, systemic inequities that women have historically faced were compounded dramatically by the current crisis. Therefore, those who were the most marginalized before COVID-19 were more likely to have worse outcomes during the pandemic and are less likely to have recovered to date.

We cannot be satisfied with a return to pre-pandemic normalcy. The growing needs and challenges for women resulting from the current global pandemic demand an urgent response and deliberate ongoing policy interventions.

This moment is an opportunity for transformation from a state of perpetual inequity to a world leading example of what it can look like to fundamentally include women at every level of California's economic aspirations.

Economic Blueprint: Focus on California Women's Pandemic Recovery

OVERVIEW

As Californians grapple with the long-term consequences of COVID-19, it must be acknowledged that women comprise nearly half of the state's workforce and are integral to the proper flow and function of the fifth largest economy in the world. Research confirms that women are also those most impacted economically by the pandemic. Their noticeable absence from the labor force, or reduced participation, illuminates tears in the fabric of our caregiving infrastructure, workforce and pay inequities, and negatively impacts the state's economy.

The California Commission on the Status of Women and Girls (CCSWG) has worked to construct the first ***California Blueprint for Women's Pandemic Economic Recovery (Blueprint)***, which centers the economic needs of women and girls as critical to the state's recovery from the COVID-19 crisis. It adopts, for the first time, a gendered lens on the state economy, recognizing women as key drivers of industry and key workforce participants who are uniquely burdened by the pandemic and whose economic recovery impacts every single Californian.

The Blueprint provides a comprehensive review of the economic engagement of women pre-pandemic and during the apex of the crisis when social safety net programs proved invaluable to keeping them and their families afloat. Then, it imagines a future-forward state economic model that presupposes the value of women's labor in the workforce and at home while contending with a virus that appears to be here to stay.

In partnership with The California Policy Lab at U.C. Berkeley (CPL), CCSWG examined pre-pandemic economic conditions for women, women's labor-market outcomes during the height of the pandemic, financial indicators during the peak of the pandemic government response period, and overall safety-net usage by women. CCSWG also reviewed the outcomes of the research and conducted an extensive review of current literature to generate a snapshot of women's economic and financial well-being and offer an estimate of the likely outcomes for all of California's citizens and the state economy moving forward. The Blueprint describes the collective trajectories of groups of women who entered the pandemic already in economic difficulty and explores opportunities to chart new paths based on impact data from federal and state support programs and interventions since the COVID-19 pandemic began.

These policy recommendations focus on potential solutions to pre-existing challenges that were exacerbated by the pandemic and are designed to generate ongoing discussions and debate among California's leaders, advocates, and the public. For California to truly make progress, we must invest in the economic well-being of women, recognizing that they are not simply a unique interest group, but in fact, fully half of the critical drivers of our economy with unique needs that have long gone unmet. The Commission is committed to prioritizing equity and building a state in which women's contributions and labor are properly valued for their significant impact to the state's economy, its people, and communities. California can rebuild, revitalize, recreate, and redefine a post-pandemic future.

FINDINGS AND SOLUTIONS

FINDING 1: Women went into the pandemic worse off due to existing systemic inequities in the workforce, such as a persistent pay gap and occupational segregation. A significant number of households in California lived on incomes at or below the poverty line prior to the pandemic. Women of color were the first to lose jobs and last to regain them, causing long-term financial stress to their households.

Key Takeaways:

- Prior to the pandemic, women in California were employed at a rate 20% lower than men, making them nearly half of the state's workforce but a larger percentage of those struggling with poverty.
- Those who were employed prior to the pandemic earned an average of 78 cents on the dollar, held nearly half the retirement savings, and were enrolled in government safety net programs at three times the rate of men.
- Prior to the pandemic, nearly half of all working women held low paying jobs, a significant percentage of which were held by women of color. These disparities continue to impact statewide recovery.
- California's 2019 median household income was $80,440 for all households ($65,712 for U.S.) and $39,871 for nonfamily households with roughly 11.8% of Californians' households (12.3% in the U.S.) living on incomes at or below the federal poverty designation. In 2019, roughly 17.2% of Californians (11.7% in the U.S.) had income insufficient to meet their basic housing needs and by 2020 an estimated 161,548 individuals experienced homelessness (single-night survey method).
- The pandemic shook the already unstable foundations of women's economic security as the additional burdens of closed schools, family caregiving, and lack of childcare fell disproportionately on their shoulders.
- Occupational segregation played an outsized role in negative economic outcomes, and it is a significant contributor to gender and racial wage gaps. Female dominated occupations such as the retail, hospitality, and education sectors suffered the largest share of job losses across the nation, disproportionately impacting women of color.
- Women of color in California, specifically, continue to see lower employment rates as a share of the population compared to white women.
- Women with disabilities were the most affected, leaving nearly 8% of this group jobless during the acute phase of the pandemic.
- Nearly one in four (24.1%) non-citizens lost their job, compared to almost one in six naturalized citizens (17.9%) and almost one in seven (14.5%) native-born U.S. citizens.

ACTION:

Deploy interventions that intentionally support broad structural changes to end the gender wage gap, improve workplace equity for women, and alleviate poverty. Solutions include increasing California's minimum wage, improving pay data transparency requirements for private companies, and ensuring equal pay for equal work for temporary employees.

FINDING 2: The COVID-19 virus impacted men and women differently, with women facing an elevated risk of Long COVID and more significant impacts to their workforce participation, long term economic health, and ability to build wealth over time.

Key Takeaways:

- Death and infection rates were significantly correlated with race with Latino and Black Californian's seeing the highest death rates and significant impacts to life expectancy.
- In California alone, it is estimated that between 12.9 and 14.9% of all adults living in the state have experienced symptoms consistent with Long COVID. At the high end, that is roughly 5,960,000 people.
- One study of nearly 4,000 Long COVID patients found that 45% reduced their work hours. For some, the change in job status can affect health insurance, interfere with childcare, or force exit from the workforce entirely.
- There are roughly 257,000 full-time equivalent workers out of the California workforce due to Long COVID. This amounts to roughly $17.61 billion in annual lost earnings, which amounts to roughly half a percent of the total state economy (.49%).

ACTION:

Examine the long-term impact of Long COVID on women's health and economic status, implementing responsive and forward-thinking solutions to preempt continued setbacks and loss including improved access to the state's disability insurance, social security and paid sick leave.

FINDING 3: Pandemic response through government safety-net programs demonstrably helped women meet life's basic needs, pay down debt, and significantly reduced child poverty, highlighting a clear path forward to an equitable economy that has now been demonstrated to be feasible.

Key Takeaways:

- Contrary to the argument that unemployment benefits discourage work, the enhancement of these benefits helped low wage workers weather the crisis.
- 183,000 more women relied on food assistance during the early pandemic, and enrollment in mid-2021 still stood 5% higher than before the pandemic.

- There are nearly four million Californians with a total of over $140 billion in student loan debt. Pausing student debt played a role in the ability to improve access to credit and pay down credit card debt, another critical support for women during the pandemic.
- On average, both women and men with access to credit cards saw their credit scores increase in 2020 and the first half of 2021 by 10-13 points.
- Prior to the Federal and State social safety net programs deployed during the apex of the pandemic, national child poverty rates stood at 20%. With social safety net enhancements, that number dropped to 12%, effectively reducing child poverty by nearly half.

ACTION:

California must not wait until the next crisis before tackling the opportunity to use the lessons from this one to build more equitable and comprehensive support systems for the long term. Public policy should re-institute, expand, and invest in proven social safety-net programs that alleviate poverty and support economic recovery for women. This includes but is not limited to, enhancing Unemployment Insurance, Paid Family Leave, and Low-Income Housing Tax Credits, expanding Child Tax Credits, and supporting long-term disability experiences - all while increasing investment in and support of women-owned small businesses.

FINDING 4: Working women in California experience a persistent wage gap which impacts wealth building and financial security and is a contributor to poverty. COVID-19 shutdowns drastically shifted the burdens of caregiving and significantly increased the share of labor at home that fell on women, even those working full time and exposed cracks in a patchwork infrastructure that is also an essential need. Women employed in the care industry were also significantly impacted by shutdowns and a slower industry-wide recovery. Overall, women reported experiencing disproportionate rates of psychological stress.

Key Takeaways:

- 1 out of every 10 women with kids in California currently does not work, as compared to women without kids, likely as a result of caregiving responsibilities.
- 61.5% of mothers of children under 12 reported taking on the majority or entirely of extra care work in 2020, compared with 22.4% of fathers.
- Childcare workers, made up of predominantly women and women of color, remain among the lowest paid workers in California. The median hourly pay for a California childcare worker in 2019 was $13.43 with approximately 1/3 of these workers on public assistance.
- California has received more than $5 billion in one-time federal relief funds to support under-paid childcare providers and cash-strapped families in addition to the state's annual appropriation from the federally subsidized Child Care and Development Fund (CCDF). State leaders have appropriated 48% — roughly $2.5 billion — of the federal funds to date to keep the underfunded subsidized childcare and development system afloat.

- The childcare industry is slow to recover to pre-pandemic employment levels with childcare employment 11% down from where it stood before the pandemic.
- 47% of women in California reported symptoms of anxiety or depression during the pandemic. About 75% of women who specifically reported experiencing economic hardships, also reported experiencing symptoms of anxiety or depression during the pandemic.

ACTION:

The precarious nature of the care industry was illuminated during the pandemic. While the American Rescue Plan stabilized the childcare sector temporarily, California must apply significant investment to address a system that was patchwork to begin with. California has an opportunity to envision a new approach to care, from affordable and accessible childcare options for families, to improving wages and incentives for the caregiving profession. In addition, workplace regulations must provide needed flexibility for parents in the workforce. Supporting economic recovery by investing in an expansion of female-dominated industries and workforce is critical to shoring up this sector of the labor force. We must consider caregiving as a public good worthy of public investment and respond accordingly with state funds.

FINDING 5: Social safety net support during the apex of the pandemic provided a clear path toward alleviating poverty for women and families. As these supports are withdrawn, measures of economic struggle are returning to pre-pandemic levels. Gender is a substantive element of the health of the state's overall workforce and capacity for economic growth and must be considered as an essential element in State resource stewardship.

Key Takeaways:

- The pandemic added an estimated 36 years to the time it will take for women to make the same amount as men, bringing the total to 135 years.
- In California, if all working women and working single mothers earned the same as comparable men in comparable roles, their poverty rate would be reduced by about 40%.
- Economic support has been withdrawn and household credit card usage is now returning to pre-pandemic levels, with low-income consumers falling behind on payments. Nationally, credit card debt has seen the largest jump in a 20-year history, with credit card balances for households in the U.S. total $890 billion, and the total household debt is now more than $16 trillion.
- Women make up 58% of minimum wage workers and 56% of Americans living in poverty, thus ensuring that the 2022 inflation surge was not gender neutral.
- California has barreled toward recovery, with overall unemployment rates falling to 3.9%, a historic low going back to the official data series started in 1976. The state as a whole has accounted for 16.1% of the nation's new jobs as of July 2022 and has recovered all of the private-sector jobs lost during the pandemic. One thing these numbers do not

tell us, however, is the type of work, compensation, flexibility, or the intangible elements of work, including caregiving. It also does not address the lasting repercussions of the pandemic on women and families who could not afford to spend two years not working or working less. The overall hit to wealth building results in less savings, home ownership or investments or retirement savings and remains an issue for the state and the economy as a whole.

ACTION:

The Inflation Reduction Act offers a unique opportunity to support California women in the workforce, especially in industries where they are often overlooked or under-resourced. Additionally, California should take advantage of the current opportunity to enhance social safety net programs proven to alleviate poverty and make those changes permanent. Policy, leadership, budgetary investments and overall workforce concerns must center intersectional approaches that presuppose structural gender bias and compounding challenges for women of color, women with disabilities, members of the LGBTQIA+ community and others, particularly in investments designed to learn from this moment in advance of future crises. In addition, California must commit to future research and improved data collection and transparency, and elevating women's voices and influence on critical matters of the state.

CONCLUSION

Across every sector, from health to the economy, the impacts of COVID-19 are exacerbated for women and girls. The pandemic is deepening pre-existing inequalities, exposing vulnerabilities in our economic, political, and social systems which are, in turn, broadcasting and amplifying its unequal impacts. The national U.S. pandemic response largely failed to view planning, operations and policy through a gender lens - but that does not have to be the case for California.

As California rebuilds necessary systems, the diverse viewpoints of all women must be included from within the local communities that these systems aim to serve to improve equity and inclusion. The California Commission on the Status of Women and Girls (CCSWG) is committed to leading the work to better understand the impact of COVID-19 on women and families and to ensure that women are represented as a critical step toward equitable recovery statewide.

It is in California's interest to support the creation of at least one Commission on Women in each of our diverse 58 counties, to provide perspective and feedback to state lawmakers. It is through the work of local Commissions, direct service providers, and nonprofit partners that a gender-focused needs assessment can be produced annually to quantify the long-term economic impact of the pandemic for women (lost wages, benefits, retirement, job advancement) to help policymakers successfully implement recovery activities over the next decade.

The magnitude of economic setbacks for so many Californians requires long-term dedicated funding for research and relief as well as immediate intervention. Additional resources and the development of a local Commission in each county scaffolds a public policy-oriented network that can do more than simply distribute resources - it can act as an early warning system for future crises that disproportionately impact women.

Indeed, we must build a more direct system of support for women in communities across the state by strengthening the existing network and establishing new local commissions, growing diverse representation of all women's voices increasing resources for direct service providers to support the economic recovery of women and improving the economic circumstances of girls through targeted and ongoing relief.

We cannot rebuild an equitable California without parity when it comes to state, county, city and community investment in our recovery, opportunity, and success. When you invest in women you invest in everyone – because California women are essential to our entire economy.

Project Background

As the state entity tasked with assessing gender equity in multiple issue areas including health, safety, employment, education, and others, the California Commission on the Status of Women and Girls (CCSWG) is uniquely positioned to support local commissions and the direct service providers they work with to ensure that women's needs are centered in statewide recovery efforts. The Budget Act of 2021 (Senate Bill 129) established the Women's Recovery Response Grant program to provide local assistance with $5 million in one-time funds. The investment provides structural support and resources to 1) strengthen existing local women's commissions, 2) promote the development of new local commissions at the city and county level and 3) to increase resources for community-based organizations providing direct services and meeting immediate needs for women. These efforts, when conducted through an economic security lens, support and align with the mission of women and girl's commissions across the state.

In addition, the Women's Recovery Response Grant funding includes a substantial investment into research on the pandemic's economic impact on the lives of women in California. Funded by the State and commissioned by the California Commission on the Status of Women and Girls (CCSWG), The California Policy Lab at the University of California (CPL) provided an extensive review of how women fared at the height of the pandemic and how they are doing presently, including diverging paths to recovery.

Using a range of administrative data sources, this research provides a snapshot of women's economic and financial well-being as California continues to live in an evolving pandemic, with an emphasis on describing the trajectories of groups of women who entered the pandemic already in economic difficulty, and those whose recovery appears the most tenuous.

The California Research Bureau lent its considerable academic expertise, conducting a thorough literature review of existing study on the various topics covered in this Blueprint and assisting with the writing and citations of the final report.

The findings and results of this research have guided the development of this Blueprint.

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Terminology

We acknowledge that language evolves over time. Terminology in this report represents language commonly used and agreed upon within the field and by the community at the time of writing.

- All references to 'women and girls' include gender-expansive individuals (cis women and girls, trans women and girls, nonbinary individuals, gender-nonconforming individuals, genderqueer individuals, and any women or girl identified individuals).
- Black, Indigenous, and People of Color (BIPOC) is used as an abbreviation and umbrella term for groups that are demographically stratified.
- LGBTQIA+ stands for Lesbian, Gay, Bisexual, Transgender, Queer (or Questioning), Intersex, and Asexual and is used as an umbrella term for all people who have a non-normative gender identity or sexual orientation. The "+" is an acknowledgment that there are additional non-cisgender and non-heteronormative identities that are not included in the acronym.

One Goal: An Equitable Economic Recovery That Centers Women and Girls

The global crisis caused by the COVID -19 pandemic laid bare structural inequities that have been present and persistent for most of modern life. As women suffered disproportionately from layoffs, job insecurity, food insecurity, mental health stressors, the burden of caregiving and home responsibilities, increased risk to long term health outcomes, and more, a familiar and consistent refrain emerged: We must do better.

California policymakers have a unique opportunity to challenge decades of marginalization and oppression and repair decades of damage by centering women in economic recovery efforts that close profound opportunity gaps and set a global example of equity. The goal and purpose of this Blueprint is to help spur and guide a conversation for a comprehensive equity plan in policymaking.

Many women were locked out of opportunities to prosper long before the current crisis. A return to that inequity is unacceptable. Women are half of California's population, and it is long past time that they cease to be seen merely as an interest group. Rather, the time has come to treat them as a full partner and participant in every aspect of state policy, politics, and economic growth. The unique needs of women require changes to a system that was not built to consider them. Only in doing so can the equal playing field America has long promised, and failed, to deliver become a reality.

As women continue to experience economic and health challenges exacerbated by the pandemic, the urgency to strengthen state systems of support and elevate their needs is unabated. This report is both a blueprint for future action as well as a call to action for leadership to recognize that without immediate and direct intervention, women – especially those most marginalized – will continue to unnecessarily experience deeper levels of poverty and decreased health outcomes that will impact every citizen in California for generations to come.

California must clearly and deliberately represent women's interests in pursuit of economic security, health and wellness, full political representation, and with a lens on the gendered and intersectional nature of our lives.

The California Commission on the Status of Women and Girls (CCSWG) encourages an approach that combines the introduction of intersectionality focused, impactful policy and adequate investment to sustain women who face long term challenges, many of which have yet to be fully understood. The time to act to evade the expansion of an ongoing crisis is immediately. Women simply cannot wait.

California can once again lead the country on economic prosperity. CCSWG looks forward to working with our California leaders in establishing the reforms that constituents need. Change is difficult, but it starts with vision. California must lead the way.

Change is difficult, but it starts with vision.
California must lead the way.

Charting the Economic Status of Women Prior to the Pandemic

The global COVID -19 pandemic upended life as we know it in almost every respect – but for many California women, the challenges it imposed were amplified by those they were already facing. The pandemic simply exacerbated these challenges. Women face higher barriers in re-entry to the workforce, inequitable caregiving burdens, and a persistent gender wage gap that meant they had less savings, less support, smaller retirement savings, and were concentrated in less flexible jobs when the crisis hit. As we move into the third year of the pandemic, with the long-term consequences still unknown, these economic gender disparities continue to put California at risk.

A nationwide mixed-mode survey conducted by the National Women's Law Center (NWLC) and Greenberg Quinlan Rosner Research (GQR) found that while the American Rescue Plan Act and other relief legislation helped mitigate the damage from the pandemic and set the stage for recovery, it did not fully impact the structural barriers to economic security that many women face, especially low pay and poverty, childcare and family caregiving responsibilities, and lack of workplace benefits and flexibility which all predate and were made worse by the pandemic.

This survey focuses on women of color, women in low wage jobs and women who lost or left their positions during the pandemic and reveals that the most supported policy recommendations are those that address the barriers facing women who must work such as paid family medical leave, affordable childcare, universal pre-kindergarten, and support for caregiving of elderly or disabled family members.

At the time this research was published, "Women in low-paid jobs were more likely to have lost or quit a job, reduced hours, or changed jobs relative to other women; among women in low paid jobs who left the workforce since February 2020, 42% have not yet returned."

The California Commission on the Status of Women and Girl's (CCSWG) work with The California Policy Lab (CPL) found similar data, specific to the women of California. Our literature review of similar studies conducted across the last two years found that the pandemic brought about dramatic changes for the American workforce and had a particularly negative impact on working women.

Consistent with data from the Bureau of Labor Statistics (BLS), the National Women's Law Center (NWLC) survey and our own The California Policy Lab (CPL) research reveals that women were more likely to lose or quit their jobs than men and men returned to work more quickly than women overall. This is in addition to the substantial toll taken on women's emotional and mental health and

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wellness, physical impacts, impacts to children and families, and jeopardizing the financial futures of women overall.

We cannot be satisfied with women's economic status returning to stalling pre-pandemic levels. For California to truly make progress, we must invest in the economic well-being of women, prioritizing the promise of equity and committed to building a state in which women's contributions and labor are valued for the significant impact it has to the state's economy, its people, and our communities.

The policy recommendations provided throughout this Blueprint are based on several key principles:

- To address long-standing gender inequities that have existed for centuries, we must recognize that historic underinvestment in women has only compounded the challenges women experienced during the pandemic and will continue to face long after.
- The intersection of race and gender are critical factors to the economic well-being of women where historically marginalized and underserved women of color have experienced greater disparities in economic security, health and well-being throughout the pandemic. Additional intersections including disability, sexual orientation and gender identity are also crucial elements of inclusion in solutions-based policy efforts.
- The path toward economic security and independence for women must be built with solutions that are not just immediate but lasting, through a continuous system of support that addresses persistent inequities so all women can thrive.
- This moment provides a critical opportunity to rethink how public policy can support women's roles as financial providers and caregivers and elevate the voices of over half of California's citizens to reflect their needs.
- No recovery can truly take place as long as the pandemic continues to disable women through Long COVID and ongoing risks of infection and reinfection that have a disproportionate impact by gender (through female-dominated essential positions and schools).
- California's women and girls, those most impacted by the COVID-19 crisis, must be front and center in leadership roles to rebuild our pandemic-impacted world.

California People and Poverty (Pre-Pandemic)

When the California Supplemental Poverty Measure (CPM) was released in 2017 by the Stanford Center on Poverty and Inequality (SCPI) and the Public Policy Institute of California (PPIC), it brought insight and perspective about the cost of living in California and its impact on people's ability to make ends meet, especially for low-income populations. The recent California Supplemental Poverty Measure (CPM) of 2019 demonstrates that too many Californians, about 6.3 million or 16.4%, lacked the necessary resources to support basic needs prior to the onset of the COVID -19 pandemic. For a family of four, this is an approximate income of just $35,600 annually. Many families were already struggling to put food on the table and pay bills, with 40% of Americans reporting they would have a difficult time coming up with $400 dollars to cover an unexpected expense. This is the stark reality for many living paycheck to paycheck in California where more than a third of the state's population were poor or near poor in 2019.

In 2019, prior to the start of the acute phase of the COVID-19 pandemic, California had a $3.1 trillion economy. Compared to the Gross Domestic Product (GDP) of nations, this ranks California's 2019 Gross Domestic Product (GDP) as the 5th largest in the world. California's 2019 median household income was $80,440 for all households ($65,712 for U.S.) and $39,871 for nonfamily households with roughly 11.8% of Californians' households (12.3% in the U.S.) living on incomes at or below the federal poverty designation. In 2019, roughly 17.2% of Californians (11.7% in the U.S.) had income insufficient to meet their basic housing needs and by 2020 an estimated 161,548 individuals experienced homelessness (single-night survey method).

It is critical to understand the socioeconomic components and social determinants of health as part of the larger picture of COVID-19's impact. According to the Public Policy Institute of California (PPIC), "The gap between high- and low-income families in California is among the largest in the nation—exceeding all but four other states in 2020. Families at the top of the income distribution earned 11 times more than families at the bottom ($270,000 vs. $25,000 for the 90th and 10th percentiles, respectively)." Further, the report notes that "California's income distribution reflects high rates of poverty. Income is frequently not enough to meet basic needs (on average a family of four requires about $36,000). Families in the bottom third of the income distribution are at risk of poverty, absent major safety net programs. Wealth is more unevenly distributed than income. In California, 20% of all net worth is concentrated in the 30 wealthiest zip codes, home to just 2% of Californians."

All efforts to support the economic recovery of women from the pandemic's impacts must also recognize the diversity of the population as a whole. Roughly 39% of state residents are Latino, 35% are white, 15% are Asian American or Pacific Islander, 5% are Black, 4% are multiracial, and fewer than 1% are Native American or Alaska Natives, according to the 2020 Census.

The growth of California's population is also slowing. "From 2010 to 2020, California's population grew by 5.8% (or 2.4 million), according to decennial census counts. This was slower than the rate of growth in the rest of the nation (6.8%), leading to the loss of a seat in the U.S. House of Representatives for the first time in California's history."

The observable decline is attributable not only to the pandemic and lowered birth rates, but also reduced immigration. "From January 1, 2020, to July 1, 2021, California's population declined by almost 300,000. Most of the increase in deaths was due to the pandemic, according to the CDC, and while declining birth rates mirror those in the rest of the nation, California is uniquely impacted by a slowing of immigration. International migration is at its lowest level in at least 40 years, and the number of residents moving to other states is at its highest level since the mid-1990s. According to the 2019 American Community Survey, 27% of Californians are foreign born—this share is larger than that of any other state. Additionally, California's population is aging along with the baby boom generation; by 2030, about one in five Californians will be 65 or older."

Women, and in particular women of color, face continuing health challenges. Black women are 6 times more likely to die of pregnancy-related issues than white women. 70% of women experienced anxiety and more than half experienced depression in 2020. 1 in 3 (ages 13-24) young women experienced psychological distress in 2020. Life expectancy for women in California is, on average, 84 with cancer and heart disease as the leading cause of death.

State investment in public health had also slowed. According to the California Budget and Policy Center, "state public health spending was generally stagnant or declining prior to the COVID-19 pandemic – leaving Californians vulnerable. Spending only recently increased largely due to the pandemic. Due to chronic underfunding of public health systems, counties and cities across the state were not adequately prepared to respond to COVID-19."

Finally, inflation has risen rapidly and continues to disproportionately strain women's finances. Following the inflation surge of June 2022, the U.S. minimum wage dipped to its lowest level in real dollars since 1956. According to Pipeline Equity, "Women make up 58% of minimum wage workers and 56% of Americans living in poverty. Which means inflation is not gender neutral. In many cases, it's gender regressive."

According to the Center for Economic and Policy Research, the national minimum wage would be $23 an hour if it had kept pace with productivity growth since it peaked in value back in 1968. Considering the impact increased wages would have on working women's bottom line who make up nearly 60% of minimum wage workers in our country, who are also losing a significant income due to the gender wage gap is critical to future policy making.

The variety of challenges that women of all backgrounds and socioeconomic status in California face are further exacerbated by the state's persistent gender wage gap as well as the Pink Tax, an economic phenomenon which increases the cost of goods marketed to women disproportionately during high inflation periods.

According to Katica Roy, Pipeline's CEO, "the cost of consumer goods and services marketed specifically to women is growing twice as fast as those marketed to men: 4.15% year over year compared to 2.2% year over year, respectively." The Commission was honored to co-sponsor Commissioner-authored legislation outlawing this additional tax on women in California in the 2022 legislative session, which was signed by Governor Newsom.

Families at the top of the income distribution earned **11 times more** than families at the bottom ($270,000 vs. $25,000 for the 90th and 10th percentiles, respectively).

Pre-Pandemic: Women went into the pandemic worse off

Going into the pandemic, persistent gender disparities saddled California women with a greater economic burden than men.

Nationally, the 2018 American Community Survey data, compiled before COVID-19 pandemic, showed that "nearly half of all working women—46% or 28 million—worked in jobs paying low wages, with median earnings of only $10.93 per hour." The share of workers earning low wages was shown to be significantly higher among Black women (54%) and Hispanic or Latina women (64%) than among white women (40%). These disparities provided a foundational baseline which has since been exacerbated by the multiple impacts of the pandemic and continues to compound limited opportunities in education, housing, and employment for people of color, particularly women, in the United States.

According to the California Women's Well-Being Index, in the five-year period leading up to the COVID-19 pandemic, many women across California were experiencing economic hardship. Of particular concern is that this hardship occurred during the longest period of economic national growth on record. During this same period, California women also faced a significant wage gap, with women more likely than men to earn low wages and to live in poverty. The U.S. Census Supplemental Poverty Measure found that 15.4% of California's nearly 40 million residents lived in poverty from 2018 to 2020.

A study published in 2020 by the Proceedings of the National Academy of Sciences (PNAS) indicates that the dramatic societal movement toward gender equality between 1970 and 2018 has slowed, stalled, and in some cases even been totally reversed. Many of the gains of the so-called "gender revolution" of the Baby Boomer generation are in danger of being rolled back long before the promise of full equity or even simple economic parity is ever reached for their children and grandchildren.

The PNAS study found that "women's employment rose almost steadily from 1970 to 2000, moving from 48% employed in 1970 to 75% employed in 2000. It then declined, plateaued, and declined more in the Great Recession, reaching a bottom of 69% and rebounding to 73% in 2018. Despite the rebound after the recession, in 2018 it was no higher than its level in 1996."

According to the California Women's Law Center, California women's economic security was already under threat when the pandemic hit, with persistent inequality entrenched among disabled women, transgender women, women of color, aging women, and female veterans. These inequities did not go unnoticed. Proposals to shore up California women's economic security were already in circulation at the outset of the pandemic demonstrating that to some degree, the inequities that were exacerbated by the pandemic's various stressors were predictable. Nevertheless, in 2019, before the COVID-19 pandemic officially began, women already faced significant, sustained threats to their economic security.

15.4% of California's nearly 40 million residents **lived in poverty** from 2018 to 2020.

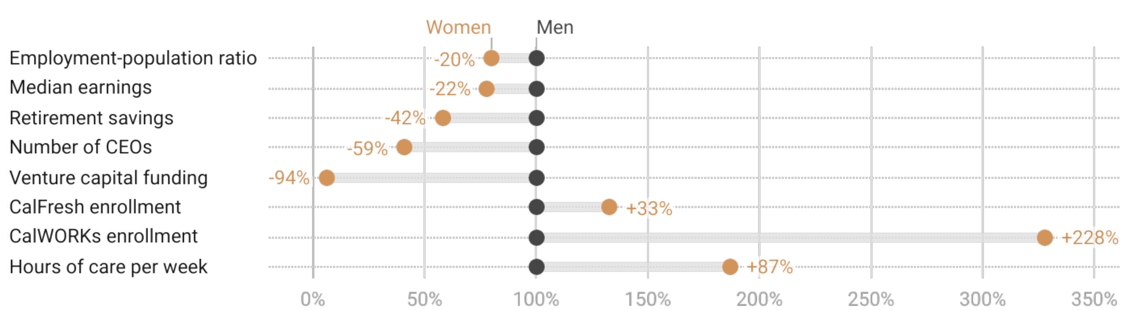
The California Policy Lab (CPL) findings conclude that at that time women were employed at a rate 20% lower than men. The median woman earned only 78 cents on the dollar compared to men. These patterns clearly stressed women's finances: women had almost 42% lower retirement savings than men in 2019, and a staggering 3 times as many women were enrolled in California Work Opportunity and Responsibility to Kids (CalWORKs) (known federally as Temporary Assistance for Needy Families [TANF]) as compared to men.

These snapshots of gender gaps capture in a small way some of the broader inequities that exist in women's social and economic roles in American society. At every level, women face economic disparities. According to U.S. Census data, women are 50.8% of the U.S. population. They earn 48.5% of all law degrees and 47.5% of all medical degrees. They earn 38% of Master of Business Administration and other generalist degrees and 49% of specialized master's degrees. And yet, there are 59% fewer women CEOs than men and women-owned businesses receive 94% less venture capital (VC) funding than businesses owned by men. While women hold nearly half (52%) of all management and professional-level jobs, American women are severely underrepresented in leadership positions and political life. Women of color are particularly underrepresented. These statistics point to a few of the barriers women face when they try to climb the economic ladder in America, but they are just a small piece of the larger picture.

Even in 2019, women remained the primary caregivers in American households, outpacing men in terms of hours spent caring for children and other dependents by significant amounts. The majority of family caregivers remain women and they provide more hours of care than their male counterparts. "An estimated 59% of women provide 20 hours or less of unpaid care per week compared to 41% of men. The difference between male and female caregivers providing more hours of unpaid care is much greater: 62% of women provide more than 20 hours of weekly care compared to 38% of men."

Long before the COVID-19 crisis, millions of women were already navigating poverty while shouldering the majority of family caregiving responsibilities in the face of a childcare system that the Brookings Institute called "wholly inadequate for a society in which most parents work outside the home."

Pre-pandemic gender gaps



Source: The California Policy Lab analysis of data from the Employment Development Department (median earnings), Survey of Income and Program Participation (retirement savings), Current Population Survey (employment-population ratios, number of CEOs), California Department of Social Services (CalFresh and CalWORKs enrollment), the American Time Use Survey (hours of care), and crunchbase.com (venture capital funds). Notes: Each pink dot represents the percent difference between the men's and women's outcomes in 2019. Note that the number of CEOs, retirement savings, venture capital, and care hours data are national estimates, while the remaining outcomes are specific to California.

Created with Datawrapper

In 2018, the Institute for Women's Policy Research (IWPR) published the Status of Women in the States report which suggested that California's grade for women's Employment and Earnings, a B, had remained the same since the 2004 Status of Women in the States report was issued. The grade for women's Poverty and Opportunity, a C, also remained unchanged since 2004. The report ranked California as 36th nationally for the share of women in poverty and noted that "If employed women in California were paid the same as comparable men, their poverty rate would be reduced by more than half and poverty among employed single mothers would also drop by more than half." The same report highlighted that, "17.2 percent of women in the state aged 18 and older are in poverty, compared with 15.9 percent of California's men." Women in California aged 16 and older who worked full-time, year-round at the time of this report were estimated to have median annual earnings of $45,000, (90 cents on the dollar compared with men who worked full-time, year-round), a smaller wage gap than the national average. However, women of color faced higher gaps with the report specifically calling out that Hispanic women in 2018 earned just 43 cents for every dollar earned by white men.

It is against this backdrop that the COVID-19 pandemic hit California's economy. Early on, it became apparent that pre-existing gender disparities were persistent in every aspect of the pandemic. While this report focuses primarily on the immediate economic impacts to women in California, it is notable that a number of journals and medical professionals have begun to document that women experience infection and recovery differently. While research on this topic is evolving, it is likely that these disproportionately gendered experiences will impact the economic circumstances of women and families in California for decades to come.

The Sex Gender and COVID-19 Project is the world's largest Sex-Disaggregated Data Tracker on COVID-19. It is accompanied by the Sex, Gender and COVID-19 Health Policy Portal, a comprehensive analysis of the integration of sex and gender in national COVID-19 health policies. Together, "the tracker and portal provide a rich source of evidence on the equity and effectiveness of national governments pandemic responses, and provide open-access data for policy makers, researchers and advocates across the globe to utilize in pushing for more equitable, gender-responsive pandemic recoveries."

The project is produced by Global Health 50/50, the African Population and Health Research Center and the International Center for Research on Women. The project, while only a few years old, confirms that gender and sex are playing a crucial role in determining who is at risk of infection, severe illness, and death from COVID-19. While research on this topic is ongoing, long-term gender differences in outcomes will likely have long-term gendered economic impacts that reflect the unique social burdens of premature death and disability affecting one gender more predominantly than another.

The California Commission on the Status of Women and Girls (CCSWG) asked The California Policy Lab (CPL) to include some of this data throughout the report below and will continue to advocate for the support of organizations collecting sex and gender disaggregated data through the rest of the decade in order to provide foundational information for what we believe are somewhat predictable gender-based economic outcomes that will require policymakers' support and continued investment in the recovery of California women.

The Pandemic: Women were hit harder overall and suffered disproportionately due to COVID-19.

The Virus

Although men and women contracted COVID-19 at roughly equal rates, men were more likely to die of the virus.

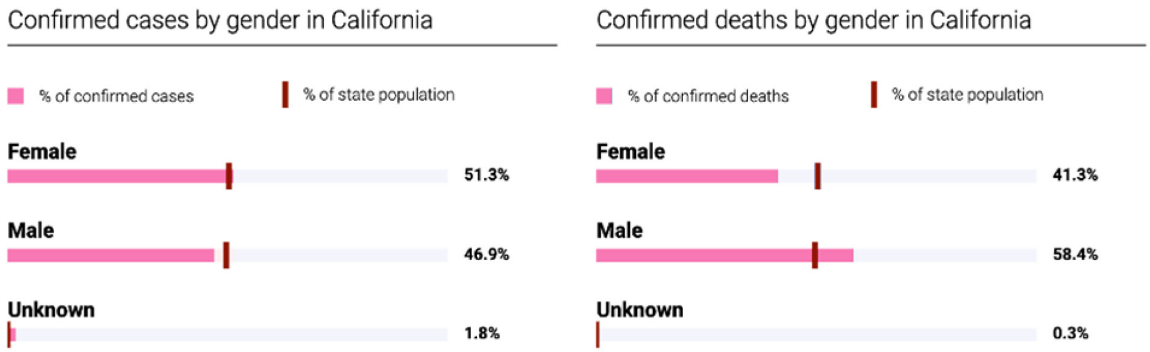
Conservative estimates from the U.S. Centers for Disease Control (CDC) suggest that between February 2020 and September 2021, the United States experienced approximately 146.6 million estimated COVID-19 infections. This estimate is thought to be significantly undercounted due to people either not testing or testing themselves at home. During that same time frame, an estimated 7.5 million people were hospitalized due to COVID-19 infections and nearly 1 million people died. Nationally, COVID-19 was the third leading cause of death in 2020 and 2021 and second leading cause of death in January 2022.

The CDC also reports that since the U.S. COVID-19 Vaccination Program began on December 14, 2020, as of July 6, 2022, 597.7 million vaccine doses have been administered in the United States. Overall, about 260.3 million people, or 78.4% of the total U.S. population, have received at least one dose of vaccine. Of those fully vaccinated, about 106.6 million people have received a booster dose, but 50.1% of the total booster-eligible population has not yet received a booster dose." This robust effort to increase vaccinations has had measurable positive impacts across the state, including lowering deaths and hospitalizations in hard hit communities specifically. The next stage of pandemic response must include an expansion of goals to accommodate the long-term economic consequences of ongoing infection and illness, not just immediate hospitalization and death.

State-specific data captured by the "COVID-19 California" dashboard shows clear gender disparities in COVID-19 infection and mortality rates. In 2020, the California Department of Public Health (CDPH) expanded data reporting requirements for providers and laboratories to include race and ethnicity data and also collect and report a patient's gender identity and sexual orientation and to report that information to the state. A report by the Williams Institute found that "California is home to nearly 15% of all LGBT adults in the U.S., and many have health conditions, which make them particularly vulnerable to the impacts of this pandemic."

Unfortunately, the information received by the state is incomplete. It is critical that California continues to evaluate additional steps it can take to improve data collection and reporting, particularly with regard to the ongoing impacts of COVID-19 infection and post infection outcomes, not just deaths. Additionally, as race, sexual orientation, and gender are inextricably linked with regard to health outcomes and the social determinates of health, the California Commission on the Status of Women and Girls (CCSWG) recommends additional reporting displays that highlight those intersections in the data currently being collected.

The distribution of confirmed COVID-19 deaths reveals a disparity between genders, with males having a disproportionate number of deaths relative to their population.



Updated May 3, 2022 with data from May 2, 2022. Note: Data is updated on Tuesdays and Fridays. Percentages may not add up to 100% due to rounding. "Unknown" gender includes those who declined to state, whose gender information is missing, or who identify as transgender, gender non-binary, gender queer, or intersex.

The California dashboard on COVID-19 rates and demographics presents an overview of data from the past two and a half years. Unfortunately, without ongoing data collection and reporting, especially given unknown numbers of at home testing, these data are an estimate at best. Moving forward, information gathering and reporting must become more robust, clear and transparent with necessary privacy protections in place. This would allow researchers, services providers, advocates and the general public to make assessments regarding risk, mitigation measures, and the scoping of necessary services.

By focusing on reporting cases in the context of deaths rather than ongoing illness, community spread, or long-term disability, the federal pandemic response and the state risk of missing the ongoing and future likely impacts, economically and otherwise, to vulnerable populations and the state's economy as a whole.

New data is consistently emerging that requires a more complex understanding of the ecosystem in which data is collected and that provides nuanced insights into the impact of the pandemic on diverse populations. For example, a recent study from the University of South Florida shows strong economic disparities in COVID-19 outcomes early in the pandemic, indicating that mortality rates among adults "with lower levels of education who worked in the labor, service and retail industries were nearly five times higher than other groups in 2020." The study showed that "when including gender, race and ethnicity groups, the biggest disparity was among low socioeconomic position (SEP) white women, whose mortality rate was 4.95 times higher than high SEP white women. Low SEP Hispanic women had a mortality rate 4.24 times higher than high SEP Hispanic women." In this work, gender disparities cannot be separated from racial and socioeconomic disparities.

According to the Public Policy Institute of California (PPIC), "In the first few months of the pandemic, Black Californians saw the highest death rates among major racial/ethnic groups. By August 2020, however, the death rate for Latinos had surpassed other groups—and, at the peak of pandemic deaths, about 55 Latinos per 100,000 adults died in January 2021, compared to 45 deaths for Black Californians, 38 deaths for white Californians and 33 deaths for Asian Californians per 100,000 adults."

In July of 2022, the Public Policy Institute of California (PPIC) research showed that as Latino vaccination rates have risen, the gap in death rates relative to whites has closed. "Still, nearly 40,000 Latinos have died due to COVID-19, and their overall COVID-19 death rate remains about 20% higher than the death rate of white Californians."

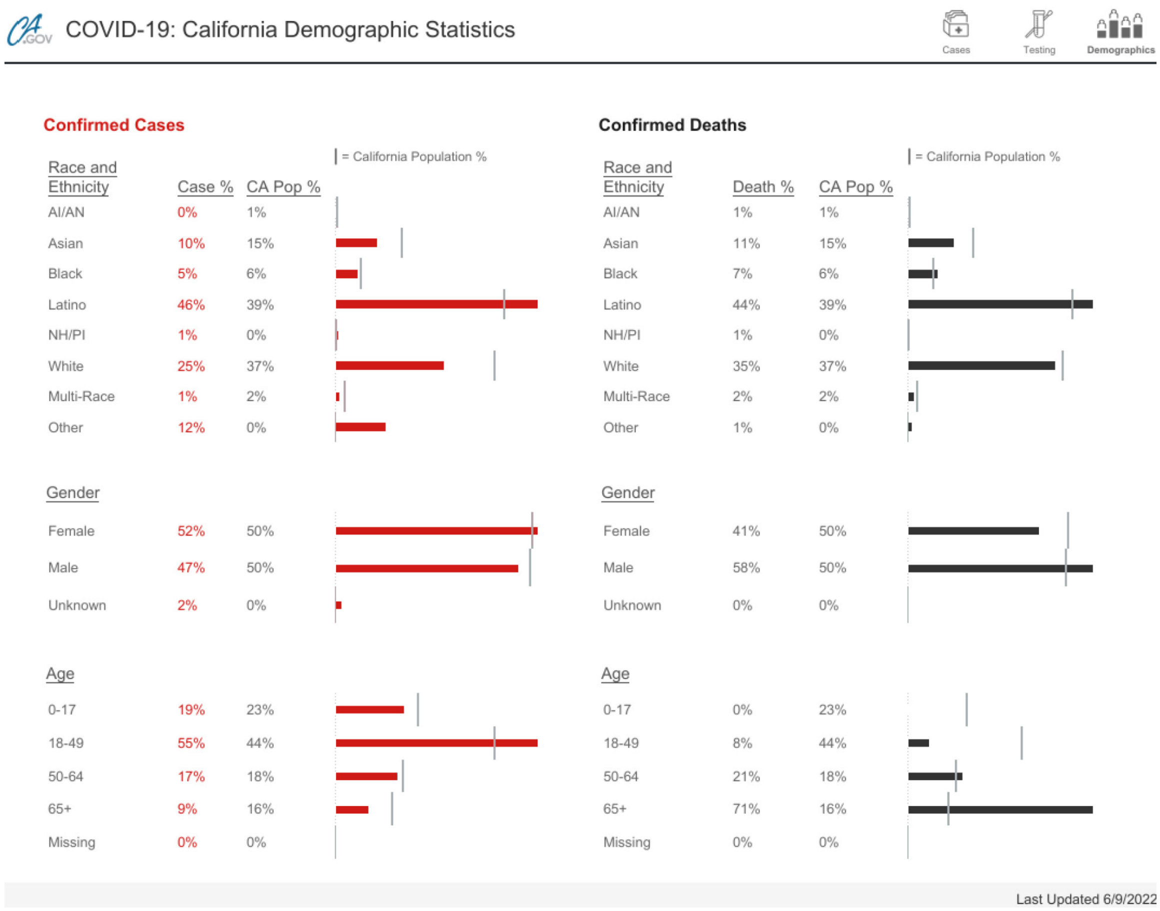
Additionally, Black Californians continue to have elevated mortality rates. "While vaccination rates are relatively low among Black Californians, especially in younger age groups, many other factors likely contribute to the continued disparity—including higher rates of poverty, distrust of the healthcare system, and other structural factors."

A 2022 study published in the Journal of the American Medical Association suggests that Californians' life expectancies as a whole show a widening racial and economic gap exposed by the pandemic. Researchers found that between 2019 and 2021, the life expectancy for Latino Californians fell from 82.5 years to 76.8 years. That is twice the average decline of about three years for all Californians. The study found that life expectancy decreased by almost four years for Black Californians, from 74.8 years to 71, and by three years for Asian Californians, from 86.6 years to 83.5. According to researchers, these numbers reflect the greater exposure to COVID-19 experienced by Latino and Black populations which is reflected in higher hospitalization and death rates for these populations.

The study also highlighted a gap in life expectancy between residents in California's poorest 1% of census tracts and those in the richest 1% of tracts. In 2021 that gap grew from about 11.5 fewer years of life for those in poorer areas to 15.5 fewer years of life.

State dashboard data also highlights disproportional experience of illness relative to racial and ethnic populations. Latinos made up roughly 46% of COVID-19 infections and 43% of deaths overall but accounted for just 38% of the state's population. Black Californians make up roughly 6% of the state population, and accounted for 5% of cases, but 7% of deaths as noted by CalMatters.

Between 2019 and 2021, the life expectancy for Latino Californians fell from **82.5 years to 76.8 years**. That is twice the average decline of about three years for all Californians. The study found that life expectancy decreased by almost four years for Black Californians, from **74.8 years to 71**, and by three years for Asian Californians, from **86.6 years to 83.5**.



The Public Policy Institute of California PPIC research showed that the success of California's vaccination campaigns, especially in Latino communities, has clearly helped to lower the number of deaths but that ongoing community engagement efforts are needed, especially among Black Californians, who continue to suffer high death rates and among white Californians whose vaccination rates have essentially stalled.

As the public concern and attention regarding continuing new waves of COVID-19 wanes, the challenge to encourage more people to become vaccinated and boosted increases. At the same time, while the death rate is decreasing, the economic impacts of both short- and long-term illness – especially as disaggregated by gender and race - are just beginning to be studied.

In June of 2021, Yale School of Medicine published an article by Ke'ala Akau, a fellow in the Women's Health Research Department, that included several studies indicating deep gender differences in the physical and mental impacts of the pandemic on women. One of these studies, an analysis of the mental health impact of COVID-19 by the Kaiser Family Foundation published in April 2021, indicated that nearly 70% of women ages 18 - 29 reported that feelings of worry or stress related to the pandemic had a negative impact on their mental health, compared with 50% of men in the same age group. Similarly, 55% of women of all ages reported a negative impact on their mental health, compared to the 38% of all men who reported a negative impact. Additionally, over 200,000 children have lost a parent to the disease to date. Compared with the group at lowest risk, white children, American Indian and

Alaska Native children, Black children, Hispanic children, and Asian children were 4.5, 2.4, 1.8, and 1.1 times more likely, respectively, to lose a parent or caregiver according to a Federal report. The trauma associated with these losses is likely to have implications on the health and wellness of an entire generation of children.

Mental and behavioral health are not the only gendered differences in COVID-19 impact, however. Yale researchers also identified significant differences in how the immune systems of women and men respond to the virus that causes COVID-19. In an article titled "Sex differences in immune responses that underlie COVID-19 disease outcomes" published in August of 2020, the authors examined possible biological explanations for why men are more likely than women to suffer severe cases of COVID-19 and die of the disease.

More expansive California dashboard demographic data would be more inclusive, designed to capture granular data for medical professionals, as well as high-level data on specific sub-population segments beyond just hospitalization and death. Additional data could include long-term disability and variations of post-acute infection symptoms that are disaggregated by a variety of factors, such as gender, sexual orientation and gender identity, as well as education level and economic status. Numbers reflecting the breakdown of race, ethnicity and pre-existing disability would be helpful for identifying communities in need of additional state support and areas of additional research.

Finally, as the population moves to a pattern of home testing, a streamlined self-reporting option would go far towards ensuring the data is more robust and accurate. The current dashboard captured at the time of writing this report reflects the numbers and general trends examined in this report. This data should be anticipated to change over time, but broad trends can be identified.

Studies show an increased prevalence of Long COVID among women and ongoing post infection impacts for all.

As understanding of the virus' long-term impact is still evolving, multiple medical studies have found that women are statistically more likely to experience persistent COVID-19 symptoms, or "Long COVID." Long COVID, according to the Centers for Disease Control and Prevention (CDC), is defined as the "occurrence of new, returning, or ongoing health problems four or more weeks after an initial infection with SARS-CoV-2, the virus that causes COVID-19. It is also known by other names, including post-acute COVID-19, post-COVID-19 conditions, and chronic COVID-19."

Symptoms of Long COVID vary from person to person and may include a wide array of issues including but not limited to fatigue, cognitive impairment, muscle or joint pain, blood clots, kidney failure, neurological damage, organ damage, immune disruption, shortness of breath, heart palpitations, sleep difficulties, chronic fatigue and mood changes. Ongoing research has shown that Long COVID can affect multiple organ systems and cause extensive vascular and tissue damage.

The United States Health and Human Services Department points out that Long COVID can substantially limit one or more major life activities such as "caring for oneself, performing manual tasks, seeing, hearing, eating, sleeping, walking, standing, sitting, reaching, lifting, bending, speaking, breathing, learning, reading, concentrating, thinking, writing, communicating, Women were 22% more likely to develop persistent symptoms after a COVID-19 infection.

interacting with others, and working. The term also includes the operation of a major bodily function, such as the functions of the immune system, cardiovascular system, neurological system, circulatory system, or the operation of an organ."

A study published in the journal Current Medical Research and Opinion, has found that Long COVID is not only far more likely to afflict women, but that they experience a completely different set of symptoms than men do.

The review in Current Medical Research and Opinion noted that of 1.3 million patients, women were 22% more likely to develop persistent symptoms after a COVID infection. As mentioned, the review also highlighted the sex differences in Long COVID symptoms, which for women, were more likely to include fatigue, respiratory issues, depression and neurological, skin, gastrointestinal and rheumatic disorders. Men were shown to be more likely to experience endocrine disorders, including diabetes and kidney issues.

Researchers also noted that "females mount more rapid and robust innate and adaptive immune responses, which can protect them from initial infection and severity, however, this same difference can render females more vulnerable to prolonged autoimmune-related diseases." Additionally, the authors indicated that women may be at greater risk due to overrepresentation in certain high-risk professions, such as nursing and education, which could make them more likely to develop Long COVID.

Symptoms can last months or even years. One study found that more than 27 percent of survivors had chronic fatigue syndrome 4 years after their SARS initial infection, which offers a concerning glimpse into the possibilities for Long COVID sufferers.

Recently, the Centers for Disease Control and Prevention (CDC) clarified its Long COVID guidance, stating clearly that an anticipated 1 in 5 people who contract COVID-19 will develop Long COVID with that number increasing to 1 in 4 for people aged 65 and older. These numbers indicate that ongoing impacts may get worse as time goes on, with the CDC's estimation currently that up to 30% of those infected may develop symptoms.

The Centers for Disease Control and Prevention (CDC) estimate that at the current count, anywhere between 7.7–23 million people are currently suffering nationwide from Long COVID, pushing an estimated 1 million people out of work at any given time. Other research by the Brookings Institution puts that number at nearly double that estimate. The full magnitude of health and economic effects is unknown but is expected to be significant.

The Centers for Disease Control and Prevention (CDC) also points out that whether vaccination for COVID-19 reduces the risk of developing Long COVID is still unclear. "Some studies have suggested that vaccination reduces risk by up to 50%, while others have found no reduction in risk." Federal investments in research may help answer these and other questions, but for the immediate moment, much is still unknown.

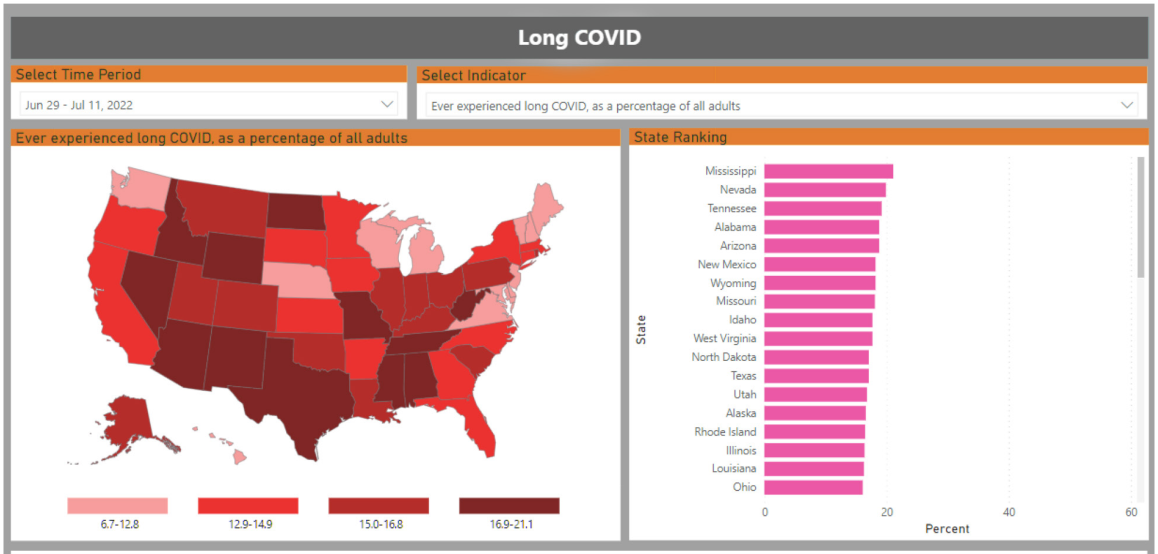
The Federal Reserve attempted to estimate some of the potential financial impact of Long COVID in a report titled Long COVID, Cognitive Impairment, and the Stalled Decline in Disability Rates. The report confirmed that "long-term COVID symptoms are much more prevalent among women, adults under 65, Hispanics and Latinos, and non–college graduates than among other demographic groups" and noted that "growing shares of women and of non–college graduates report simultaneously (i) being out of the labor force due to disability and (ii) experiencing these cognitive difficulties. Non-participation attributed to disability was declining steadily in the years leading up to the pandemic, but that downward trend has stalled. Long COVID is likely one reason why."

The Society for Women's Health Research suggests that anywhere from 10% to 30% of people who contract COVID-19 will experience prolonged effects, a slightly higher probability. With more than 82.6 million reported cases in the U.S. so far, 9.36 million of which are concentrated in California, this population of people suffering the debilitating effects of Long COVID is already sizable.

The CDC released estimates in June of 2022 that suggest that a significant percentage of all adults in the United States have experienced Long COVID or are currently experiencing symptoms. The data, a survey project started early in the pandemic, began on June 1, 2022, to include questions about the presence of symptoms of COVID that lasted three months or longer. This information will continue to be collected with a two-weeks on, two-weeks off collection and dissemination approach but for the purposes of this report represents more of a point-in-time count.

In California alone, they estimate between 12.9 and 14.9% of all adults living in the state have experienced symptoms consistent with Long COVID. At the high end, that is 5,960,000 people.

The data presented also shows that as of July 2022, 34% of respondents who had COVID eventually developed Long COVID - a number at the highest end of previously estimated ranges representing roughly a third of all infections.



NOTE: All estimates shown meet the NCHS standards of reliability. See Technical Notes below for more information about the content and design of the survey.
SOURCE: U.S. Census Bureau, Household Pulse Survey, 2022

The survey data used by the CDC comes from the U.S. Census Household Pulse Survey (HPS) which estimates that roughly 43% of U.S. adults have had COVID at least once and that roughly 8% of all adults currently have Long COVID. It also notes that the data collected by the HPS has a lower estimate of inventions than do other studies that measure the percentage of people in a population who have antibodies to an infectious agent (such as a virus) in their blood. That, and limitations on testing, indicate that these estimates may be significantly lower than actual numbers.

When projecting the possible impact for Californians, we broke down the potential rate of impact of Long COVID by gender, race and sexual orientation. The estimates show a prevalence of Long COVID at 38.2% of all women who reported having COVID-19 symptoms for three or more months, as compared to 20.8% of all men. The impact increases for women of color with Black (41.2%) and Hispanic (42.7%) women having greater risk of Long COVID, and substantially increases for gay or lesbian women (50.7%). What this may equate to in terms of economic impact and loss is alarming.

An update from the Brookings Institution by researcher Kathryn Bach uses the new data to assess the labor market impact and economic burden of Long COVID, and found that:

- Around 16 million working-age Americans (those aged 18 to 65) have Long COVID today.
- Of those, 2 to 4 million are out of work due to Long COVID.
- The annual cost of those lost wages alone is around $170 billion a year (and potentially as high as $230 billion).

Applying data from the Household Pulse Survey and Bureau of Labor Statistics to California based on Bach's methodology above, CCSWG found that at this moment in time:

- There are roughly 257,000 full-time equivalent workers out of the California workforce due to Long COVID.
- This amounts to roughly $17.61 billion in annual lost earnings, which amounts to roughly half a percent of the total state economy (.49%).

Using the same data sources, CCSWG tried to apply a reasonable forecast for the impact to the California workforce of expected lost worker productivity due to COVID-19 infections:

- Using the avg. annual wage earnings of workers in California and the total number of workforce participants CPL attempted to forecast the potential impact to the state economy due to lost earnings attributable to COVID-19 infections at a rate estimated by the CDC.
- Assuming that the average worker contracts COVID-19 twice a year and subsequently recovers and adheres to CDC guidelines of 5 days of isolation while infected, the total cost to California in lost wages is roughly $32 billion dollars annually.
- This amounts to almost one percent (0.90%) of the state's economy (gross state product).
- Current data did not allow us to disaggregate these numbers by race and ethnicity and gender.

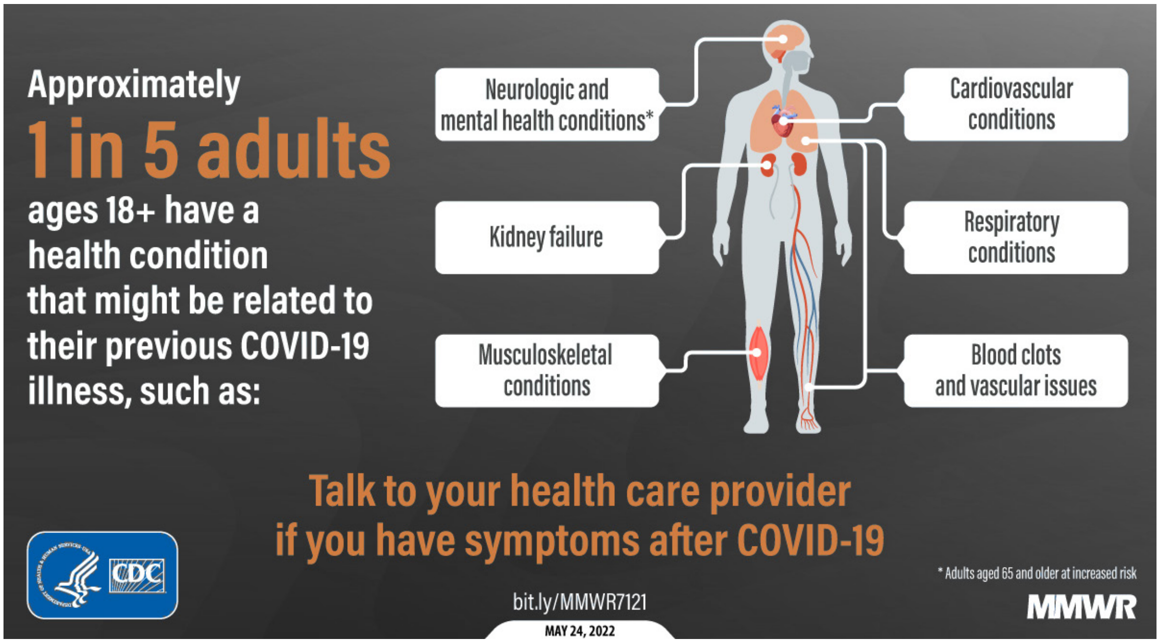
Long COVID rates in California by gender, race, sexual orientation

Subsample	Long COVID Rate
All Men	20.8%
All Women	38.2%
White women	29.8%
Black women	41.2%
Asian-American women	39.5%
Hispanic women	42.7%
Gay or lesbian women	50.7%
Straight women	37.4%
Bisexual women	43.8%

Source: CCSWG analysis of Household Pulse Survey (HPS) week 47 data. Notes: Each cell captures the share of HPS survey respondents who self-identify with the given demographic background and reported having COVID symptoms for 3 or more months.

Created with Datawrapper

One survey of more than 3,700 self-described Long COVID patients in 56 countries showed nearly half of those patients reduced their work hours due to symptoms and about 22% reported that they weren't working at all.



The Centers for Disease Control and Prevention (CDC) notes that "some individuals have reported a need to adjust their work hours or stop working altogether due to chronic fatigue or cognitive impairment. One study of nearly 4,000 Long COVID patients found that 45% reduced their work hours.

> It will be critical for California, the world's fourth largest economy, to prepare for what may turn out to be a significant long-term hit to its workforce in key occupationally segregated areas such as hospitality and tourism, education, and healthcare.

For some, a change in job status can affect health insurance, which can further complicate treatment options. Individuals have also said their symptoms interfere with childcare, exercise, and social activities. This disruption of their daily lives can cause mental health issues.

Another study used the electronic health records of more than 200,000 COVID-19 survivors and found that within 6 months following initial infection, one-third experienced neurological or psychological symptoms such as anxiety, depression, post-traumatic stress disorder, and psychosis."

Given that women appear to be predisposed to suffer from Long COVID more than men, the economic outcomes from this ongoing health crisis are disproportionately impacting half of California's workforce. One study found that women were 33% less likely to fully recover from COVID-19 after one year, while another found that women were more likely to experience continuing health conditions over the five months following infection. These early results raise concerns about the long-term impact of the virus on women's ability to re-join the labor force and continue to provide economically and socially for themselves and their communities, absent further policy interventions.

As additional research on sex differences in immune responses continues to bear out that women may be rendered more vulnerable to prolonged autoimmune-related symptoms after an initial COVID-19 infection, it will be critical for California, the world's fifth largest economy, to prepare for what may turn out to be a significant long-term hit to its workforce in key occupationally segregated areas such as hospitality and tourism, education, and healthcare.

In addition to more research on health impacts, research is also needed to project the economic toll of Long COVID for women with regards to lost wages, stalled workforce advancement, lack of wealth building to save, invest and retire, along with fiscal impact associated with the cost of unemployment, disability and other state and health-related benefits. The sheer scale of those impacted directly or indirectly as caregivers by Long COVID means significantly more people are living with the economic costs of disabilities and those numbers will continue to grow.

Additional data provided by the Centers for Disease Control National Center for Health Statistics (NCHS) analyzed from the U.S. Census Bureau Household Pulse Survey (HPS) further confirmed that more than 40% of adults in the United States reported having COVID-19 in the past, and nearly one in five of those (19%) are currently still having symptoms of "Long COVID."

For all U.S. adults, the new data show:

- "Overall, 1 in 13 adults in the U.S. (7.5%) have "Long COVID" symptoms, defined as symptoms lasting three or more months after first contracting the virus, and that they didn't have prior to their COVID-19 infection."
- "Older adults are less likely to have Long COVID. Nearly three times as many adults, ages 50-59, currently have Long COVID than those aged 80 and older."
- "Women are more likely than men to currently have Long COVID (9.4% vs. 5.5%)."
- "Nearly 9% of Hispanic adults currently have Long COVID, higher than non-Hispanic White (7.5%) and Black (6.8%) adults, and over twice the percentage of non-Hispanic Asian adults (3.7%)."
- "Bisexual adults and transgender adults (7.5%) were more likely to have current Long COVID symptoms than adults of other sexual orientations and gender identities. 12% of bisexual adults have current Long COVID symptoms, compared to 7% of straight, gay and lesbian adults. An estimated 15% of transgender adults have current Long COVID symptoms, compared to 5% of cis-gender male adults and 9% of cis-gender female adults."

Younger patients also report Long COVID illnesses severe enough to deeply impact an entire generation's future participation in the workforce. Notably, about 1 in 10 privately insured Long COVID patients are under 23 years old according to a report by Morning Consult, indicating that this issue will have reverberating economic impacts for years to come.

Another study by Business for Social Responsibility (BSR) found that women of working age are particularly vulnerable to Long COVID, exacerbating the negative impact of the pandemic on women economically. Another study by Power showed that many Long COVID sufferers have lost revenue due to missed work days. It found that "56% of the Long COVID patients surveyed had used vacation for sick days, while 49% used their entirety of sick days due to their symptoms." Many of those surveyed reported that they had stepped back at work, "while 29% of those surveyed said they actually quit their job because the lingering symptoms were so debilitating."

In the Power survey, 25% reported that they lost an average of $4,308 from a missed promotion or salary increase. According to an article about the study, "70% of workers experiencing Long COVID symptoms applied for disability protection and benefits, but 1 in 8 had their application denied." Even without regard to the pandemic, the cost and accessibility of health insurance remains a barrier for many. Premiums for insurance through Covered California are slated to rise an average of 6% statewide next year, and without Congressional action thousands of Californians "would no longer be eligible for any financial help and would face higher monthly premium costs that for many will mean annual cost increases in the thousands of dollars," according to a Covered California analysis cited by the Sacramento Bee. This will likely result in more people dropping their coverage, leaving them vulnerable to medical debt and hospital systems on the hook for costs during an ongoing public health crisis.

The Brookings Institution reports that the U.S. labor market may already be missing upwards of 1.6 million full-time workers as of the time of this publication due to Long COVID. This would account for up to 15% of staffing shortages and unfilled positions nationwide.

In the spring of 2022, a speech and article presented by Michael Saunders, a UK economist and External member of the Monetary Policy Committee, caused considerable concern as it asserted that 1.3% of the 16 - 64 age population in the UK was already outside the workforce and not looking for a job. He believes this "largely reflects increases in long-term sickness (roughly 320,000 people) and retirement (90,000), with smaller contributions from lower participation among students (65 - 70,000) and those with short-term sickness (30 - 35,000 people). The share of the 16 - 64 population who are outside the workforce and do not want a job because of long-term sickness is a record high, with an especially sharp rise among women. [He suspects] much of this rise in inactivity due to long-term sickness reflects side effects of the pandemic, for example Long COVID and the rise in NHS waiting lists."

The United Kingdom's findings may be the first to report significant gender differences but there is reason to believe they are not unique to the nation. Modeling by the World Health Organization shows that women are twice as likely as men to experience Long COVID in the European Union, with one-in-three women and one-in-five men likely to develop Long COVID.

An analysis conducted between October and January in 2022 by FAIR Health for Morning Consult showed that 78,000 privately insured Americans were treated for a post-COVID-19 condition. Of that group, 1 in 10 Long COVID patients were under 23 years old and women and girls are 60% of privately insured Long COVID patients.

Recent data released by the Office on National Data provides other concerning insights that the United States would be wise to consider. Specifically, it indicated a jump in the increase of those with Long COVID in the UK who are economically inactive, including for those who remain unemployed and also not seeking jobs due to Long COVID-related illness. "The data suggests the long-term impacts of the virus could be driving people into this category, or into retirement." The numbers have doubled from August of 2021 to July of 2022 for this population in the UK, rising from 2.4% to 5%.

California has issued some guidance to agencies on Americans with Disabilities Act (ADA) requirements, specifically regarding COVID-19 when outdoor dining, and for many businesses. However, additional guidance as the risk of COVID-19 lingers could be beneficial to businesses, employers and the public.

As an example, individuals with disabilities have historically experienced widespread discrimination as well as difficulty in accessing accommodations. Now, Long COVID has become a complicated element in that ecosystem. As of July 2021, Long COVID is considered a disability under the Americans with Disabilities Act (ADA), meaning that employers must make reasonable accommodations for these workers. Questions about how to accommodate these workers appropriately, and when to do so, persist for employers and employees alike.

As of July 2021, Long COVID is considered a disability under the Americans with Disabilities Act (ADA), meaning that employers must make reasonable accommodations for these workers.

The California Department of Public Health (CDPH) proposes that employers can support employees experiencing Long

COVID by implementing workplace accommodations. While appropriate accommodations vary from person to person, the Department's suggestions include suggestions such as:

- Allow rest breaks;
- Flexible work schedules;
- Telework options;
- Ergonomic seating;
- Specialized equipment; and,
- Providing seating for employees who typically stand to alleviate symptoms, such as shortness of breath.

Offering workplace accommodations for employees with Long COVID may help employers retain skilled employees, increase productivity, reduce absence, and improve workplace morale. Ongoing appropriate guidance could help employers obtain and retain employees in spite of the impact of Long COVID. Similarly, it may afford individuals who desire to continue working the opportunity to do so in spite of ongoing or intermittent symptoms.

To this effect, the U.S. Department of Health and Human Services and the Department of Justice jointly published a guidance document on Long COVID as a disability under the Americans with Disabilities Act (ADA), Section 504 of the Rehabilitation Act, and Section 1557 of the Affordable Care Act. The document explains how disability nondiscrimination laws apply to people who may be newly covered under these laws due to Long COVID.

Unfortunately, there is still a significant lack of understanding of, and processes to implement telework options or flexible work options throughout the workforce. Employees with Long COVID are entitled to reasonable workplace accommodations and may submit a request to their employer for any accommodations needed to perform their essential job functions. An employer may request medical documentation, however, such documentation may be difficult to access. These respective rights can create implementation challenges. Currently, for example, Long COVID clinics are still rare, and guidance to and from medical institutions varies considerably.

For those unable to return to work regardless of flexibility options and accommodations, meaningful social safety net programs are necessary. However, years of underinvestment have resulted in limited state resources in this area.

One such example of a social safety net program are "Supplemental Security Income/State Supplementary Payment (SSI/SSP) grants which help over one million low-income seniors and people with disabilities to pay for housing and other necessities. These grants are provided to individuals and couples and are funded with both federal Supplemental Security Income (SSI) and State Supplementary Payment (SSP) dollars. According to the California Budget Center, California "policymakers made deep cuts to the State Supplementary Payment (SSP) portion of these grants in 2009 and 2011 to help close budget shortfalls caused by the Great Recession. Except for a small increase provided in 2017, the recession-era cuts to State Supplementary Payment (SSP) grants remained in effect for more than a decade."

As California considers how to structure and fund its safety net programming into the future, there is an emerging body of research which must be considered: Regular reinfection with COVID-19 increases the chances of contracting Long COVID. The World Health Organization has been clear that repeated COVID-19 infection does not build up resistance or immunity, but does increase an individuals' chances of getting Long COVID, which over time, will have an increasingly noticeable impact on the workforce.

Even in cases where Long COVID symptoms are not present, the damage to the body from even a single, seemingly mild or even asymptomatic infection, can be severe. This fall out can lead to greater burdens on the healthcare system into the future.

The U.S. Department of Veterans' Affairs has published two studies highlighting the enduring consequences of COVID-19 infection on the body. It also highlights conditions and disorders that arise weeks or months after the initial infection. While these studies have not yet finished the peer review process, the early implications are unsettling. The research known technically as "post-acute sequelae of SARS-CoV-2" and informally as "Long COVID" has shown that Long COVID can affect nearly every organ system.

Broken down, the researchers' major conclusions include the following:

- "Heart disease occurred in 4% more patients who had COVID-19 than didn't. This translates into some 3 million people in the United States with these types of complications because of COVID-19."
- "Those who had been infected with COVID-19 were 72% more likely to get coronary artery disease (which is caused by plaque buildup in the artery walls and presents risks including heart attack)."
- "The COVID-19 group was 63% more likely to experience a heart attack."
- "The COVID-19 group was 52% more likely to have a stroke."
- "Heightened risks were seen even in people who had mild to moderate COVID-19 symptoms early on, and in those who did not have a known cardiovascular condition before their infection."

"Governments and health systems around the world should be prepared to deal with the likely significant contribution of the COVID-19 pandemic to a rise in the burden of cardiovascular diseases," the researchers write in Nature Medicine. All systems, but particularly those unprepared to deal with the needs of patients experiencing chronic illnesses, will be further stretched. The consequences will likely be long-lasting "for patients and health systems and also have broad implications on economic productivity and life expectancy."

Cognitive, not just physical, ailments are of serious concern. Another study, published in June of 2022 in Nature, found that "In approximately one-quarter of mild-COVID-19 individuals, we detected a specific visuoconstructive deficit, which was associated with changes in molecular and structural brain imaging, and correlated with upregulation of peripheral immune markers. Our findings provide evidence of neuroinflammatory burden causing cognitive deficit, in an already large and growing fraction of the world population."

In fact, additional studies indicate significant numbers of people who experienced only mild to moderate COVID-19 infections may be suffering from cognitive damage once the infection cleared. One Danish study presented at the 8th European Academy of Neurology (EAN) Congress found that "out of 919,731 individuals that were tested for COVID-19 within the study, researchers found that the 43,375 people who tested positive had a 3.5 times increased risk of being diagnosed with Alzheimer's disease. They also had 2.6 times increased risk of being diagnosed with Parkinson's disease, 2.7 times with ischemic stroke, and 4.8 times with intracerebral hemorrhage (bleeding in the brain)."

While research and peer review continue, it is not too soon to assert that early evidence suggests preventative and mitigation measures continue to be wise for individuals, employers, and government systems.

> If the Long COVID population increases just 10 percent each year nationally, by 2030, that will be half a trillion dollars in lost earnings each year.

On Tuesday, July 19, 2022, the U.S. House Select Subcommittee on the Coronavirus Crisis held a hearing on Long COVID. Witness Katie Bach, a nonresident senior fellow at the Brookings Institution, testified that around 16 million working-age Americans likely have Long COVID today. "Of those, anywhere from 25 to 65 percent may have a reduced ability to work — around four million full-time equivalent workers, or 2.4 percent of the entire U.S. employed population." In real terms, four million people out of work translates into $230 billion a year in lost earnings. If the Long COVID population increases just 10 percent each year, by 2030, that will be half a trillion dollars each year.

One study, referenced by Chairman James Clyburn in his opening for the Select Subcommittee Hearing, estimates that the U.S. faces upwards of $3.7 trillion dollars in economic losses due to Long COVID, including approximately $997 billion dollars in lost earnings from those who cannot work due to Long COVID. He also cites an estimated $529 billion dollars that will be needed in increased medical spending.

According to Bach, not everyone with Long COVID will leave work or reduce their hours. In many cases, people may be financially unable to stop working despite being very ill. Ultimately, however, Long COVID will require millions of Americans to reduce their work schedules or stop working altogether.

These numbers, according to Bach, will only grow "as long as a significant number of people fail to recover from Long COVID—the number of people not working due to Long COVID will likely continue to grow as more people become infected with COVID-19." Currently, there is no standardized, generally accepted treatment for Long COVID, lending cause for additional concern.

According to Bach, the speed at which the number grows will depend on four factors:

1. "The availability and accessibility of improved treatment options that increase the Long COVID recovery rate, or move people from "severely ill" to "moderately" or "mildly" ill;
2. Policy interventions that reduce the workforce impact of Long COVID;
3. Whether vaccines reduce the odds of getting Long COVID; and

4. Whether repeat infections carry additional Long COVID risk (i.e., whether you can get Long COVID after a second infection when you didn't after a first)."

Witness Hannah Davis, co-founder of the Patient-Led Research Collaborative, articulated the specifically gendered nature of the issue, stating "Women and socioeconomically disadvantaged patients are most at risk." Further, she spoke on the importance of rest in healing and reducing severity, as "not being able to rest in the first few weeks after onset increases the risk and severity of Long COVID, which means people without appropriate accommodations and people who are forced back to work or who must resume or continue unpaid household or caretaking labor." Women are disproportionately among these at risk categories.

Nearly 76% of Long COVID cases happen after a mild or asymptomatic non-hospitalized onset and while vaccination can reduce the risk of Long COVID, it still occurs in fully vaccinated people. Davis' testimony clearly articulates what the Commission's research suggests as well - that the economic impacts of Long COVID, particularly on women in the workforce, must be considered in every step of the state's response.

Davis testified that, "Two and a half years into the pandemic, Long COVID has already impacted our workforce. A large subset of people with Long COVID either can't work or need reduced hours, and many struggle to apply for meager disability benefits, if they are even deemed eligible. Long COVID will destroy our economy and disable a huge percentage of our society if we do not decrease new cases and prioritize help for the existing ones."

A letter submitted for the record from the COVID Longhauler Advocacy Project points to lessons from the past and current scenario, and states that, "We are not a "never before seen phenomenon. Millions of Americans suffer silently with complex chronic illnesses in the U.S., especially women and people of color."

They go on further to say that those with 'invisible' chronic illnesses or disabilities, which are not apparent to a bystander, often face years of diagnostic delays and delays obtaining provider documentation, accessing assistance programs and receiving work search or requirement waivers. They also assert that: "Women and people of color who face medical gaslighting also lack accessible workplace accommodations, and with ~ 85% of Longhaulers being women, we face a very large problem."

According to the coalition, the inequitable economic impact is clear: "69% of Americans have fewer than $1,000 in savings and 50% of American women, especially in BIPOC communities (the population with the greatest incidence of Long COVID) have no savings at all."

The economic burdens and inequities of COVID will only continue to grow without intervention. The Brookings Institution estimates this growth is based on three factors:

- The availability and accessibility of improved treatment options that increase the Long COVID recovery rate or move people from "severely ill" to "moderately" or "mildly" ill;
- Whether vaccines reduce the odds of getting Long COVID; and,
- Whether repeat infections carry additional Long COVID risk.

Those suffering from Long COVID face a joint extended health crisis and socioeconomic crisis that will affect them and their families for generations. In turn, these crises will have dire implications for local, state and the federal systems and economies.

Policy makers must take action to address those currently suffering, to stop the progression, and to prevent the continuous reinfection that increases Long COVID risk. As stated by the Presidential Memorandum Reports on the Long-Term Impacts of COVID-19, the best prevention of Long COVID was to prevent COVID. A lack of consistent policies has led us to not prevent COVID."

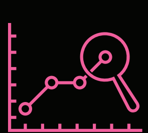
Looking to the future, Bach suggested another factor that "can ease this burden and help those who continue to suffer from Long COVID: Policy interventions that reduce the workforce impact of Long COVID."

The Century Foundation cautions that "Long haulers represent the largest influx of new members to the disability community in a generation" - numbers that will only grow absent intervention. Their advice to policymakers is "to embrace a more flexible frame of reference around what it means to be disabled, and to design more generous short-term disability policies, including a federal short-term disability benefit." Echoing findings from other research, as well as recommendations from this report, they also note that, "Allowing long haulers to rest in the short term might help them avoid years or decades of significant, often disabling long-term health consequences."

Throughout this report we discuss the medical and economic necessity of, and make recommendations for, creating time to rest a reality for California's women. Currently, there is no federal short-term disability benefit. In fact, disabled people can spend years waiting on long-term disability benefits to kick in.

Employer benefits, in conjunction with federal efforts, as the Century Foundation states, still leave a deficit: "Many companies may offer some short-term disability benefits to their employees, but such benefits don't exist for many wage earners, gig workers, and freelancers. According to one analysis, just 40 percent of workers have access to short-term disability insurance."

In 2021, Long COVID was officially recognized as a disability under the Americans with Disabilities Act. As the Center for American Progress notes, people experiencing disabilities are already doing so in an economic structure that was not designed to support them – or anyone who cannot be fully self-sufficient. In many instances, people must fight simply to be recognized for their disabilities.



As individuals experiencing Long COVID disproportionately work in the service sector, this has led to a labor shortage in this industry, which may contribute to inflation.

Even before the pandemic, the process for determining disability and accessing existing benefits was tedious. The same is true now for those with COVID-related disabilities. Per the U.S. Department of Health and Human Services (HHS), "an individualized assessment is necessary to determine whether a person's Long COVID condition or any of its symptoms substantially limits a major life activity." However, people suffering from COVID may have a variety of symptoms that could also be the result of other health problems, making it difficult for healthcare providers to recognize post-COVID disorders. Efforts to diagnose such conditions are further frustrated because, as the Centers for Disease Control (CDC) notes, "There is no test to diagnose post-COVID conditions."

Rightfully, the federal government has begun to issue guidance and research on the long-term implications of COVID-19. In August 2022 the U.S. Department of Health and Human Services (HHS) released two reports designed to present an actionable Federal path to address Long COVID and associated conditions. The National Research Action Plan on Long COVID details the existing research and suggests a course for future study to better understand prevention and treatment. Services and Supports for Longer-Term Impacts of COVID-19 report highlights resources for health care workers, and those affected by COVID-19 overall.

For the 31st anniversary of the Americans with Disabilities Act, the White House also published package of resources for people experiencing disabilities, including people with Long COVID. The Biden Administration has committed to "continue to clarify and update policy guidance as the science develops to support inclusive disability policy and claims adjudication processes through the Social Security Disability Insurance (SSDI) and Supplemental Security Insurance (SSI) programs for individuals experiencing Long COVID.

The Equal Employment Opportunity Commission (EEOC) and U.S. Department of Labor (DOL) released guidance on access to equitable employment opportunities for people experiencing Long COVID. It is clear in the National Research Action Plan and other research that longer-term disease and disability have ongoing economic and societal impacts. "According to one estimate, roughly one million workers may be out of the workforce at any given time due to Long COVID. This figure equates to approximately $50 billion dollars annually in lost salary."

According to the report, Services and Supports for Longer-Term Impacts of COVID-19, "as individuals experiencing Long COVID disproportionately work in the service sector, this has led to a labor shortage in this industry, which may contribute to inflation." Health care cost burdens are also expected to increase due to spikes in chronic conditions that may be attributable to COVID-19.

Starting in June 2022, questions were added to the U.S. Census Bureau Household Pulse to identify Long COVID in adults with early results indicating a high level of respondents stating that they have symptoms of Long COVID.

Another notable federal effort includes an expansion of 18 Department of Veterans Affairs (VA) facilities that have already established Long COVID care programs, which includes extended services and research.

With regards to medical costs, the Biden Administration issued a reminder that "states must also cover treatments and therapies for Long COVID, and also highlighted that the essential health benefits (EHB) provided by the Affordable Care Act (ACA) generally provide coverage for the diagnosis and treatment of COVID-19, including Long COVID.

Finally, President Biden recently announced that the Fiscal Year 2023 (FY23) budget "will invest in a multi-year initiative… to investigate how health care systems can best organize and deliver care for people with Long COVID, provide telementoring and expert consultation for primary care practices, and advance the development of multispecialty clinics to provide complex care."

While such efforts from the federal government are worthy of acknowledgment, they are insufficient to address long-standing structural inequities. Moreover, the current speed and scale of these initiatives will not meaningfully mitigate the long-term havoc that COVID-19 will wreck on our nation's most marginalized populations. States have an opportunity and an obligation to fill in the gaps. For guidance, they may consider models for policymaking that already exist in this space: California being one of them.

As the Century Foundation points out, "states that have implemented paid leave were able to do so easily by building on their temporary disability laws." They note that California's program already offers short-term wage replacement for workers who have been unable to work for at least eight days, and who have had state disability insurance deductions withheld from their paychecks.

California, following its own example, can continue to build on these foundations. An existing program, such as this, can be expanded and adapted to accommodate those experiencing post viral conditions that may appear in intermittent patterns of remission and relapse.

As an example, state supplemental short term disability programs could help to close the gap for workers in need. Other policies such as expanded paid leave, additional protections for workers in need of specific accommodations, or a permanent state paid family and medical leave law could set the standard for inclusive interventions.

People experiencing chronic illnesses and those with disabilities have additional expenses and barriers to work which severely diminish financial security. Access to income support programs is critical, yet according to the Center for American Progress, "such programs often include restrictive asset limits that penalize low-income people for accumulating the very savings and assets needed to achieve economic security."

As a result, many people with disabilities struggle to obtain affordable and accessible housing near employment centers, have limited availability of accessible and affordable transit options to and from those centers, and suffer major obstacles.

Nearly half—47.3 percent—of adults experiencing sheltered homelessness reported having a disability.

As the Center for American Progress notes, people experiencing disabilities are already doing so in an economic structure that was not designed to support anyone who cannot be fully self-sufficient. Intersections of gender, race, poverty and more compound the challenges disabled communities face. For example, people with disabilities typically live below the poverty line and in the United States, there is upwards of a 70% unemployment rate in the disability community, according to the Ford Foundation. In the United States, 1 out of 4 women has a disability. Despite being roughly 25% of the female population, women with disabilities are nearly 40% of rape survivors, and Black people with disabilities make up between one third and nearly one-half of police killings.

According to a 2016 report on homelessness by the U.S. Department of Housing and Urban Development (HUD), "adults experiencing disabilities were about four times more likely to suffer sheltered homelessness than were adults without disabilities in 2016. Additionally, nearly half—47.3 percent—of adults experiencing sheltered homelessness reported having a disability."

If the number of Californians impacted by COVID-19 continues to increase without policy interventions, research suggests we can assume significant increases in individual poverty, increases in homelessness, increases in those pursuing and obtaining disability and unemployment services, and a corresponding negative impact on California's overall economy.

Over the years, California has been a leader in eliminating barriers and inequities for people with disabilities. Most recently, in 2021, another injustice was addressed when Governor Newsom signed SB 639 (Durazo) which made it illegal to pay people with disabilities less than the California minimum wage.

In COVID-19 response, California has the opportunity to continue its role as a national leader. Perhaps more importantly, however, the state's success or failure in responding to COVID-19 will have significant implications on some of its most vexing policy challenges: housing, health care access, and poverty among them.

Functionally, funding is an immediate need. Funding for direct support, housing, health care, childcare, and disability and social services. With such significant challenges, however, targeting funds to ongoing needs and tracking the successful implementation of programs can be daunting.

As a participant in the federal CDC study to evaluate Long COVID in the U.S., California already has some insights into the impact of state workers' compensation systems focused on essential and public-facing workers. In addition, and to guide its policymaking and budgetary decisions, state leaders can elect to track the needs, interventions, and outcomes of at-risk populations across the state.

In a crisis, however, research cannot be considered a substitute for action.

The California Commission on the Status of Women and Girls strongly supports both proactive and reactive policy interventions by California lawmakers that protect the household financial situations of women and their families and mitigate the impacts of Long COVID on the state's workforce and economy. When coupled with, and guided by, ongoing research and analysis, such efforts can be deployed to ensure the greatest outcomes for individuals, families, and the state as a whole.

POLICY RECOMMENDATIONS

FINDING 1: Women went into the pandemic worse off due to existing systemic inequities including a persistent pay gap and occupational segregation. A significant number of households in California lived on incomes at or below the poverty line. Women of color were the first to lose jobs and last to regain them, causing long-term financial stress to their households.

Recommendation:

Deploy interventions that intentionally create structural systemic change to end the gender wage gap and improve workplace equity for women.

Policy Solutions:

1. Living Wage:
Increase the state's minimum wage to keep up with inflation and reflect the rising cost of living.

2. Pay Transparency:
Require pay data from private companies, including small businesses, to be publicly available to address hiring practices that lead to wage and wealth disparities and occupational segregation and holds back women and people of color, ensuring companies monitor and address persistent pay gaps and inequitable practices.

3. Equal Pay for Temporary Employees:
Private companies should be barred from using contractors to pay temporary workers (who tend to be disproportionately women, people of color, and LGBTQIA+ workers) less for doing the same job as direct hires.

4. Occupational Transition:
Allocate General Fund dollars to support women's transitional occupations to higher-skilled roles through state-funded virtual reskilling and workforce development, certification, and training programs that expand opportunity for accelerated skills and credential attainment, given projection of job growth in labor will occur in higher-wage jobs and demand for workers may grow in healthcare and Science, Technology, Engineering, and Mathematics (STEM) occupations.

5. Workplace Discrimination:
Support continued investments in education and training on workplace discrimination complaints and raise awareness about worker protections when retaliation is experienced due to the filing of a health, safety or equal pay act complaint.

6. Workplace Protections:
California should expand basic health and safety workplace protections to California's 300,000 domestic workers by ensuring health and safety requirements to create a safe working environment, improving working conditions for thousands of California's domestic workers who are mostly women, women of color and immigrant women.

Women at Work

Women's employment fell significantly more than men's during the first two years of the pandemic.

While COVID-19 related shutdowns of businesses and schools may have saved lives, they also had a disproportionately negative impact on women. Female dominated occupations such as the retail, hospitality, and education sectors, suffered the largest share of job losses across the nation. Overall, the economic costs to women have been staggering. According to Oxfam, COVID-19 has cost women around the world $800 billion in lost income.

The United States Department of Labor released a report in March of 2022 entitled "Bearing the Cost: How Overrepresentation in Undervalued Jobs Disadvantaged Women During the Pandemic" which substantively explains how and why the COVID-19 pandemic disproportionately affected working women, especially women of color. The report indicates that women, particularly those with a history of being subject to racial and other discrimination, are heavily concentrated in female-dominant occupations, which pay less and tend to be valued less than male dominated jobs.

This inequity is known as occupational segregation and, according to the report, it played an outsized role in the pandemic's negative impact on women. Prior to COVID-19, occupational segregation already contributed significantly to well-documented gender and racial wage gaps. These gaps perpetuate inequalities within a range of industries, causing structural inequities across the larger economy.

There are two different types of occupational segregation: horizontal and vertical. The Department of Labor defines horizontal occupational segregation as occurring "when a demographic group, such as women or Black workers, is unequally distributed across occupations or industries, leading to their overrepresentation (and underrepresentation) in certain jobs." Vertical segregation refers to "gender or racial and ethnic disparities in representation at different levels within an occupation," such as the 'glass ceiling' described by women struggling to advance within a specific field.

The report identified the supply-side factors that contribute to occupational segregation as including:

- "Social norms that push workers into jobs stereotypical for their gender, race or ethnicity"
- "Gaps in educational attainment and training that place women on different career paths"
- "Unequal family caregiving responsibilities"
- "Fewer network connections and mentors for women, especially in male-dominated jobs"
- "Lack of wealth and access to capital that impede women entrepreneurs"

The demand-side factors identified as contributing to occupational segregation were:

- "Workplace discrimination against women or people of color in recruitment, selection, hiring, evaluation, assignments, and promotion"
- "Hostile workplace cultures and harassment"

According to the U.S. Department of Labor, women, especially women of color, are "disproportionately likely to be employed in jobs and sectors that experienced the largest employment losses during the pandemic" - sectors such as leisure, hospitality, education, and health services. It asserted that occupational segregation specifically left women "more vulnerable to layoffs, job separations, and reduced work hours than men." Even women in highly skilled positions were not unscathed. The Department further noted that, "even when women do work in male-dominated industries, they tend to be concentrated in lower-paying, undervalued jobs such as administrative or support positions."

Occupational segregation has a direct correlation to gender and racial wage gaps and leaves women, especially women of color, with lower wages and reduced lifetime earnings as compared to their male counterparts. As women are funneled into low wage positions, or are provided no meaningful advancement opportunity, they are collectively more vulnerable to the impact of major life events, economic downturns, and unexpected crises – such as a global pandemic.

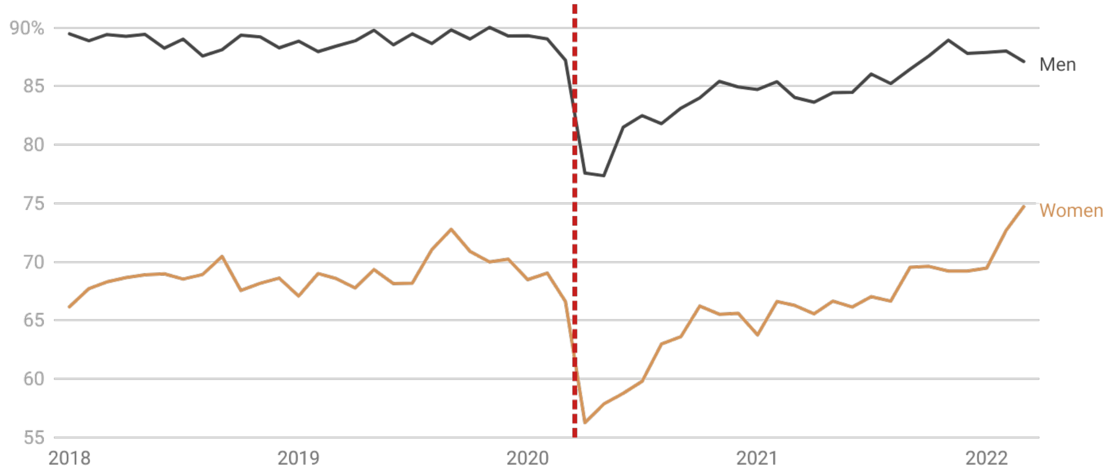
Even though women disproportionately lost the most jobs leading into the pandemic, men were faster to recover. At the start of 2022, men had largely recouped their pandemic job losses nationwide. According to the Bureau of Labor Statistics data released in March, and National Women's Law Center calculations based on that data, by February there were about 500,000 more men in the workforce than there were in February 2020 and roughly 1.1 million women were still missing from the labor force. While Bureau of Labor Statistics data in August 2022 indicates that the labor force participation rate for women has increased by 0.8 percentage points, bringing the proportion of employed women between the ages of 25-54 just above pre-pandemic levels, The California Policy Lab (CPL) focused specifically on state data to examine the overall trend of women's lower employment levels below.

In a report focused on gender equity and recovery, the Bay Area Council Economic Institute revealed that, "as of April 2021, 2 million women have dropped out of the workforce in the U.S. since the beginning of the pandemic, compared to 1.6 million men."

Pre-pandemic, in California, women were already employed at a lower rate as a share of their working-age population than men. However, early on it was clear that COVID-19 was having a deleterious impact on existing gender inequality, and that gap widened significantly with some California counties experiencing more challenges than others.

The California Policy Lab (CPL) finds that women's employment levels have historically been well below that of men. Leading up to the pandemic, 69% of women aged 25-54 were employed in the formal economy, compared to 89% of men aged 25-54. The pandemic worsened this gap in early 2020, though women's employment has grown as a share of their population in 2021 and 2022.

Employment-population ratio, by gender



Source: The California Policy Lab Analysis of Current Population Survey data. Note: Estimated employment-population ratios describe the share of women (men) household heads and spouses, age 25-54, who are employed in a given month.

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The research produced by The California Policy Lab (CPL) shows that the employment gap in California alone has returned to roughly what it was pre-pandemic and appears to show a persistent level of inequity that has not been alleviated as the California economy restarts.

Women were already employed at a lower rate (as a share of their working-age population) than men pre-pandemic; the early pandemic widened this gap.

The California Policy Lab (CPL) additionally finds that in absolute terms, fewer California women are employed than men despite the fact that women make up nearly 58% of the working-age population. Despite a recent uptick, women were still only employed at 86% the rate of men in February of 2022.

Women's employment-population ratio relative to men's

Source: The California Policy Lab Analysis of Current Population Survey data. Notes: Sample includes women and men age 25-54. Each point takes the employment-population ratio among women and divides by the employment population ratio among men in the given month. Values less than 100% indicate that women are employed at a lower rate (as a share of the number of working-age women) than men.

Created with Datawrapper

This reflects a slower recovery and a persistent inequity statewide that has not been solved by efforts to alleviate the economic issues of the pandemic, as the gendered nature of these issues predates the pandemic.

This is especially true for women of color.

Nationwide, a National Women's Law Center report showed that unemployment rates among women of color were higher than those for white women and that women with disabilities were most affected, leaving nearly 8% of this group jobless.

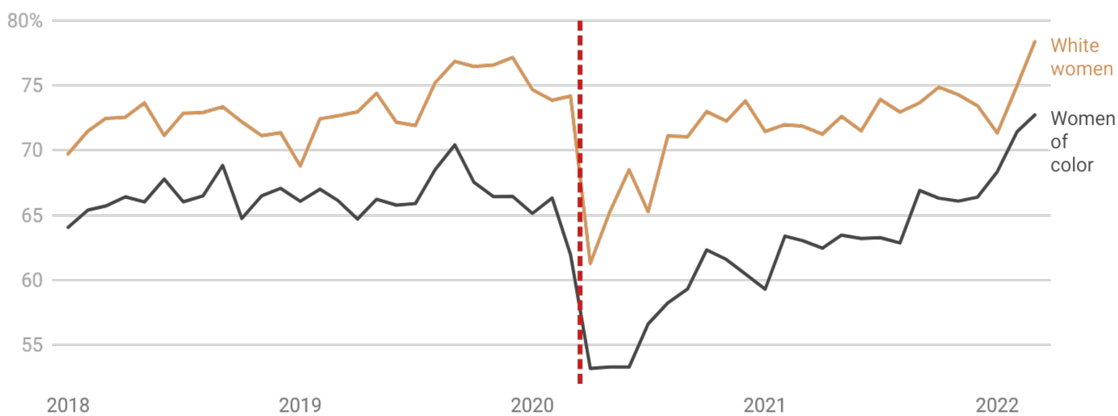
As findings from California Budget and Policy Center document, noting that, "1 in 4 women were out of work and the unemployment rate reached 20% or more for Asian, Black, Latina and other Californians of color."

> Leading up to the pandemic, **69% of women aged 25-54** were employed in the formal economy, compared to **89% of men aged 25-54**. The pandemic worsened this gap in early 2020, though women's employment has grown as a share of their population in 2021 and 2022.

This trend has continued to play out as the economy recovers. A National Women's Law Center report found that while unemployment rates went down for most demographic groups in March of 2022, the overall unemployment rates masked higher rates for Black women, Latinos, and other groups.

The California Policy Lab (CPL) finds that women of color in California, specifically, continue to see lower employment rates as a share of the population compared to white women. The pandemic recovery, unsurprisingly, has not alleviated gender, racial, and ethnic gaps in the labor market.

Women's employment-population ratio among white women and women of color



Source: The California Policy Lab analysis of Current Population Survey data. Notes: Sample includes prime working-age women, 25-54 years old, who are identified as the household head or spouse in the CPS. Each point represents the estimated share of women who are employed in the given month, separately for those women who are identified as non-Hispanic White and those who are identified as women of color.

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In particular, Black women have been impacted. The March jobs factsheet released by the National Women's Law Center (NWLC) indicated that "since February 2020, 167,000 Black women have left the labor force. If these women were counted as unemployed, the unemployment rate for Black women in March 2022 would have been 7.0% instead of 5.5%."

According to the U.S. Department of Labor, women, especially women of color, are "disproportionately likely to be employed in jobs and sectors that experienced the largest employment losses during the pandemic. This segregation by industry and occupation, wherein women are more likely than men to be concentrated in sectors such as leisure, hospitality, education, and health services, made them more vulnerable to layoffs, job separations, and reduced work hours than men. And even when women do work in male-dominated industries, they tend to be concentrated in lower-paying, undervalued jobs such as administrative or support positions." These data provide concerning insights about the potential long-term impact of the pandemic on communities of color, in particular.

The Public Policy Institute of California (PPIC) recently documented the disproportionate impact the pandemic was having on female employment in California broadly, citing the declining participation of women in the labor force. These findings align with those released by the Bureau of Labor Statistics data released in March, and National Women's Law Center calculations which were based on that data, that women made up all labor force leavers as of February 2020. There are a variety of documented factors driving this workforce exodus, some of which this report discusses below.

In "Resilient But Not Recovered: After Two Years of the COVID-19 Crisis, Women Are Still Struggling," the National Women's Law Center (NWLC) combines analysis of federal data from the Bureau of Labor Statistics (BLS) and U.S. Census Bureau with the findings from previously cited qualitative and quantitative research produced by Sprout Insight and polling firm GQR in February of 2022. This study found significant inequality in the economic recovery of women experienced nationwide and posits several potential reasons for the inequity.

> Women, especially women of color, are **disproportionately likely** to be employed in jobs and sectors that experienced the largest employment losses during the pandemic.

Among them, caregiving and childcare in particular, had a notable impact on employment for women. This included challenges related to ongoing caregiving demands which kept women out of the workforce, job losses in the caregiving sector and, as a result, inadequate levels of childcare availability overall. Once again, these challenges were experienced more deeply by women of different racial and ethnic groups.

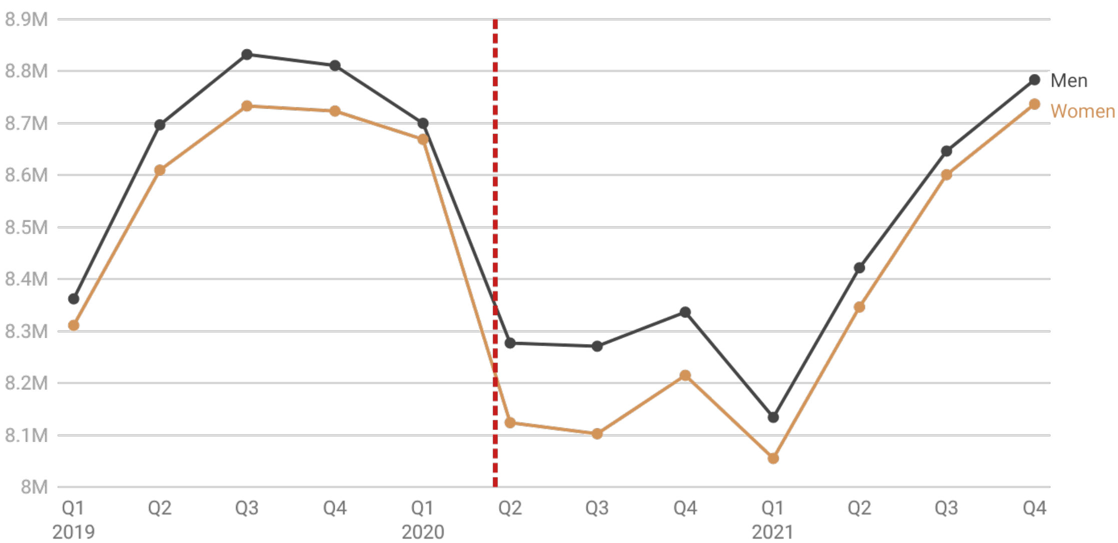
The report indicates that career disruptions related to childcare disproportionately impact women's ability to reenter the economy. Specifically:

- "In December 2021, more than 1 in 5 women (22.4%) in households with children under 12 years old reported that, at some point in the last four weeks, children in their household were unable to attend childcare because of the pandemic."
- "In December 2021, more than 1 in 4 Black, non-Hispanic women (26.9%) and over 1 in 5 Latinas (20.3%) reported not having childcare in the past month due to the pandemic."

- "Only 40% of mothers, and 27% of mothers of children under 5, maintain their usual work hours when their children are not in school in person, or they do not have childcare, compared to 57% of fathers and 58% of fathers with children under 5."
- "Nearly 1 in 5 mothers (19%), and more than 1 in 4 mothers with children under 5 (26%), report that they stop working (or looking for work) when their children are not in school or childcare, compared to just 6% of fathers and 8% of fathers with children under 5."
- "Among parents who lost or quit a job during the pandemic, only 41% of mothers have gotten a new job, compared to 78% of fathers."

The data from the U.S. Department of Labor shows that, in addition to being overrepresented in sectors that experienced significant downturns (leisure, hospitality, education, and health services, primarily), women and women of color "tended to experience a disproportionate number of job losses within each sector — even in industries where women were not the majority."

Total employment by gender



Source: The California Policy Lab analysis of Employment Development Department data. Notes: Sample includes workers who were (1) employed in the given quarter and (2) worked at least two quarters prior to 2020Q1 or at least one quarter after 2019Q4.

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Beyond layoffs, unemployment, and other disability related departures from the workplace, much media attention has been paid to what was termed "The Great Resignation." This concept refers to large numbers of individuals who voluntarily left positions during the pandemic. Data demonstrates that some women did voluntarily exit the workforce. Their reasons, however, vary from inequities that pre-dated COVID-19, to additional stressors placed on them by the pandemic.

A Pew Research Center survey released in March 2022 found that workers who quit a job in 2021 cited low pay (63%), no opportunities for advancement (63%) and feeling disrespected at work (57%) as the primary reasons for their resignations. Additionally, "roughly half [said] childcare issues were a reason they quit a job (48% among those with a child younger than 18 in the household).

A similar share point to a lack of flexibility to choose when they put in their hours (45%) or not having good benefits such as health insurance and paid time off (43%). Roughly a quarter [said] each of these was a major reason." When asked separately if their reasons for quitting a job were related to the pandemic, 31% replied yes.

The survey also noted non-white adults who quit a job "were more likely to say the reasons include not having enough flexibility (52% vs. 38%), wanting to relocate to a different area (41% vs. 30%), working too few hours (37% vs. 24%) or their employer requiring that they have a COVID-19 vaccine (27% vs. 10%)".

Of the adults surveyed by Pew who quit a job in 2021, 55% report being employed again, either full-time (55%) or part-time (23%). According to the survey, "53% of employed adults who quit a job in 2021 say they have changed their field of work or occupation at some point in the past year. Workers younger than age 30 and those without a postgraduate degree are especially likely to say they have made this type of change."

Between the entry level and the C-suite, the representation of women of color drops off by more than 75%. As a result, women of color account for only 4% of C-suite leaders, a number that hasn't moved significantly in the past three years.

Even workers in the corporate sector, however, have experienced challenges and frustration during COVID-19. The 2021 Women in the Workplace report from McKinsey, in partnership with LeanIn.Org, which analyzes the representation of women in corporate America. Their research indicates that women in this economic sector are suffering significantly from "burn out" and increasingly more so than men. The report also noted that 1 in 3 women say that they considered downshifting their career or leaving the workforce in 2021. Additionally, 4 in 10 women considered leaving their company or switching jobs.

Data shows that women's representation improved across all levels of the corporate pipeline in 2020, but it is clear that gaps in the pipeline still persist, particularly for women of color. Promotions at the first step-up to manager are not equitable, and women of color lose ground in representation at every level. "Between the entry level and the C-suite, the representation of women of color drops off by more than 75%. As a result, women of color account for only 4% of C-suite leaders, a number that hasn't moved significantly in the past three years."

Although the long-term impacts to the representation of women in corporate America are not yet clear, the crisis is ongoing and the risk to women, and to the companies that depend on their contributions, continues.

Across all sectors, and data, it is clear that it is women of color who have fared the worst – both before and during the pandemic. Unfortunately, the exodus of women of color from the workforce is in some cases, permanent. This community has, through COVID-19, experienced what some are calling a "dual pandemic," as they also face higher rates of death than other ethnicities, regardless of gender. According to the Centers for Disease Control and Prevention [CDC] Black, Latino and Indigenous people were about two times more likely than white people to die from COVID-19 and lower wage occupations and additional household stressors, particularly for those women of color who outnumber men in essential healthcare jobs.

For women of color, lower wage occupations have not only proven to be detrimental to their economic standing during COVID-19, in some cases, they have been disproportionately deadly.

Regardless of industry, age, or ethnicity, the pandemic shook the already unstable foundations of women's economic security as the additional challenges – and burdens – of COVID-19 fell disproportionately on their shoulders.

There is some evidence that statewide and federal economic support in the form of pandemic assistance programs contributed to better economic health for women, particularly low wage working women overall. The continuous and expansion of such programs should be considered as an investment in closing earlier and persistent wage gaps, with the goal of bringing California closer to gender equity in real terms - not simply back to its pre-pandemic state.

> **Pandemic unemployment affected poor women, and women without college degrees, hardest. Frontline and service sectors were the most impacted, where women continue to be occupationally segregated.**

In 2022, California's unemployment rate returned to pre-pandemic levels. However, this return to pre-pandemic employment levels is not necessarily indicative of a full and equitable recovery. While the unemployment rate went down to 4.3% in May of 2022, the numbers primarily represent non-farm jobs that are seasonally adjusted and were lost during 2020 due to the pandemic.

Appropriately, the Public Policy Institute of California (PPIC) has pointed out that while overall the jobs trajectory is positive, workers and businesses in some sectors continue to struggle and the state should remain vigilant for industry-specific signals of longer-term changes in the workforce.

We acknowledge that California has enjoyed month-over gains in non-farm jobs in 15 of the past 16 months, and that private sector jobs in the U.S. have largely returned to pre-pandemic levels, we know that not all sectors have surpassed their pre-pandemic levels, as well. However, data are clear that not all sectors have surpassed their pre-pandemic levels. "Notably, the leisure and hospitality industries remain more than 1 million payrolls short of their February 2020 levels, while education and health services fell short by 259,000 jobs."

As discussed elsewhere in this report, these sectors are occupationally segregated and dominated by female employees.

Data shows that between February and April of 2020 Californians lost 3 million jobs. According to a report by the Community and Labor Center at U.C. Merced, with just four industries, accounted for 29.2% of the state's February 2020 jobs, but 53.6% of job losses.

Put another way: A racial and gender gap that must be addressed in recovery efforts was prevalent in the data, with the overall rate of job loss among California women ranging from 9.4% among white women to 28.9% among Latinas, and 25.4% among Black women.

The report found that job loss was the highest among non-citizens at 29.5%, equaling roughly 852,065 jobs at the time. The report found that "job loss was especially acute among non-citizen immigrant women both in California (36.3%) and in the rest of the U.S. (23.7%)" with California bearing the highest losses of the two.

For citizens and non-citizen immigrant women, significant disadvantages persisted for women both before and during COVID-19 as a result of their education status. According to "Bearing the Cost" by the U.S. Department of Labor, women have earned the majority of bachelor's degrees since the early 1980's, but "women often have to complete additional education in order to earn as much as less educated men because of their lower average earnings across all levels of education." For example, a woman with a master's degree earns less than the average man with a bachelor's degree.

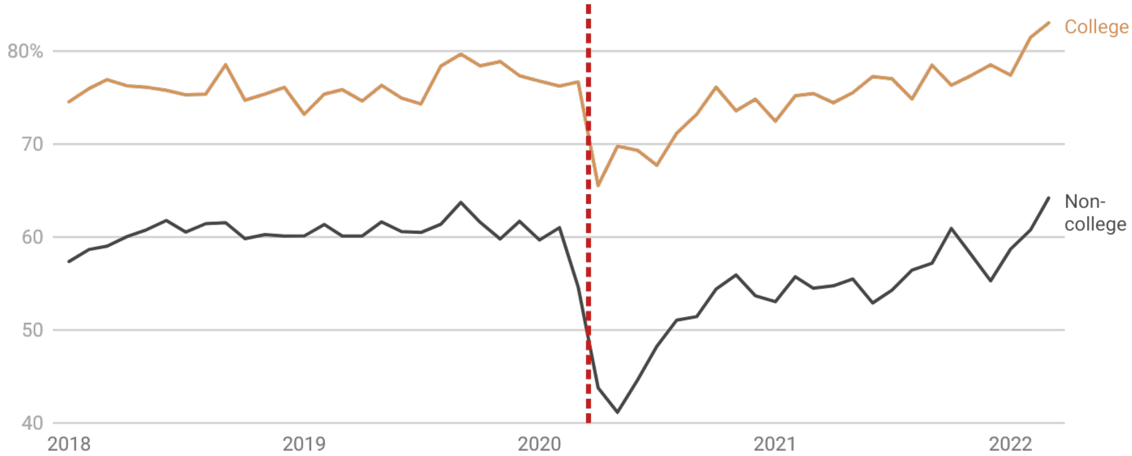
When it comes to occupational segregation, social norms play a role in the educational field an individual enters. In particular, women are especially likely to face barriers entering Science, Technology, Engineering, or Math (STEM) educational tracks and workforces and are overall less likely to participate in vocational training programs and registered apprenticeships. This has profound implications for a women's education and directly correlates with an outsized impact on the economic security of women and families.

We can also view these employment disparities through the lens of education. According to a 2021 study by Pew Research, nationwide the number of women in the labor force who were not high school graduates decreased 12.8%, "dwarfing the 4.9% contraction among comparably educated men" from 2019Q3 -2021Q3. The same study found that the ranks of women in the high-school-educated labor force declined 6.0% since the third quarter of 2019 while the labor force of similarly educated men fell only 1.8% within the same time period. "Both men and women with at least a bachelor's degree saw positive gains in the labor force (2.7% and 3.9%, respectively) from 2019 to 2021."

In California, The California Policy Lab (CPL) finds that a woman with a college degree was 11 percentage points less likely to be employed in 2020Q2 than in 2020Q1, while a woman without a college degree was 21 percentage points less likely to be employed. College-educated women have also seen more rapid recovery in employment.

A racial and gender gap that must be addressed in recovery efforts was prevalent in the data, with the overall rate of job loss among California women ranging from 9.4% among white women to 28.9% among Latinas, and 25.4% among Black women.

Women's employment-population ratio, by college degree



Source: The California Policy Lab analysis of Current Population Survey data. Notes: Sample includes prime working-age women, 25-54 years old, who are identified as the household head or spouse in the CPS. Each point represents the share of women who are employed in the given month, separately for women who do and do not have an associate's or higher degree.

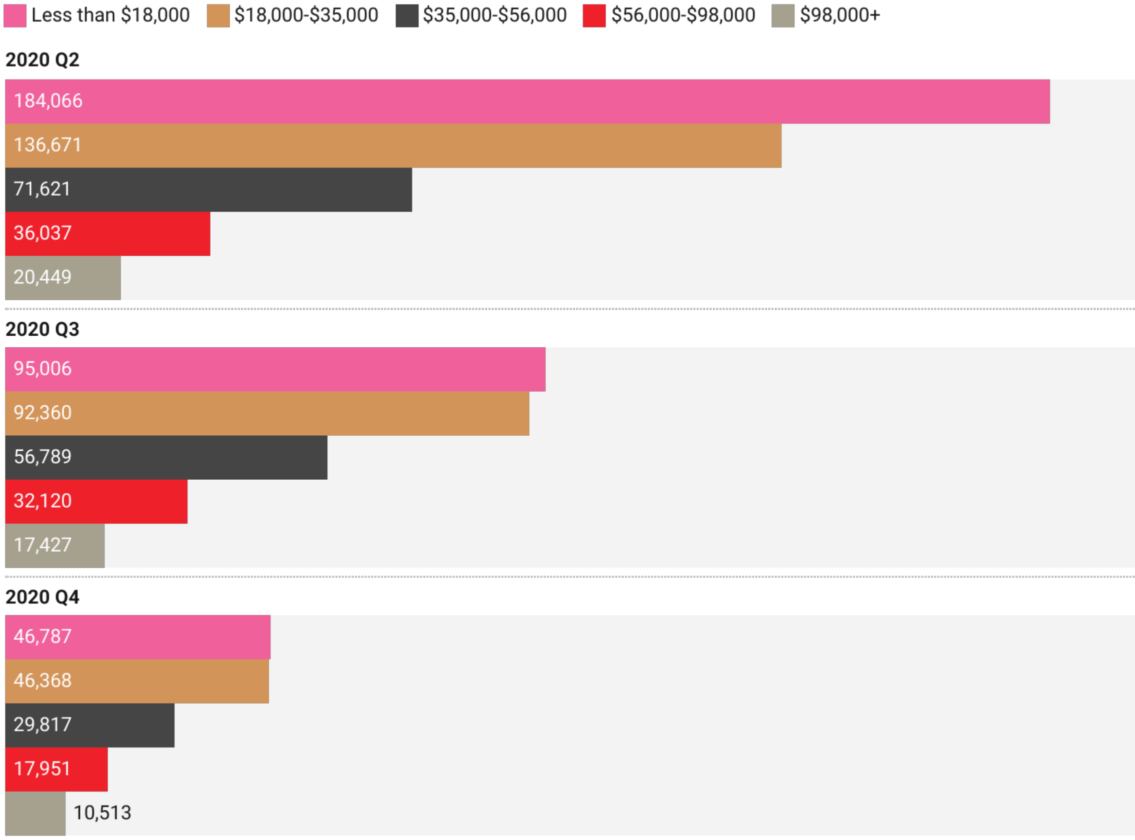
Created with Datawrapper

A woman with a college degree was 11 percentage points less likely to be employed in 2020 Q2 than in 2020 Q1, while a woman without a college degree was 21 percentage points less likely to be employed.

These data focused on outcomes for immigrant women, low wage workers, women in poverty, and women without college degrees are alarming. The gains in wages and labor force participation women have made in the last 50 years are now at serious risk. Economic systems have not evolved to equitably support women workers. It is critical that we address longstanding inequities and avoid the lure of short-term band-aids for the persistent issues the pandemic has spotlighted.

Low-income women face the greatest threat. The California Policy Lab (CPL) finds that the surge in unemployment resulting from the COVID-19 lockdowns primarily impacted low-income women. Nearly 1 in 5 women with annualized earnings less than $35,000 became newly unemployed in 2020. More broadly, 71% of women made newly unemployed in 2020Q2 came from the lowest 40% of earners.

Number of women newly unemployed, by annual earnings in 2019 Q4



Source: The California Policy Lab analysis of Employment Development Department data. Notes: Sample includes women workers who were (1) employed in 2019Q4, and (2) employed at least one quarter prior to 2019Q4 or at least one quarter after 2019Q4. "Newly unemployed" refers to any employee who was employed in the previous quarter, but not in the given quarter. Earnings ranges for each quintile are extrapolations from quarterly earnings in 2019Q4, rounded to the nearest $1,000.

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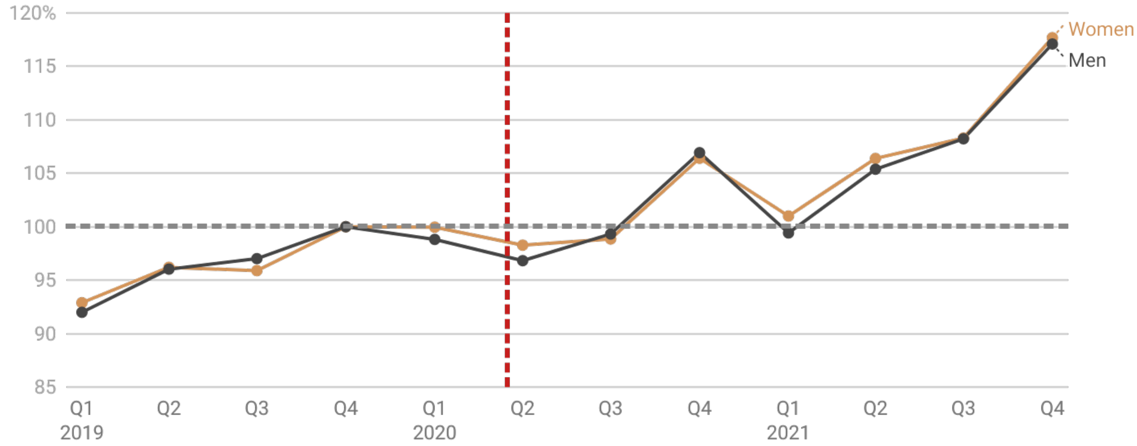
California must begin to address these issues in a way that provides long needed support for women in the workforce, and does not presuppose their labor at home. Policymakers should continue work to close the wage gap, improve paid family leave, create improved working conditions, address harassment, and create additional childcare options focused on the needs of working parents.

Women who remained employed through the last two years saw their earnings rise but a persistent gender wage gap remains.

While hundreds of thousands of women lost their jobs during the pandemic, The California Policy Lab (CPL) finds that those who remained employed fared relatively well. The median woman employed in both 2019 Q4 and 2021 Q4 earned 18% more in 2021 Q4 than she did in 2019 Q4. The pattern is similar for men, although men still earn more than women, as the second chart shows.

In other words, employed women's earnings growth during the pandemic increased, but not enough to offset the preexisting gender earnings gap. As of 2021Q4, the median woman only earned 75% of what the median man earned, or about $11,400 less per year.

Median change in earnings relative to 2019 Q4, by gender



Source: The California Policy Lab analysis of Employment Development Department data. Notes: Sample includes workers who are (1) employed in the given quarter, (2) employed in 2019Q4, (3) worked at least one quarter prior to 2019Q4, or one quarter after 2019Q4, and (4) did not start or end an employment spell in 2019Q4. Each point calculates the median of the gap between a worker's earnings in the given quarter and their earnings in 2019Q4, across all workers within that group. Relative earnings are not adjusted for inflation.

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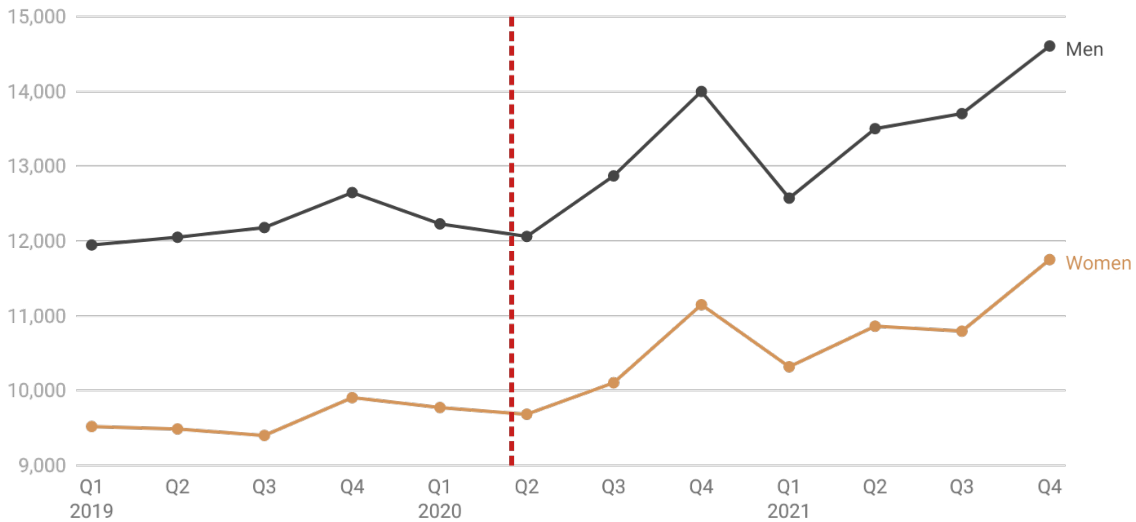
Median quarterly earnings by gender



Source: The California Policy Lab analysis of Employment Development Department data. Notes: Sample includes workers who are (1) employed in the given quarter and (2) worked at least two quarters prior to 2019Q4. Each point captures the median of earnings across all workers within that group. Median earnings are not adjusted for inflation.

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As has been consistently demonstrated throughout this Blueprint, the wages of women of color, regardless of their level of education or industry sector, remain at the greatest disparity. The report, "Bearing the Cost" also notes that race is a critical factor when considering the impact of wage gaps, and cites the limited availability of robust data on this subject. "For Black women, most of the wage gap relative to white men (55.5%) cannot be explained through observed differences. At least some of this unexplained portion is likely caused by racial and gender-based discrimination, although the precise figure cannot be estimated using available data."

Although occupational segregation accounts for a significant portion of the wage gap, data shows that it doesn't account for it all. The report continues that "while proportionately less of the wage gap experienced by Black and Hispanic women can be explained by differences in types of jobs, their total wage gaps are significantly larger in absolute terms than that of women overall."

At the individual level, the economic losses from these disparities can be crippling. In the aggregate, they can wreak havoc on entire economic subsets. Overall, the report found that pre-pandemic in 2019 alone, "Black women lost out on $13.6 billion in potential wages due to differences in industry, and $25.7 billion due to differences in occupations relative to white men, for a total of $39.3 billion. For Hispanic women, the estimated cost of segregation by industry ($12.7 billion) and occupation ($33.9 billion) in 2019 was $46.7 billion."

The impact of these disparities was validated in part by Harvard researchers who found that "many Americans are working, but poor. Along with low wages and few benefits, the working poor frequently find themselves up against erratic work schedules, with hours and shifts that change day-to-day and week-to-week with little advance notice. Particularly in the food service and retail sectors, which employ 17% of American workers, such unstable and unpredictable work schedules are widespread. Now, newly available data from The Shift Project offers unprecedented insight into the prevalence of unstable work scheduling conditions and the consequences of this instability for workers and their children."

Disproportionately, women working in these jobs are less likely to possess a college degree and, on the whole, will experience more instability in their jobs, but also in their careers broadly. In the U.S., people without a college degree are 1.3 times more likely to need to make occupational transitions as the economy is reconstructed compared to those with a college degree. Black and Hispanic workers are 1.1 times more likely to have to transition between occupations than white workers

While among the most significant, the wage gap along with low wage, unstable work are not the only challenges for women who remained employed during the acute phase of the pandemic. A slowing economy and fewer opportunities for advancement also had a significant impact on women who remained employed.

According to PayScale, women hit their peak earning age at 44. The catastrophic impact to any worker experiencing disruption in their career growth or income during these crucial earning years will reverberate throughout our state for decades. These lost earnings equal lost opportunities for investment, wealth building, and retirement savings.

The Harris Poll on behalf of CNBC Make It conducted a 2022 survey which found that 59% of older millennials (born between 1981 and 1988) said the pandemic has affected their income in some way. According to PayScale, women hit their peak earning age at 44. The catastrophic impact to any worker experiencing disruption in their career growth or income during these crucial earning years will reverberate throughout our state for decades. These lost earnings equal lost opportunities for investment, wealth building, and retirement savings.

According to Lean In and McKinsey and Company, only 85 women for every 100 men are promoted to manager. That number is even worse for women of color, with Black women and Latinas respectively promoted at 58 and 71 women, for every 100 men.

This research found that "This gap in promotion correlates with the lack of female representation in high-paying C-suite jobs. In 2020, white women made up 29% of the entry-level workforce and women of color made up 18%, but the number of women in C-suite roles dropped to 19% for white women and for women of color, just 3%."

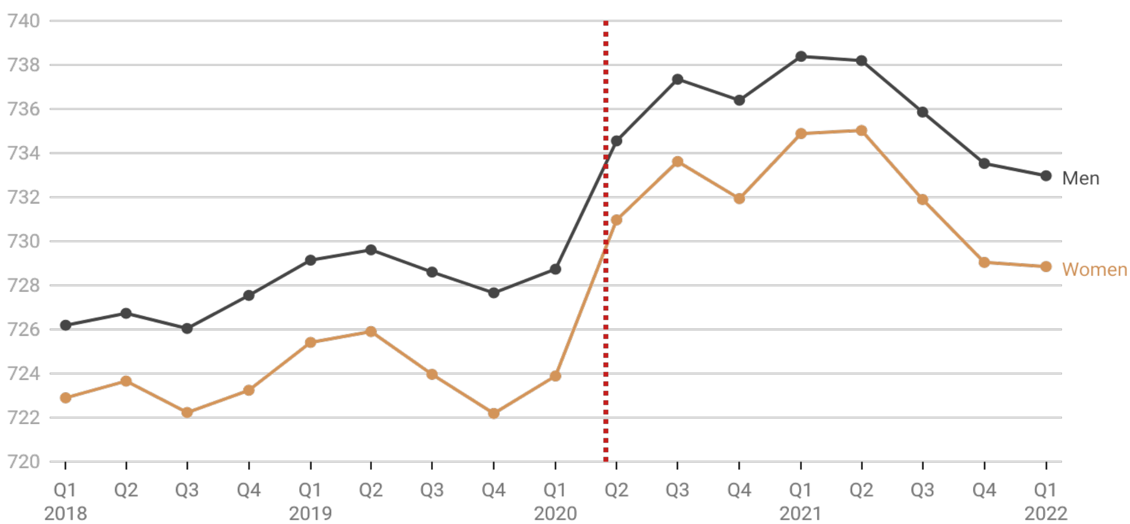
The wide range of complications and disparities California women have faced in recent years have personal, but also statewide, economic implications. All women, of all kinds, faced significant challenges as compared to their male counterparts during the pandemic – as well as during the ongoing recovery period.

Moving forward, California must pay particular attention to the gendered and intersectional nature of economic recovery in order to ensure appropriate support for women of various backgrounds in every industry sector – even those who have managed to retain employment during COVID-19.

Women who had access to credit saw their credit standing improve during the pandemic, especially those with limited credit availability.

The California Policy Lab's (CPL) research finds that on average, both women and men with access to credit cards saw their credit scores increase in 2020 and the first half of 2021 by 10-13 points. This increase was likely due to limited opportunities to spend during lockdowns and various economic stimulus programs. This is a positive outcome, suggesting people with less economic security had the chance to pay down debt.

Credit scores, by gender



Source: The California Policy Lab analysis of University of California Consumer Credit Panel (UC-CCP) data. Notes: Sample includes credit card holders living in California in the given quarter, drawn from a random 1% sample of statewide credit reports.

Created with Datawrapper

These data are particularly compelling for women and people of color, as multiple studies have shown that credit scores and their uses are consistently discriminatory to people of color. Credit scores can be used to reinforce existing bias , leaving low wage workers and people of color with poorer financing options, many of which are often predatory. In spite of this, credit scores are generally used as a barometer of financial health measuring debt load and gate access to financial services and credit.

Historically, women have had limited access to impact this financial sphere. In fact, it was not until 2020 (mid-pandemic) that Citigroup, one of the biggest credit card issuers in the world, made history when Jane Fraser became the first female CEO of a major U.S. bank.

Corbin and Kaiser, an advocacy firm specializing in privacy and consumer protection, offered context to the Commission explaining that the three main credit reporting agencies, Experian, Equifax, and TransUnion maintain historical data on individuals used to determine a credit score based on certain data points, their own proprietary measures, and an individual's FICO score. These companies are not consumer protection companies - they are for profit entities, something many Americans do not fully understand.

Even Fair, Isaac and Company (FICO) is often misunderstood as a government entity. It is, in fact, a private company which is not directly regulated by a government agency, but rather is regulated by the Federal Trade Commission - without access to its proprietary modeling. This company collects massive amounts of data on consumers for its proprietary risk assessment models which it then sells to the three credit reporting agencies who develop a consumer's credit score.

These three credit reporting bureaus have incredible power to impact the lives and economic health of Americans. They provide 90% of lenders with their proprietary consumer credit scores which determine a consumer's eligibility for loans from everything from homes to cars to personal loans.

A number of state and federal programs were established, or expanded, during COVID-19 to support people, families and to bolster the economy. Their cumulative benefit appears to have played a role in improving credit scores and access for scores of Americans.

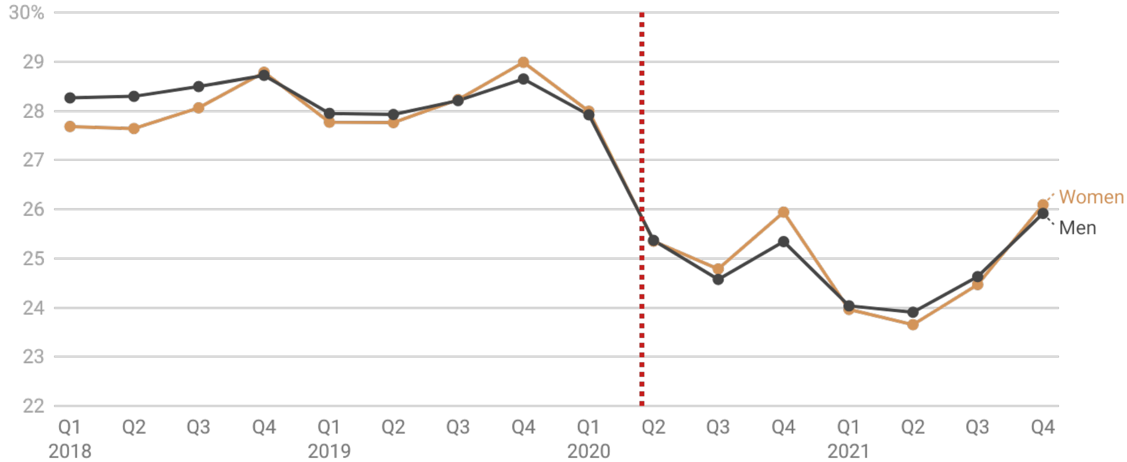
On average, both women and men with access to credit cards saw their credit scores increase in 2020 and the first half of 2021 by 10-13 points. This is a positive outcome, suggesting people with less economic security had the chance to pay down debt.

For example, the Federal CARES Act, offered an interesting test case by providing one-time economic impact payments of as much as $1,200 per person and $500 per dependent to most adults nationwide. These payments were need-based and not offered to those with incomes over $99,000 ($136,500 for heads of household). Unfortunately, the program also overlooked low income families that did not file tax returns and similar issues existed for families who missed out on the Child Tax Credit.

The change during this time to credit scores and debt levels among women, indicate that this safety net (along with others including expanded Unemployment Insurance [UI] benefits and the expanded child tax credit), had a direct and immediate impact on the economic well-being of those hardest hit by the crisis and offered a rare opportunity to improve the economic circumstances of those in or near poverty.

The California Policy Lab (CPL) also finds that card utilization (credit balance divided by credit limit) went down in early 2020, further suggesting that Californians paid down their credit card balances during this time that stimulus payments and extended UI benefits were offered.

Credit card utilization, by gender



Source: The California Policy Lab analysis of University of California Consumer Credit Panel (UC-CCP) data. Notes: Sample includes credit card holders living in California in the given quarter, drawn from a random 1% sample of statewide credit reports. Utilization measures the total outstanding balance an individual has as a share of their total credit card limit.

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Other programs being explored in California show similar promise in effectively supporting people in, and assisting people in getting out of, poverty. Guaranteed Income programs are one such example.

Not to be confused with Universal Basic Income programs, which presume that all people are eligible and no means testing is applied, guaranteed income programs target specific groups of people under a certain income threshold. However, unlike other means tested public welfare programs, recipients are free to use the money anywhere they need it the most. Often dismissed as unrealistically expensive, the pandemic response from both the Federal and State government indicates that the societal return on these programs as direct public investments to alleviate adult poverty, and end child poverty is worth exploring.

In 2021, California lawmakers approved the nation's first state-funded guaranteed income program designed to support foster youth who recently left the foster care system and pregnant mothers. The White House also experimented with guaranteed income in the expanded Child Tax Credit that was part of the early pandemic relief package. Privately funded programs in Stockton, Oakland, Marin County, San Francisco and Santa Clara County that offer participants between $500 and $1,000 guaranteed dollars every month have also been tested over the past three years in California.

Critics of guaranteed income programs have been vocal about concerns that, similar to unemployment benefits, they believe these supports discourage participants from working. The pandemic usage of unemployment benefits throughout this report has shown that this is unequivocally not the case.

In fact, the Stockton SEED Program, which offered participants $1,000 monthly from 2019 to 2021, found that full-time employment among participants increased by 12% in the program's first year. Participants in the program also reported greater financial stability month to month.

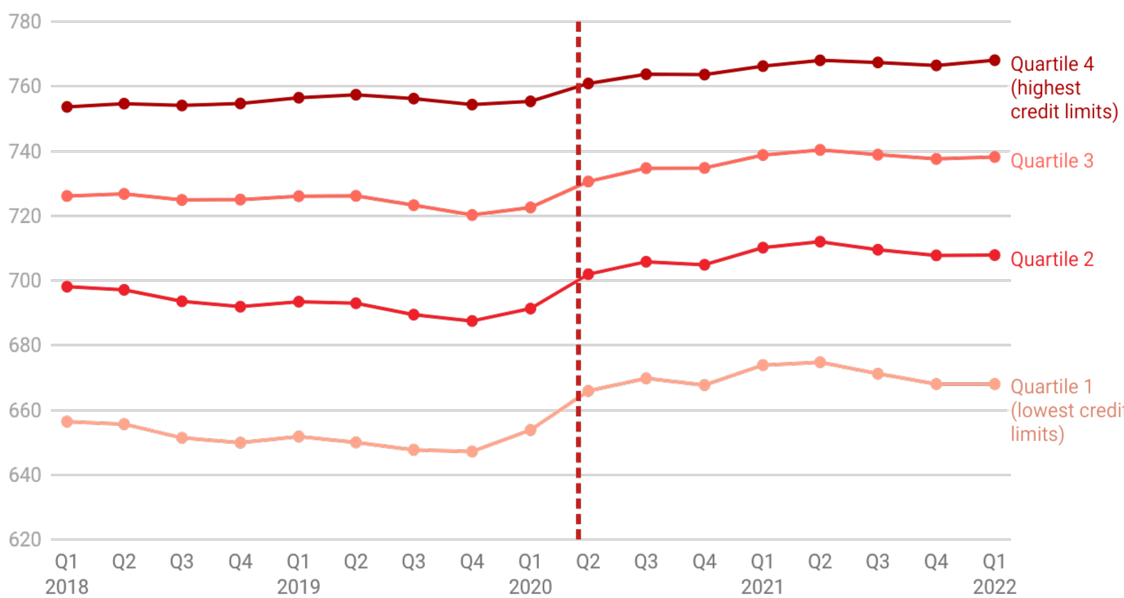
While the California credit data shown above cannot make a whole case for this policy recommendation, it is one more indication that an idea that has been tested on a small scale in various California cities over the past several years could be successful and have an outsize impact on closing racial and gender wealth gaps statewide if implemented and maintained at a larger scale.

In fact, data from both Federal and State government programs during the pandemic indicates that the societal return on these programs as direct public investments is worth exploring. One study, by the Institute on Assets and Social Policy (IASP) at the Heller School for Social Policy and Management at Brandeis University estimated that "if every household received $1,000 a month for each adult and $250 a month for each child, the overall U.S. poverty rate would drop to 2% from 12%, with Black and Latino households experiencing the biggest benefits."

Despite the ongoing pandemic and economic recovery efforts, governmental pandemic response has wound down. At the same time, credit scores have begun slipping back down, highlighting the importance of assistance programs for equitable economic recovery.

The California Policy Lab (CPL) finds that the changes in credit scores witnessed during the pandemic primarily affected women with the lowest credit limits, who generally have the lowest incomes. Likewise, women with some of the lowest credit limits have seen their credit scores decrease the fastest in 2021, as pandemic income supports have been withdrawn.

Credit scores among women, by initial credit-limit quartile



Source: The California Policy Lab analysis of University of California Consumer Credit Panel (UC-CCP) data. Notes: Sample includes women living in California in the given quarter and in 2020Q1 who hold credit cards, drawn from a random 1% sample of statewide credit reports. Individuals are grouped into quartiles based on their 2020Q1 credit limit.

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The economic stimulus payments sent directly to households during the early stages of the pandemic presented the rare opportunity for some Californians to pay down debt, a key component of financial health and economic well-being.

> Critics of guaranteed income programs have been vocal about concerns that, similar to unemployment benefits, they believe these supports discourage participants from working. The pandemic usage of unemployment benefits throughout this report has shown that this is unequivocally not the case.

As we see debt levels once again rising there is a correlated drop in credit scores which impacts access to quality financial services for those most in need. California policymakers should consider the outcomes of recent stimulus and safety net programming and the case this makes for ongoing payments in the form of Guaranteed Income and other stimulus programs.

Women have persistently lower credit scores than men. A return to the pre-pandemic norm leaves women worse off, both relative to pandemic-era highs and to men.

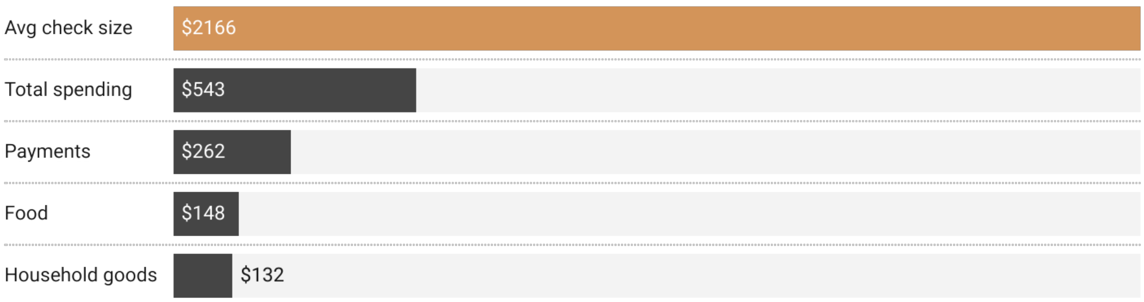
The stimulus checks helped to prop up household balance sheets and largely went towards necessities and paying down debt

The Minneapolis Federal Reserve Bank confirms that before the pandemic, nearly half of American households said they would have difficulty paying a $400 emergency expense, or would not be able to do so at all (Survey of Household Economics and Decisionmaking). Without government income support during the pandemic, many of these families would have become destitute.

When the stimulus checks arrived, researchers found that households with the lowest checking account balances and the lowest income levels were more likely to use the money for expenses, rather than save it. These recipients spent the extra income on food, rent, and debt repayment.

Researchers studying a national sample of predominantly low-income households found that during the week after they received their check, consumers spent only one-quarter (25%) of their stimulus checks in the week after they received them. At least three-quarters (75%) of that spending went towards debt, rent, and other recurring payments, as well as towards food purchases. In other words, among low-income households, stimulus funds were spent on essentials, rather than on big-ticket discretionary purchases, among low-income households.

What did Americans do with their stimulus checks?



Source: Estimation results presented in Table 2 of "Income, Liquidity, and the Consumption Response to the 2020 Economic Stimulus Payments" (Baker et al. 2020). Notes: The authors' original estimates reflect the additional spending attributable to the stimulus checks, during the week following stimulus check receipt. "Payments" includes spending on loans, rent, and mortgages. The authors' daily estimates are summed up over the first week following stimulus check receipt and multiplied by the average stimulus check amount in their sample ($2166) to approximate actual spending levels.

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Women at Home

> **The "Second Shift" increased substantially as school closures presented added burdens on women specifically.**

Over three decades ago, "The Second Shift" was first defined by authors Arlie Russell Hochschild and Anne Machung. Their 1989 book studied the sociological phenomenon in which working mothers disproportionately bore the burden of both home and caregiving as compared to their working husbands.

The Brookings Institute found that nationally, "the majority of women between ages 18 and 64 work. 1 in 4 working women, roughly 15.5 million, have a child under the age of 14 at home." While some women may work part-time or have caregivers in their homes, "more than 10 million (17% of all working women) rely on childcare and schools to keep their children safe while they work." In comparison, that same study found that only 12% of all working men are reliant on schools and childcare.

Pre-pandemic, parents who worked outside of a 9 a.m. to 3 p.m. school schedule were on their own to figure out childcare for children too young to attend school, before school, after school, and during the summertime. This lack of care has been disproportionately burdensome on working class and poor families for generations.

According to research by McKinsey and Co. in 2021, women left the workforce at higher rates to care for family members than men did - even when taking into consideration pre-pandemic data. It was in 2020, at the outset of the pandemic in the United States, when this long-standing disparity began to drastically increase.

That year, 1 in 4 women considered leaving the workforce or downshifting their career, versus 1 in 5 men. According to the report, "while all women have been impacted, three major groups have experienced some of the largest challenges : working mothers, women in senior management positions, and Black women. This disparity came across as particularly stark with parents of kids under ten: the rate at which women in this group were considering leaving was ten percentage points higher than for men."

As the early part of the pandemic shuttered schools and caused businesses to embrace telework options, the responsibility for caregiving drastically increased for women. Suddenly, many working mothers were expected to work their jobs from home, at regular and off hours. Simultaneously, many were also responsible for overseeing remote learning as schools shut down, all while managing 24-hour care of their children in a heightened emotional environment, while working their regular jobs from home.

In the early stages of the pandemic, more than 1.4 million moms left the labor force in 2020 alone, with nearly 45% of women who left the workforce citing childcare as one of the reasons they left, as compared to 14% of the men who left the workforce.

Additional housework, made more burdensome by having greater numbers of people in the home for longer periods of time, was also primarily shouldered by women. The "2020 Women in the Workplace" study by LeanIn.Org and McKinsey and Company found that in dual career couples, mothers were twice as likely as fathers to spend an extra five hours a day on household chores since the start of the pandemic.

Another 2021 study found that 33% of married working mothers identified themselves as their children's sole care provider, leading many to find themselves in impossible to manage positions. From this environment has grown a grassroots movement focused on alleviating the double burden on working mothers.

By 2022, the "Women @ Work 2022: A Global Outlook" report found that more than half of the women surveyed for the report indicated they plan to leave their employer within the next two years, citing burnout and increased stress levels. That same survey also found that just 33% of women reported their employers as having offered flexible-working policies. A stunning 94% of respondents believed that requesting flexible working would affect their likelihood of a promotion.

Unfortunately, the data supports the concerns that these mothers expressed. Research demonstrates that women are indeed financially punished for being mothers, experiencing an estimated 5% to 10% pay cut on average for each child. Fathers experience the opposite, garnering an estimated 6% pay increase per child.

As the pandemic has worn on, the specific burden of caregiving responsibilities that fall mostly on women are not limited to childcare, but encompass a full range of caregiving responsibilities, such as aging parents, sick family members, or loved ones managing a disability – including spouses or children who have contracted Long COVID.

According to the National Women's Law Center (NWLC) survey "Women and Work Two Years Into The Pandemic" women (24%) and men (22%) are almost equally likely to say they provide ongoing

In dual career couples, mothers were **twice as likely** as fathers to spend an extra five hours a day on household chores since the start of the pandemic.

caregiving assistance to a family member that is ill, disabled, or elderly. "A third of women who left or quit a job during the pandemic are providing caregiving assistance, and 39% of these caregivers also report having children living at home." The impact reported showed that:

- "One-third of women providing care to the ill, disabled, or elderly say they quit or lost a job during the pandemic."
- "Among these women, 45% report they have gotten a new job (compared to 80% of men caregivers who left the workforce)."
- "In total, 49% of women caring for ill, disabled, or aging family members say they are working full or part-time, compared to 67% percent of male caregivers. While 48% percent of women caregivers are also low-paid workers making $15 or less an hour, only 36% percent of male caregivers are low-paid."
- "While men and women are just about as likely to say they have caregiving responsibilities for ill, disabled, or elderly family members, men (45% percent) are more likely than women (35% percent) to say they have accessed professional home or community-based services to help."
- "Overall, women (52% percent) are less likely to say that their employers are open to schedule changes to accommodate caregiving needs than men (64% percent). Among parents, 54% percent of mothers say employers are very or somewhat likely to allow work schedule changes to accommodate caregiving needs, while 66% percent of fathers say employers are accommodating. For parents of children under 5, the gender gap widens further – 55% of mothers and 75% of fathers say employers are accommodating."

The pandemic laid bare less visible structural barriers to women's full and equal participation in our economy, leading Reshma Saujani, the founder of "Girls Who Code" to also become the founder and Chief Executive Officer (CEO) of the Marshall Plan for Moms. This national movement to develop a more inclusive economic recovery for working women and mothers rapidly caught on as women began to see the last 30 years of progress in the workplace erased in the face of a national need for caregiver infrastructure that simply does not exist.

The Marshall Plan for Moms Childcare Report focused on what it calls the "Business Case for Childcare." It articulates the economic dangers of an overworked and burnt out workforce of mothers, noting that women in the U.S. spent, on average, 37% more time on unpaid household and care work than men during the early part of the pandemic. This work was done without pay and without policy attention paid to meeting their personal or familial needs.

> In 2020, childcare costs for kids younger than 5 ate up between **17% and 20%** of the average American worker's yearly earnings.

Childcare is a commonly discussed but rarely financially supported economic lever in America. According to this report, the U.S. loses $840 billion in potential economic output as long as women's participation in the workforce is "muted" due to additional caregiving responsibilities.

The report also notes that:

- "For 80% of families, childcare exceeds the Department of the Health and Human Services (HHS) recommended affordability level"
- "51% of Americans live in childcare deserts"
- "Only 6% of hourly workers surveyed have access to emergency back-up care."

Even for families that once had the option to outsource some of the caregiving burden, the cost is now prohibitive. The costs of childcare have grown at a rate twice as fast as overall inflation over the past three decades, and is one of the biggest expenses families face.

Parents with children younger than 5 now spend an annual average of $14,117 on center-based care - a price tag that rivals college tuition and one that directly contributes to lowered participation for women in the workforce. According to research done by Lending Tree, in 2020, childcare costs for kids younger than 5 ate up between 17% and 20% of the average American worker's yearly earnings. In some states, that percentage reached nearly 30%.

While the American Rescue Plan temporarily stabilized the childcare sector, many of these supports are already eliminated or diminished – even as the pandemic and related economic recovery efforts continue.

The patchwork collection of daycare, public school, friends and family networks, after school care, babysitters, and neighbors and nannies collapsed under the weight of pandemic closures, leaving mothers and women as a whole to pick up the slack.

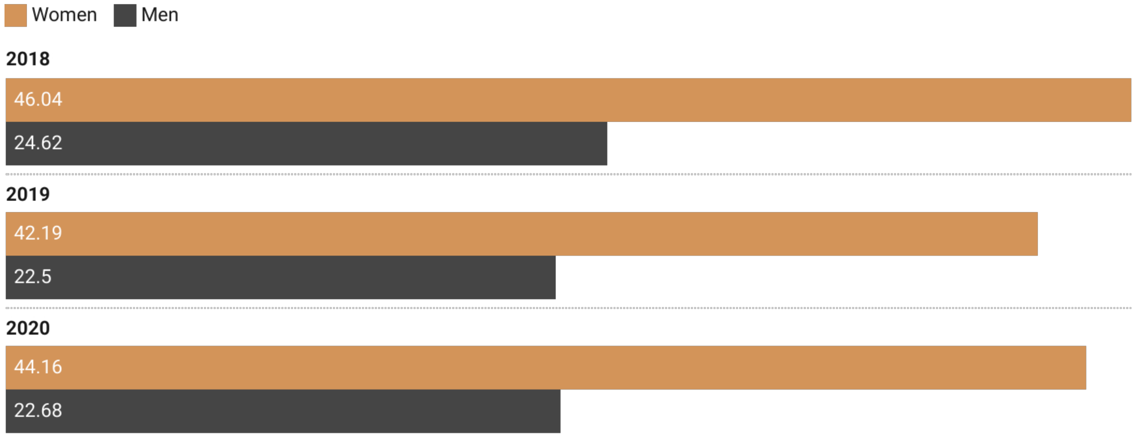
The McKinsey report noted that globally, women's jobs were found to be almost twice as vulnerable to the pandemic as men's jobs. According to a second report released in July of 2020, the company noted that, "in a gender-regressive, 'do nothing' scenario—which assumes that the higher negative impact of COVID-19 on women remains unaddressed—global Gross Domestic Product (GDP) in 2030 would be $1 trillion below where it would have been if COVID-19 had affected men and women equally in their respective areas of employment."

Nationally, a failure to address caregiving and employment access challenges leaves 4.3 trillion dollars in annual GDP in higher female labor force participation, on the table.

The California Policy Lab (CPL) finds that leading up to the pandemic, women nationwide devoted nearly twice as much time towards caregiving as men. This gap is likely an underestimate, since women survey respondents often count care-related tasks (for example, meal preparation for a whole family) as non-care activities.

The California Policy Lab (CPL) research, focused exclusively on the state population of California, finds that an additional 1 out of every 10 women with kids currently does not work, as compared to women without kids, likely as a result of these additional caregiving responsibilities.

Daily minutes spent providing care, by gender



Source: The California Policy Lab analysis of American Time Use Survey data. Notes: Data reflect the national sample of ATUS respondents in the given year. Each bar shows the average number of minutes per day that men and women reported spending on providing care for children or adults, either in their household or another household. Note that the survey was not administered in late March 2020 or April 2020.

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California must invest in childcare and caregiving services if it hopes to recover its economy equitably.

> **At home, women are doing more childcare – at a greater share than men – than before the pandemic.**

Research from the U.S. Census Bureau's Current Population Survey, found that roughly 10 million mothers nationwide who were living with school-age children were not actively working in January 2021. This number constitutes a 1.4 million increase when compared to pre-pandemic levels.

In a survey of men and women who cohabitate with children, researchers from University of Southern California (USC) found that women were three times more likely than men to assume primary childcare responsibilities during pandemic school closures. This gap likely exacerbated the existing gender gap in care provision that existed before the onset of the pandemic.

The same University of Southern California (USC) survey found that among women who remained employed during the first five months of the pandemic, over one-third of those without children–and 2 in 5 of those with children–reduced their working hours. Those rates were consistently lower for men.

A forced reduction in workforce participation due to a lack of child care is nothing new for working mothers. Before the pandemic, the Federal Reserve Board's Brendan M. Price and UCLA Anderson's Melanie Wasserman rightfully acknowledges school closures occur every year during the summer months where women's labor force participation drops significantly as compared to men.

Over a 30-year review of U.S. labor data, they reported "there is a general drop in workforce participation in the summer months among all women, but it is most pronounced among mothers whose youngest child is between the ages of 6 and 12. There is no similar summer decline for men, which suggests that in households with hetero couples, it is women who take on summertime caregiving."

For working mothers, this has led women to pursue careers in education to mirror schedules that meet childcare needs. The authors further note that in the education sector, women are less likely to take on summertime work as compared to men (19%), and "for those working outside of education, reducing hours or taking jobs that allow time off in the summer typically translates to lower earnings and potentially slower career advancement.

The California Budget and Policy Center report, "Moving Beyond Relief for California Child Care: Understanding Federal and State Funding for Subsidized Child Care in California" underscores the need for accessible and affordable childcare and particularly highlights the state's subsidized childcare and development system as critical to California's evolving economic infrastructure.

According to this research, California has received more than $5 billion in one-time federal relief funds to support under-paid childcare providers and cash-strapped families in addition to the state's annual appropriation from the federally subsidized Child Care and Development Fund (CCDF). The report asserts that chronic underfunding at the state and federal level, particularly "under-paid providers engaged in the state's subsidized childcare and development system" meant that this key resource could not withstand the economic shock of the pandemic.

The Budget and Policy Center's Report details the scope of funding that California received to address these challenges:

"The first round of federal pandemic relief for childcare came from the Coronavirus, Aid, Relief, and Economic Security (CARES) Act, enacted in March 2020. Of this, California received $350 million, increasing federal funding for childcare in California by 51% in the 2020 federal fiscal year over pre-pandemic levels. In addition, federal policymakers provided additional child care relief in the Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) in December 2020. From these funds California received an additional $964 million. Finally, the American Rescue Plan Act (ARPA) became law in March 2021, providing a total of $3.7 billion for childcare relief efforts in California — 62% for provider stabilization and 38% to supplement Child Care and Development Fund (CCDF) funding.

"Combined, Coronavirus Response and Relief Supplemental Appropriations Act (CRRSA) and American Rescue Plan Act (ARPA) provided a total of $4.7 billion in childcare relief funds to California in the 2021 federal fiscal year. This was a six-fold increase in federal childcare dollars over pre-pandemic funding from the Child Care and Development Fund (CCDF)."

These funds, while significant, are still in the process of being appropriated – a slow response for a struggling and already unstable system. Moreover, the California Budget and Policy Center asserts that the use of one-time funding for ongoing programs and services, as is reflected in the 2022 Budget, "undermines the fiscal foundation of the state's subsidized childcare and development system."

Beyond these federal allocations, "state leaders have appropriated 48% — roughly $2.5 billion — of the federal funds to date to keep the underfunded subsidized childcare and development system afloat." The state increased funding for subsidized childcare and the California State Preschool Program increased by more than one-third in 2021-22, bringing overall funding to $6.9 billion. This boost in funding would not be possible without roughly $1.7 billion in one-time federal relief dollars.

In the 2022-2023, the Early Childhood Education Omnibus Trailer Bill, Assembly Bill 210 (Chapter 62 of Statutes of 2022) extended the 2021-22 Budget Act actions taken in California during the COVID-19 pandemic to waive family fees for childcare and create hold harmless policies for the 2022-23 fiscal year, including preschool. It also allocated $107 million federal funds and $6 million general fund for these purposes.

AB 210 also allocated $172.34 million ongoing from the general fund, and $314 million ongoing from Proposition 98, to increase rates for the California State Preschool program. Lastly, AB 210 appropriated an additional $250 million one-time funding, to the Inclusive Early Education Expansion Program at the Department of Education, and reduced match requirements for hardship local education agencies.

However, "even with increased funding, resources still fall far short of the billions in additional support necessary to provide fair and just wages to providers and to increase access to early learning and care for families with low and moderate incomes in California."

Of course, childcare responsibilities are not the only caregiving responsibilities that women disproportionately shoulder as compared to men. In both their personal and professional lives, women provide more caregiving services on the whole. This includes eldercare and the care of individuals with disabilities.

When women are not able to perform this work at home, services must be rendered outside of the home by a workforce that is predominantly composed of women. Unsurprisingly, nursing homes across the country currently struggle with extreme staffing shortages, as verified by research from the American Health Care Association and the National Center for Assisted Living.

By 2030 more people in the U.S. will be older than age 65, than younger than age five and nearly 61% of nursing homes limit new admissions due to staffing shortages as inflation and operating costs continue to rise. The report also showed that assisted living facilities reported 63% as experiencing staffing shortages.

According to an analysis by Argentum, as a workforce, women overall account for almost 89% of health care workers. A recent business journal article indicates that women comprise nearly "90 percent of nursing home and assisted living employees, including nurses, aides, technicians and housekeepers/custodians. They also make up the majority of nursing home residents at nearly 70%, in part because women tend to live longer than men." In fact, a report by the Kaiser Family Foundation shows that nearly 25% of all U.S. deaths from COVID-19

State leaders have appropriated 48% — roughly $2.5 billion — of the federal funds to date to keep the underfunded subsidized childcare and development system afloat.

occurred among residents and staff at long-term care facilities, a number that is deeply gendered based on the above analysis.

On the whole, the healthcare ecosystem, where women hold an outsize share of specific positions, continues to struggle under the stressors of the pandemic. COVID-19 has only exacerbated pre-pandemic healthcare staffing shortages. In 2022 SEIU-United Healthcare Workers West presented a survey of allied healthcare workers (medical assistants, respiratory therapists, lab assistants, housekeepers, and others) titled Crisis in Care which presents the results of a survey of 33,140 allied healthcare workers across almost 200 medical facilities in California. This classification of healthcare employees makes up nearly 60% of the healthcare industry in the state.

The report found that 83% of healthcare workers surveyed reported that their departments are either severely understaffed or somewhat understaffed, leading to delays in care. 74% reported always, frequently, or sometimes lacking proper time to care for patients. Perhaps most concerning is the 41% who reported feeling pressured to skip safety protocols due to short staffing.

Based on this collective data, and the work by The California Policy Lab (CPL) which shows the clear impact to women's economic participation of accessible childcare, it is critical that California invest in creating a foundation for a fiscally sound and subsidized ecosystem of care – for children, elders, and the disabled. The recovery of the economy, and the workforce participation of women in general is contingent upon ensuring proper staffing for formal facilities and proper support for informal care networks that can appropriately care for not only children, but elderly and ailing adults, the numbers of which are expected to increase significantly over the next decade.

The childcare burdens added on women and families have had, and will continue to have, significant impact on the state economy.

In a survey conducted by the Kaiser Family Foundation, half of working mothers who quit their jobs during the pandemic did so at least in part because childcare was not available. This pattern underlines how mothers who would otherwise likely have remained in the labor force were obliged to leave in order to fulfill caregiving, and in many cases, homeschooling responsibilities.

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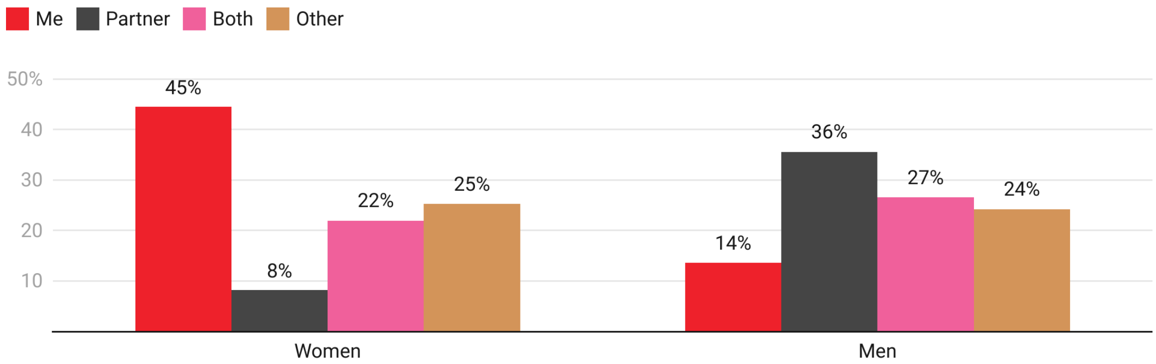
Who was primarily responsible for providing care during school closures?



Source: Survey responses to the University of Southern California Dornsife Center for Economic and Social Research Understanding Coronavirus in America survey, as reported in Figure 1a of "Gender differences in couples' division of childcare, work and mental health during COVID-19" (Zamarro and Prados 2021). Notes: Each bar denotes the share of women (men) who indicated that they were the primary childcare provider ("Me"), that their partner was the primary childcare provider ("Partner"), that both the respondent and their partner were primary providers ("Both"), or that another party (e.g., an extended family member or paid care provider) was the primary provider. The survey was administered between early April and early May 2020.

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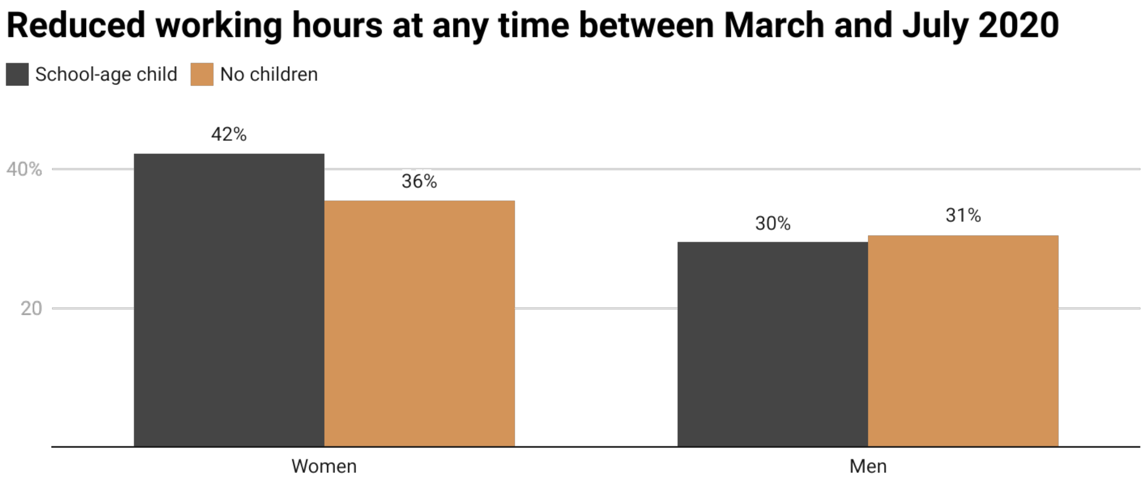
Moreover, women with children reduced work hours during the pandemic more than women without children, ostensibly for childcare reasons. A similar gap does not appear with men.



Source: Survey responses to the University of Southern California Dornsife Center for Economic and Social Research Understanding Coronavirus in America survey, as reported in Figure 2 of "Gender differences in couples' division of childcare, work and mental health during COVID-19" (Zamarro and Prados 2021). Notes: Each bar denotes the share of women (men) who indicated that they reduced their hours worked at some point between May and July 2020. The sample only contains workers who retained the same job between March 2020 and the time of their survey response.

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According to the Bureau of Labor Statistics, women currently make up nearly half of the U.S. workforce, which is similarly reflected in California's workforce. As previously mentioned, nearly 68% of moms with children under age 18 were working in 2021.

A review conducted by Pew Research shows that prior to the pandemic crisis, working moms already faced an average hourly wage gap of 84% of what men make. Compounding this inequity, research using data from the Understanding Coronavirus in America Study "found that women, particularly those without a college degree, suffered more job losses than men and bore significantly greater responsibility for childcare during the COVID-19 pandemic." This inequitable foundation set the stage for the complicated hits to the patchwork caregiver ecosystem in California that began in the acute phase of the pandemic with school closures.

Research in the early stages of the pandemic found that "women have carried a heavier load than men in the provision of childcare during the COVID-19 crisis, even while still working," and to accommodate this increased responsibility, women reduce their working hours–which results in an "increased probability of transitioning out of employment for working mothers." Further, mothers of younger and elementary school-age children experienced psychological distress at higher levels than other women.

"Between May and October 2020, working mothers with sole responsibility for childcare increased from 33% to 45%, while men with sole responsibility for childcare stayed around 10%," and by May 2021 "employment among working women without children had almost returned to pre-pandemic levels, while mothers with school-aged children lagged more than 6% behind."

Researchers from USC noted that COVID-19 related school closures caused more collective burdens on households with children, and women continued to bear the brunt of providing that care. 45% of women reported being the primary caregiver to children when schools are closed, compared to only 14% of men.

For families living in rural areas, school closures may have compounded pre-existing problems accessing care. For example, the Public Policy Institute of California (PPIC) found that location can also have an outsized impact on access to care, regardless of income. Their research found that rural school districts are less likely than other districts to offer Transitional Kindergarten (TK) at 80% or more of their schools. The same is true for "basic aid" districts, which are funded primarily through property taxes rather than the state funding formula. This results in childcare and preschool in certain, but not all, parts of the state. For women in certain areas of the state during the pandemic, childcare was simply not an option.

As families struggled to adjust to simultaneously working and caregiving, perceived flexibility about a partner's job mattered greatly as the pandemic hit, with research suggesting that "mothers who split childcare with their partners had a more positive experience of the work–family balance during lockdown, compared with mothers who did the majority of the childcare."

On the whole, these disparities resulted in a series of negative outcomes for women's employment. A study of close to 1000 partnered parents found that "the loss of full-time childcare was associated with an increased risk of unemployment for mothers but not fathers," and "participation in homeschooling was associated with adverse employment outcomes for mothers but not fathers."

Outcomes from the pandemic paint a stark picture about women's progress and "the chronic shortage of affordable, high-quality child care reflects outdated notions of women's societal roles, how the economy functions, and child development."

In general, caregiving at different stages of a woman's career has varying impacts on her lifetime earnings and financial outcomes. For example, working fewer hours and wages lost due to caregiving earlier in life makes women caregivers two-and-a-half times more likely than non-caregivers to experience poverty later on. By comparison, a woman in the latter half of her career, (50 and older) who leaves employment to provide care for aging parents is shown to lose, on average, nearly $324,004 in lifetime wages and benefits, directly impacting retirement goals.

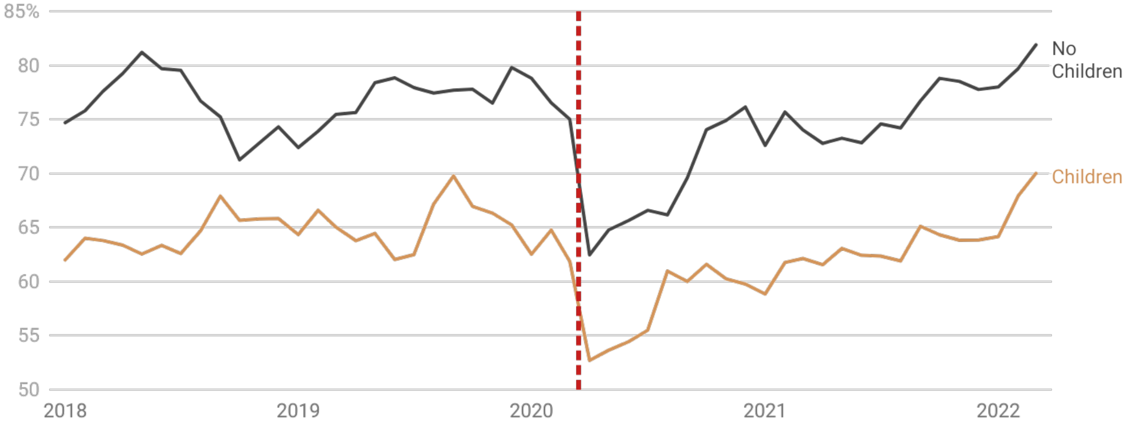
For millions of families in the U.S., the ability to arrange childcare for two-working parent households has been, and remains, a constant challenge – one that pre-dates COVID-19.

However, due to the pandemic, potentially "4.5 million childcare slots could be lost permanently." Significant decreases of availability will have significant negative reverberations to the economy. Losses at this scale amount to an estimated loss of "$64.5 billion per year in lost wages and economic activity," resulting in a crisis of insufficient childcare that affects a woman's ability to work, earn, and engineer her family's recovery from the pandemic.

Not only did "at least 8,500 California child care centers" close permanently in the first year of the pandemic, " but also the cost of center-based childcare has spiked 41% nationwide," resulting in "42% of women with children under 2 leaving in the last year - a quarter of which did so because of caregiving responsibilities," a resultant estimated loss of 865,000 women from the workforce.

The loss of full-time childcare was associated with an increased risk of unemployment for mothers but not fathers, and participation in homeschooling was associated with adverse employment outcomes for mothers but not fathers.

Women's employment-population ratio, by presence of children in household



Source: The California Policy Lab analysis of Current Population Survey data. Notes: Sample includes prime working-age women, 25-54 years old, who are identified as the household head or spouse in the CPS. Each point represents the estimated share of women who are employed in the given month, separately for women who do and do not have a child present in their households.

Created with Datawrapper

For millions of families the ability to arrange childcare for two-working parent households has been, and remains, a constant challenge. The pandemic magnified that challenge to historic proportions. Beyond childcare centers, many California families rely on an informal and uniquely vulnerable system of care referred to as FFN (Family, Friend, and Neighbor) to manage competing demands for time and attention. The pandemic showcased precisely the ways in which such informal systems are critical to working families but subject to stressors that can dramatically impact their availability.

The National Women's Law Center (NWLC) released a survey of Family, Friend, and Neighbor (FFN) providers as well as a follow-up report in April of 2022 that examined the specific impacts of this kind of care. Low-income families, in particular, frequently choose Family, Friend, and Neighbor (FFN) care because they cannot afford more formal options, such as a childcare center, family home, or preschool.

The National Women's Law Center (NWLC) found that Family, Friend, and Neighbor (FFN) and other home-based providers outnumber other types of childcare center based providers. While they collectively serve more children, the vast majority (97 percent) of home-based providers are unlisted. This means they did not appear on any state or national lists of licensed, regulated, or registered providers, or of providers serving families receiving childcare assistance. Of particular importance, the study found that "Family, Friend, and Neighbor (FFN) care is used by families of all races and ethnicities, of all income levels, and with children of all ages."

NWLC research further found that:

- "During the last two years of the pandemic the percentage of households using center-based care dropped from 29% prior to the pandemic to just 4% in May; use of center-based care then increased to 20% of households as of early September, but that remained below previous levels. Meanwhile, the percentage of households using home-based care declined from 28% prior to the pandemic to 17% in May before increasing to 32% in early September, exceeding pre-pandemic levels."
- "57% of Family, Friend, and Neighbor (FFN) providers responding to the survey were still regularly caring for children other than their own at the time of the survey, and 86% will continue to provide or resume providing care after the pandemic."

In large part due to lack of availability, many families find that Family, Friend, and Neighbor (FFN) providers are the only suitable options for their children to receive needed care, due to the non-traditional work hours of the parents, or the specific needs of a child with a disability.

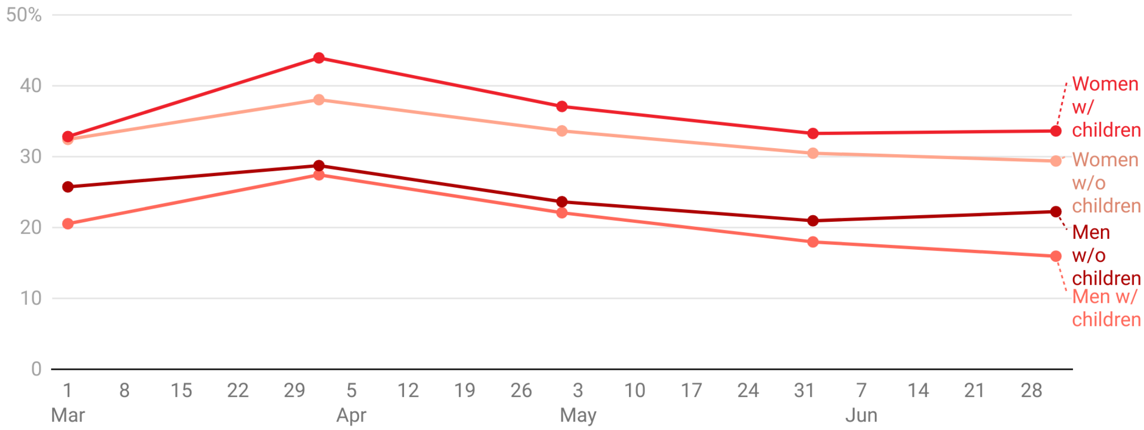
However, for many women in California, the structural barriers to childcare were simply too great. Center-based or Family, Friend, and Neighbor (FFN) networks were inaccessible or not ideal for various reasons. Women, and especially mothers, were faced with seemingly impossible choices between caregiving responsibilities, the cost of outsourcing care, and maintaining a full workload or bringing in a needed income.

In addition to childcare, as mentioned above, many women struggled with providing elder care. Indra Nooyi, former Chief Executive Officer (CEO) of Pepsi, pointed out in a recent article that "More than 10,000 people turn 65 every day in the U.S. and, as the population ages, we'll need more care workers. Meanwhile, young adults are having fewer children, in part, daunted by how to combine work and family."

These additional burdens falling largely to women, both in and outside of the workforce, explains in part why starting early in the pandemic women with children reported elevated levels of psychological distress when compared to women without children.

The University of Southern California (USC) Dornsife Center for Economic and Social Research also found that similarly, women with children experienced higher rates of psychological distress overall, indicating a significant future complication to a caregiving system that relies heavily on the unpaid labor of mothers. If that uncompensated workforce should falter due to widespread challenges to mental wellness caused by the additional stressors of the pandemic, economic recovery will also be impacted.

Rates of psychological distress



Source: Survey responses to the University of Southern California Dornsife Center for Economic and Social Research Understanding Coronavirus in America survey, as reported in Figure 4 of "Gender differences in couples' division of childcare, work and mental health during COVID-19" (Zamarro and Prados 2021). Notes: Each point denotes the share of survey respondents who indicated some level of psychological distress in the given survey wave, by gender and whether there is a school-age child living in the household. Note that data for May and June is interpolated from early and late month survey waves.

Created with Datawrapper

Additional stressors are collective grief and loss, which are likely to be exacerbated for caregivers or those also helping children process loss. The COVID States Project examined data related to COVID-19 deaths and concurrent incidents of depression, revealing that:

- "4 out of 10 American adults know at least one person who died of COVID-19, including 7% who know 3 or more people who died."
- "15% of American adults report that a family member died of COVID-19."
- "Black and Hispanic adults are more likely than others to know someone who died of COVID-19 (46% and 45%, respectively, versus 38% for white and 36% for Asian respondents)."

The report also found that:

- "About 1 in 4 U.S. adults (27%) report moderate or greater symptoms of depression, generally similar to rates throughout the pandemic."
- "Among those with a family member who died, rates of depression were 31% compared to 26% among those without a family member who died; these effects were not explained by differences in age, gender, race and ethnicity, income, or U.S. region."

Deloitte's Women @ Work 2022: A Global Outlook found that 53% of women say their stress levels are higher than they were a year ago. The report also found that women are more likely to be looking for a new role than they were in 2021, with nearly 40% citing burnout as the top driving factor. Even more disturbing, with conditions at home remaining difficult in the third year of the pandemic, "the majority of women (59%) have experienced harassment and/or microaggressions over the past year at work, a number that has increased since (our) 2021 report (52%)."

The report indicates that employers have not fully embraced the kind of flexibility needed to support women returning (or remaining) in the workforce under these additional stressful conditions. The report notes that, "although women are slightly more likely this year than in 2021 to say that their employer offers flexible working policies, the number is still low: just one-third of women (33%) say their employer offers this and when asked about policies their organization has introduced during the pandemic, only 22% cited flexibility around where and when they work. Additionally, women who have reduced or changed hours during the pandemic, as well as those who work part-time, have paid a high price: "they are suffering significantly lower levels of mental wellbeing and motivation at work."

Deloitte identified a group of women who work for organizations that, according to the women surveyed, "have fostered genuinely inclusive cultures that support them and promote mental wellbeing." Using these companies as a model, women who work for these companies reported "far higher levels of engagement, trust, and career satisfaction, and they also plan to stay with their employers longer."

The low numbers of women reporting such work environments indicates a need for support at the policy level to build environments that combat the findings that, "only 43% (of women) feel comfortable talking about mental health challenges in the workplace, only 44% say that they get adequate support from their employer when it comes to mental health, and 33% have taken time off work for mental-health reasons."

The study particularly noted that women in ethnic-minority groups were more likely to feel burn out and were less likely to feel comfortable discussing their mental health in the workplace or disclosing it as a reason for absence.

In addition to the everyday stressors of the pandemic, many Americans are still suffering from profound grief and loss that may impact their ability to work, or the quality of their work. In a recent survey of over 18,000 Americans, as described earlier in this report, 4 in 10 people who responded reported having known at least one person who had died of COVID. One in seven reported that a family member had died. The survey found that 27 percent of adults reported high levels of depression. However, it remains to be seen what the long-term psychological impacts of this kind of widespread and sustained grief will have on the workforce.

Including mental wellness in any assessment of policy needs is not to shift the burden of wellness to individuals, but rather, critical to examining the scope of the issue in the aggregate to forecast potential disturbances to the already shaky safety net that relies on the collective labor of those individuals to keep the state's economy running.

To that effect, the TIME'S UP Care Economy Business Council found that the caregiving crisis is affecting more than individuals and families - it's affecting business operations and companies' bottom lines. According to the Council, "one third of all U.S. employees have left a job during their career in order to manage an unmet caregiving responsibility. Nearly 50% of companies reported lack of childcare as an impediment to hiring or calling back workers during the pandemic and the costs associated with turnover alone can run as high as 213% of an employee's salary."

A 2022 report titled " To Fix the Labor Shortage Solve the Care Crisis" by Boston Consulting Group (BCG) and Dynata, offers a stern warning: Ongoing labor and talent shortages are not going to be solved by the current growth rate and pose a significant threat to U.S. economic leadership. As the fifth largest economy in the world, California has an important role to play in solving this national crisis.

The report notes that, "even as the country approaches a return to pre-pandemic levels of employment and workforce participation, it faces historic job vacancies: there are 5 million more open jobs than people in the workforce." This issue is represented in the 50 million adults younger than age 65 who do not hold jobs.

The report highlights the impending wave of adult care needs nationwide, asserting that "by 2034, there will be more people 65 and older than 18 and younger for the first time in U.S. history. As people continue to live longer, the dependency ratio of people 65 and older and under 18 to adults aged 18 through 64 will continue to grow through 2060 and likely beyond."

Perhaps the most important antidote to this ongoing labor shortage is in new policies that make the care economy, including paid and unpaid care, more functional. The report notes that paid-care jobs in child, adult, and medical care are projected to provide three-quarters of the U.S. job growth between now and 2030. Significantly, workers with unpaid care responsibilities at home continue to work outside the home and are dependent on the care infrastructure to remain employed. This group makes up more than half of the country's workforce, causing a ripple effect when the paid care workforce struggles.

This data touches on two significant issues impacting women.

First, roughly a fifth of the almost 50 million people not currently in the workforce are unable to work because of disability or health reasons. With the impacts of Long COVID and the ongoing disabling nature of the pandemic, we can expect this number to continue to increase. As this issue impacts women more than men, restructuring opportunity and the workplace to be more inclusive of disability is a critical step.

Second, according to the report, "as many as 10 million of these potential workers, 90% of them women, are stay-at-home parents or unpaid caregivers tending to adults. The workforce participation rate of women is well below that of men, making women a critical source of new talent. Quality, affordable paid care could encourage and enable more women to work."

Even prior to the pandemic women were three times as likely as men to retire early for caregiving reasons. Boston Consulting Group (BCG) found that employed caregivers account for nearly 60% of the U.S. Gross Domestic Product (GDP) while spending an estimated 150 billion hours annually on unpaid-care responsibilities. According to the report, "working women are doing this unpaid work more than working men, spending 40% more time on childcare and 20% more on adult care than men...Women are also the heavy lifters in the paid-care economy. About three-quarters of the 34 million people paid to provide care are women."

Only 43% (of women) feel comfortable talking about mental health challenges in the workplace, **only 44%** say that they get adequate support from their employer when it comes to mental health, and **33%** have taken time off work for mental-health reasons.

The report goes further and attempts to quantify the value of unpaid care, highlighting the overall value to the economy of this work. According to the report and data from the U.S. Bureau of Labor Statistics (BLS), the care economy in the U.S. (paid and unpaid combined) "comprises up to an estimated $6 trillion of activity. Over half of this value comes from quantifying unpaid care, which is often overlooked."

Size of the care economy

Source: Data from the Economic Policy Institute, "Setting Higher Wages for Child Care and Home Health Care Workers Is Long Overdue." Notes: Estimated economic size of the care sector, accounting for salaries of caregivers in the educational services, health care services, and care/hospital facilities.

Created with Datawrapper

Undervaluing caregiving is a critical issue we must address. Jobs in paid-care fields which are female-dominated have historically been low-wage and the average child daycare employee earns just $25,000 annually. 92% of these workers are women. According to the Economic Policy Institute, the average wage for early childhood and home health workers is significantly less than that of an average worker. The care economy is equally vulnerable to disruption for people with disabilities, older adults, and family caregivers — 60% of whom are women.

Childcare workers have long been underpaid and given fewer benefits like health insurance, according to the same November 2021 report from the Economic Policy Institute. On average, childcare workers in the U.S. are paid $13.51 per hour, according to the Economic Policy Institute (EPI) analysis. That's nearly half of what the average U.S. worker makes, at $27.31 an hour. This means that childcare workers can't afford to support themselves or their families. This results in higher rates of job turnover, decreased quality of care, and a greater risk for towns and cities to become childcare deserts, the Economic Policy Institute (EPI) found.

Since losing one-third of its workforce at the outset of the pandemic, the child care industry has seen a jobs recovery that's been slow and incomplete. After shedding 4,500 jobs from September through November, preliminary estimates from the US Bureau of Labor Statistics (BLS) show that the child daycare services industry lost another 3,700 jobs in December. If this industry falters further, it spells trouble for the entire labor market as working parents scramble to find care for their children.

The Boston Consulting Group (BCG) report highlights that most of the positions in this growing sector are at high risk in a pandemic, as remote work is rarely an option in the care economy. "Boston Consulting Group (BCG) analysis shows that 90% of these jobs will require a fully in-person presence, compared with about 20% of new professional service jobs."

The report explains that employed caregivers spent more than 30 hours per week providing unpaid care on average, a number that shot up to an astonishing average of 52 hours a week at the height of the pandemic, according to Boston Consulting Group (BCG) research. Employed caregivers themselves also often need caregiving services, further compounding the challenges of this industry sector in finding and retaining employees.

While the California Commission on the Status of Women and Girls (CCSWG) agrees with the TIME'S UP Care Economy Business Council that business has a responsibility to take action to protect the women caregivers who are the backbone of California's economy, there is a strong case to be made that the responsibility also lies with the government. If we use the persistent wage gap or underrepresentation of women on corporate boards as any example, if we wait for industry alone to provide the needed support, we may be waiting a very long time.

Employed caregivers spent more than **30 hours** per week providing unpaid care on average, a number that shot up to an astonishing average of **52 hours** a week at the height of the pandemic.

In fact, there are solutions for policymakers to consider. The Boston Consulting (BCG) report provides international examples which demonstrated immediate impact:

- One case study is the Canadian province of Quebec, which instituted subsidized universal daycare in 1997. According to the report, "the share of employed women with children younger than 5 went from 64% to 80%. Today, a greater share of women work in Quebec than the rest of Canada."
- Soon after, Germany increased federal support for daycare in 2005. Their results were similar, with the report noting that "the daycare participation rates of children under 3 have grown from 37% in 2009 to 64% in 2020. The number of working women and the birth rate have also increased."

Additionally, a recent paper published by the National Bureau of Economic Research suggests that "under a policy of broadly expanded subsidies that limits family payments for Early Care and Education (ECE) to no more than 7% of income, and among those up to 250% of national median income, we estimate that mothers' employment would increase by six percentage points while full-time employment would increase by nearly 10 percentage points, with substantially larger increases among lower-income families."

Such a policy would also "induce a shift from informal care and parent-only care to center- and home-based providers, which are higher-quality on average, with larger shifts for lower-income families. Despite the increased use of formal care, family expenditures on Early Care and Education (ECE) services would decrease throughout most of the income distribution. For example, families in the bottom three income quintiles would experience expenditure reductions of 76%, 68%, and 55%, respectively."

Theoretically, this would also have a substantial impact on market rate wages for teachers and caregivers, roles held predominately by women.

It is also critical that policymakers ensure childcare programs, initiatives, and policies intentionally incorporate Family, Friend and Neighborhood childcare and support for FFN care, with a focus on providers and families of color. Additionally, building out support systems for providers to access, in culturally and linguistically relevant ways, training, resources, and support for themselves and the families and children in their care are critical to moving this system into more stable footing. As with all public policy issues, lawmakers must make efforts to design childcare policies with input from parents and caregivers to ensure they are truly meeting community needs.

We must make every effort to offer the support needed to keep women in the workforce and this starts with the care economy.

> **Paid family leave claims increased by 20% after COVID-19 administrative leave expired at the end of 2020.**

Prior to the pandemic, a Pew Research 2016 survey of workers who had taken parental, family or medical leave in the two years prior to the survey found that mothers would typically take more time off than fathers after birth or adoption. Specifically:

- "The median length of leave among mothers after the birth or adoption of their child was 11 weeks, compared with one week for fathers. About half (47%) of mothers who took time off from work in the two years after birth or adoption took off 12 weeks or more."
- "Mothers were also nearly twice as likely as fathers to say taking time off had a negative impact on their job or career."
- "Among those who took leave from work in the two years following the birth or adoption of their child, 25% of women said this had a negative impact at work, compared with 13% of men."

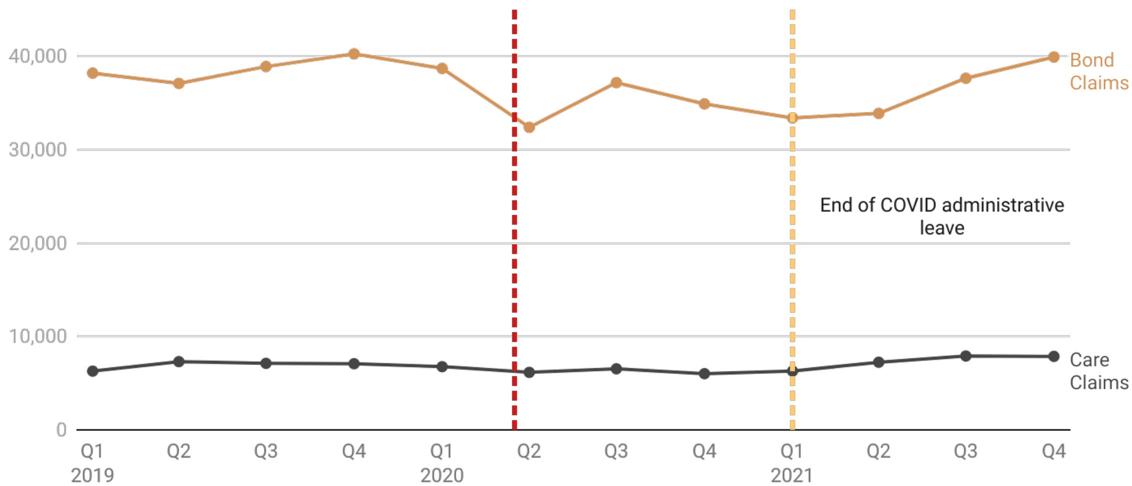
The U.S. Equal Opportunity Employment Commission offers guidance for employers regarding employee caregiving responsibilities. However, relying solely on employers to voluntarily adopt flexible workplace policies leaves many employees without them. As the nation moves out of the acute phase of the pandemic and into a phase of prolonged and cyclical community infection and recovery, such policies are more important than ever to sustain our national workforce and ensure economic stability.

The federal Families First Coronavirus Response Act temporarily addressed the lack of paid time off available to workers in the U.S. by requiring employers to provide both paid sick days and job-protected paid leave to care for a family member. Unfortunately it also included exemptions for some employers to opt out. This left some workers, many of whom earned low wages and had limited benefits, without options.

The federal Family and Medical Leave Act provides certain employees of covered employers with up to 12 weeks of unpaid, job protected leave in a 12-month period. Unfortunately, however, Paid Family Medical Leave is largely pieced together state by state, and leaves a number of people, particularly low wage workers, unable to access its benefits. Nationally, expanded access to Paid Family and Medical Leave would increase women's labor force participation and provide much needed securities for working families in crisis situations such as the COVID-19 pandemic.

At the state level, The California Policy Lab (CPL) found an overall decline in women's paid family leave claims in 2020. This may be linked to unemployment or the availability of federally provided COVID-19 administrative leave. Data shows that claims began to rise again in 2021 as the economy gradually restarted and, concurrently, COVID-19 administrative leave options began to expire.

Paid family leave claims filed by women, by type



Source: The California Policy Lab analysis of Employment Development Department data. Notes: Sample includes new bond and care PFL claims filed by women in a given quarter.

Created with Datawrapper

The California Budget and Policy Center produced critical assessments in the second year of the pandemic focused on how well the state paid family leave program was able to serve those in need during the pandemic. Currently most California workers contribute to paid family leave and are eligible for the paid time off it can provide. Under the program, each worker is eligible for up to 8 weeks of paid time off in order to care for a sick family member (referred to as a "care claim") or to bond with a newborn or adopted child (referred to as a "bond claim").

However, the California Budget and Policy Center found that California workers with very low wages do not receive payments high enough to be able to utilize this program. Low wage workers receive only 70% of their earnings, and all other workers receive payments that are equal to 60% of their earnings, making it too great a struggle for many to take the needed time and still pay their bills.

These low payment rates are a structural barrier for many families that "block access to paid family leave, particularly workers with low wages who are disproportionately women, Black, and Latinx Californians."

More than 18 million workers in California contributed to paid family leave in 2020 which made them eligible to utilize the program. Of those who were eligible, 37% were workers with less than $20,000 in annual wages, according to the report, and of these same workers, only 14% are reported to have utilized paid family leave.

A comparison of utilization rates makes clear the disparities in the current program: According to this report, "workers earning between $80,000 and $99,999 annually had a utilization rate that was nearly four times higher than for workers in the lowest wage bracket."

The report highlights that "barriers are particularly acute for workers with low wages – disproportionately women, Black, and Latino workers" when it comes to accessing California's paid leave programs and particularly highlights the ongoing struggle for California's part-time workforce that cannot take advantage of these policies with any sort of job security - something California policymakers can fix."

2022 saw an astonishing state budget surplus of $97.5 billion that has the potential to radically reshape the economic landscape for working women and women of color, disabled women, Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, Asexual (LGBTQIA+) women and mothers. As the state considers how to appropriate future budget dollars, expanding critical programs, such as Paid Family Leave, to increase supports and ameliorate disparities is an investment worthy of consideration. Such policies would provide benefits to the state through stronger workforce and greater economic stability.

The pandemic showcases how vital workers, particularly low-wage workers, are to an economic recovery. The Ford Foundation report titled, "Reimagine Recovery: A Playbook for an Equitable Future" invites readers to envision a recovery process and outcomes that are not satisfied with a return to previously inequitable life. It asks that readers consider what is possible, and demonstrates that what is possible is, in fact, a fundamental reimagination of the way we work and live.

We can start by acknowledging the good work that was done during the apex of the crisis and building off of what the data tells us about the collective impact of having stronger safety nets. From there, good policy making requires that working people have a seat at the decision-making table, alongside business and corporate leaders. We must expand access to capital and deliberately include those with disabilities and other marginalized identities in our efforts and scaffold opportunities for those in need. Through policies and economic investments that widen the path to participation in a just economy, California can lead the nation by prioritizing multilateral communities that thrive in an economic environment predicated on support, equity and mutuality, rather than competition and scarcity of resources.

FINDING 2: The COVID-19 virus impacted men and women differently, with women facing an elevated risk of Long COVID and more significant impacts to their workforce participation, long term economic health, and ability to build wealth over time.

Recommendation:

Examine the long-term impact of Long COVID on women's health and economic status, implementing responsive solutions to preempt continued set-back and loss.

Policy Solutions:

1. COVID-19 Reporting: COVID-19 will not be the last pandemic or crisis Californians will experience. California must analyze the costs of sustaining investments in functional reporting tools to allow for self-reporting of home tests and collection of relevant, timely data through phone apps and accessible technology. Establish a new, publicly available reporting section for Long COVID - 19 sufferers with disaggregated information inclusive of race, gender, disability, and sexual orientation - prioritizing publication data by intersection of gender and race. Policymakers should explore options for providing free to low-cost VPN access to all households for safer data privacy and allow for free weekly credit reports to help align with data privacy for users and providers, which in turn helps to ensure financial information is accurate and up to date.

2. Plan for Long COVID: Evaluate existing eligibility for Social Security Disability Insurance (SSDI) at the state level and rules and payment process must be analyzed and subsequently adjusted as needed to accommodate newly disabled workers, as well as State Social Security Income/State Supplementary Payment (SSI/SSP) with an eye toward increased usage in proportion to the infection rate. Continued investment in a rainy-day fund for future needs and increased resources to areas of public life that would benefit from improved ventilation and public health practices.

3. Sick Leave for All: Reevaluate the number of state-mandated paid sick days available across industries with additional expansions during a public health emergency.

4. Palliative Care: Education, policies, and initiatives should be designed and evaluated to ensure equitable access to palliative care for diverse populations of adults in California living with serious illness to anticipate supporting adults living with serious illness related to COVID-19.

5. Mental Health: Fund research that specifically looks at pregnant and postpartum women who have faced unique challenges during the COVID-19 pandemic that may put them at elevated risk of mental health problems and self-reporting elevated symptoms of depression, anxiety, and posttraumatic stress than most available general population estimates of psychiatric distress during the pandemic. Work with the Mental Health Services and Oversight Accountability Commission (MHSOAC) to research and develop opportunities to offer increased access to mental health services through telehealth and provide recommendations to avert a suicide crisis and compounded opioid epidemic in upcoming years due to millions of people battling Long COVID-19 and long-term disabilities as a result of COVID-19.

6. Prioritize Accessibility: Evaluate major changes to support virtual meetings, telework, telehealth and digital education options to provide a necessary avenue for participation in the workforce and public life and must be made permanent features of government.

Crisis Support: Strengthened social safety nets prevented worse economic outcomes for women

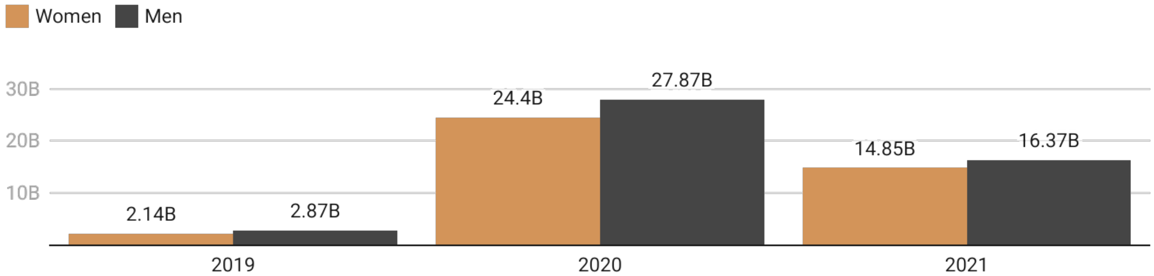
Enhanced unemployment benefits helped low wage workers weather the crisis and did not discourage job seeking.

The California Policy Lab (CPL) finds that women workers received over $24.4 billion in Unemployment Insurance (UI) payments in 2020 – over ten times the amount received in 2019. This increase is a clear sign of the scale of the policy response to the employment crisis in 2020. As lockdowns were lifted in 2021, the economy rebounded to some degree and total Unemployment Insurance (UI) payments for women went down to $14.8 billion. The total amount of Unemployment Insurance (UI) payments to men were higher because men's incomes are higher in general, reflecting a persistent wage gap between men and women. In total, the number of women claiming Unemployment Insurance (UI) was significantly higher (about 100,000 or 3%) than the number of men making similar claims. Overall, because of how Unemployment Insurance (UI) benefits are calculated, males, more educated workers, and White workers typically receive higher UI benefit amounts than other workers.

During unprecedented demand, California's UI program experienced significant challenges, and delays, in providing support to claimants. A report titled Improving California's Unemployment Insurance Program issued by the Legislative Analyst's Office in August of 2022 admitted that the program faltered during the height of the pandemic, leading to significant delays by the Employment Development Department (EDD) for roughly 5 million workers. The report noted a variety of issues that led to delays and highlighted, in particular, fraud prevention measures and data integrity issues. This can spell trouble for claimants because fraud prevention superseding support for workers in need.The report noted specifically that fraud prevention measures led to additional issues, noting, "more than half of the UI claims the Employment Development Department (EDD) denies are overturned on appeal. Overturned denials cause lengthy delays for workers who appeal and raise concern that the state denies many eligible workers. Likely between $500 million and $1 billion annually in UI payments go unpaid each year due to improper denials."

All told, a program that provided significant and needed relief to millions across the state also delayed or improperly denied benefits for an estimated 6 million people in the early stages of the pandemic crisis.

Total unemployment insurance payments, by gender



Source: The California Policy Lab analysis of Employment Development Department data. Notes: Each bar represents the total amount of unemployment insurance claims paid to women (men) each year, in billions of dollars.

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Traditionally, these benefits were designed to provide temporary relief. However, The California Policy Lab's (CPL) research indicates that 70% of claimants receiving regular Unemployment Insurance (UI) benefits at the beginning of April 2021 were receiving benefits through an extension program (either Pandemic Emergency Unemployment Compensation [PEUC] or Federal-State Extended Duration [FED-ED]). These programs provided a lifeline to workers who otherwise would not have been eligible for Unemployment Insurance (UI) benefits.

In California, nearly 1 of every 3 workers sought regular unemployment benefits during the first year of the COVID-19 pandemic starting in March 2020. In the first year of the pandemic, 31% of California's pre-crisis labor force applied for regular unemployment benefits (not including Pandemic Unemployment Assistance [PUA] claimants). Female workers and workers with a high school degree or less had higher rates of Unemployment Insurance (UI) claims than other groups. Thirty-five percent of women workers in California sought benefits, compared to 28% of men.

CPL further determined that between March 2020 and December 2020, Unemployment Insurance benefits reached the families of approximately 3.6 million California children, — about 40% of the state's children supporting those households in the first year of the pandemic.

Additional research by CPL released in April 2022, found that the recipiency rate (which measures how many unemployed workers are receiving Unemployment Insurance [UI] benefits) increased during the pandemic. However, there were large disparities among recipients in different communities. Ultimately, it was the creation of the extension programs that drove the increase in recipiency rates, and nearly 4 of every 10 unemployed workers lost benefits when those programs expired in September 2021. Overall, California counties with higher incomes and more access to broadband internet were associated with high recipiency rates, while areas with a larger share of Hispanic individuals, people with limited English proficiency, and more COVID-19 cases were associated with lower rates.

Other researchers have concluded that, nationwide, workers who received more generous Unemployment Insurance (UI) benefits during the pandemic were just as likely to secure re-employment, which suggests that contrary to some political messaging, Unemployment Insurance (UI) does not discourage job-seeking.

Unfortunately, due to policy flaws in how states determine if Extended Benefits (EB) are available, California and 39 other states ended their EB programs while many people still counted on them and about a quarter of Unemployment Insurance (UI) claimants who entered at the beginning of the pandemic, exhausted their benefits with older workers, Black workers, and less educated workers exhausting their benefits at higher rates than other groups. If Congress reformed automatic benefits triggers to align with the proposed improved Insured Unemployment Rate trigger (which also counts claimants in extension programs), these 39 states would have been able to offer an additional 13 weeks of UI benefits to claimants who had already exhausted theirs.

Even with these limitations, a significant amount of federal money was spent to meet the needs of unemployed Americans. According to the Center on Budget and Policy Priorities report released in 2021, the federal government provided over $650 billion in federal pandemic unemployment benefits between March 2020 and September 2021. With 25 percent of workers receiving support according to a Century Foundation analysis, unemployment benefits kept millions of families above the poverty line in 2020. According to the report, the "poverty reduction was notable for all racial groups, but particularly so for Black individuals: a decline of 2.5 percentage points, compared with 1.4 percentage points for the population overall."

Across California, recipiency rates during the pandemic were higher in more affluent counties and those with more access to broadband. Recipiency rates were lower in counties with more residents of limited English-speaking proficiency, as well as those counties with more Black or Hispanic residents.

The Bureau of Labor Statistics found that similarly, people who received unemployment benefits were 18.9% less likely to experience food hardship than peers who applied for benefits, but did not receive them (29.1%).

Nationwide pandemic unemployment benefits helped to stabilize an economy in free fall. This program, and in particular the program extensions, also provided a roadmap to kickstart an equitable recovery. Historically, Unemployment Insurance (UI) has been shown to disadvantage women and people of color because they disproportionately work in part-time and low-wage jobs with limited access to benefits. "By expanding coverage, duration, and benefit adequacy, the expired pandemic unemployment benefit programs temporarily helped to partially address these problems." Despite that, room for improvement still exists.

A separate report by The California Policy Lab (CPL) done in 2021 found that:

- "About 60% of unemployed Americans collected Unemployment Insurance (UI) benefits during December 2020, up from 16% of the unemployed in December of 2019. This rate varied dramatically across U.S. states, but less so across counties in California."
- "Across California, recipiency rates during the pandemic were higher in more affluent counties and those with more access to broadband. Recipiency rates were lower in counties with more residents of limited English-speaking proficiency, as well as those counties with more Black or Hispanic residents."

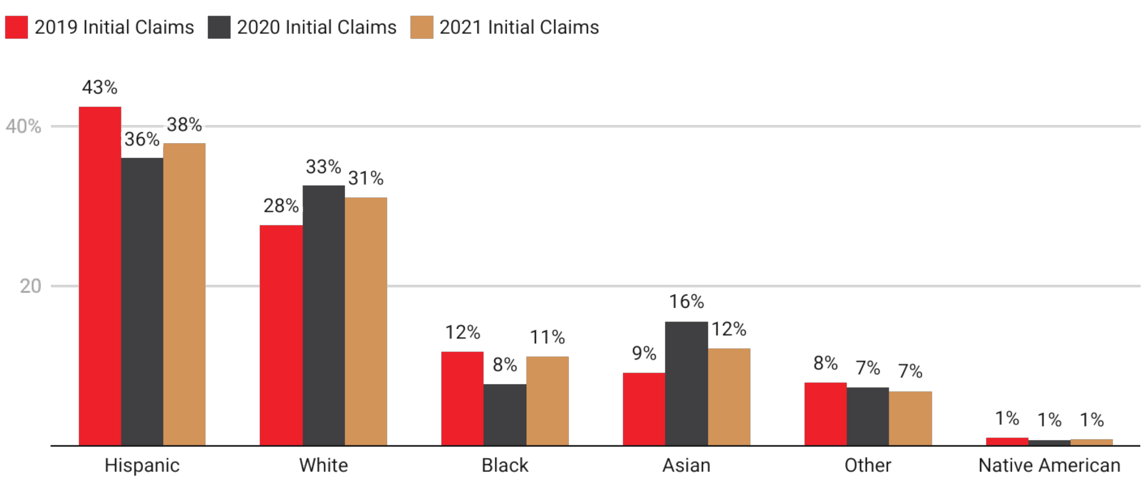
"Nationally, about 6% of jobless workers claiming Unemployment Insurance (UI) had exhausted their benefits during the first week of December 2020. Within California, counties with more limited-English speakers and higher rates of COVID-19 cases saw higher rates of exhaustion, as did those with higher shares of Black and Hispanic residents."

Additional data generated by The California Policy Lab (CPL) specifically for this report determined the measure of Entries into Paid Unemployment based on actual payments, clarified the total amount of churn, and the movement of unemployed and re-employed workers in-and-out of California's Unemployment Insurance (UI) system. In 2021, between 30% and 40% of all claimants who left the Unemployment Insurance (UI) system returned after four weeks. Across demographic groups, white workers, female workers, and older workers were more likely to suffer repeated job loss and multiple Unemployment Insurance (UI) spells.

The number of Unemployment Insurance (UI) claims noted by The California Policy Lab (CPL) for all groups skyrocketed early in the pandemic. However, as was the case throughout the pandemic, women of color suffered the worst outcomes. For example, according to this research, the share of claims by Asian-American women went from 9% to 16% of all women claimants in the earliest part of the pandemic.

Indicative of the profound impact of the pandemic on women with children, CPL estimated that between March 2020 and December 2020, UI benefits reached the families of approximately 3.6 million California children, based on EDD UI claims data and the family composition of households of unemployed California workers in the Current Population Survey.

Women's initial regular unemployment insurance claims by race/ethnicity, as a share of yearly total



Source: The California Policy Lab analysis of Employment Development Department data. Notes: Sample includes all women who filed new initial regular unemployment insurance claims in the given year. The data do not include Pandemic Unemployment Assistance claims. There were 528,551 initial claims filed by women in 2019, 3,267,756 in 2020, and 686,474 in 2021. Race/ethnicity are combined into a single concept in the unemployment insurance data. The "Hispanic" category includes all Hispanics, regardless of race, while the other categories include only non-Hispanics.

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A recent Public Policy Institute of California (PPIC) article indicates that California is recovering overall and while there is certainly cause for optimism, the article looks solely at race, but does not consider gender. As a result, the article provides an incomplete picture about the efficacy of state recovery efforts.

While the article acknowledges that "differences in unemployment and labor force participation persist across groups," it also reported that, "sectors have recovered at different rates—for example, leisure and hospitality jobs remain a bit behind pre-pandemic levels, whereas transportation and warehousing jobs are well ahead." The sectors that remain behind are typically those sectors that employ women at greater rates than men. Wage and opportunity gaps that have long been an issue will persist beyond recovery efforts if unemployment efforts focus on the general population, rather than an intersectional approach that centers the most impacted.

As of March 2022, California had recovered 89% of the jobs lost during the spring of 2020, demonstrating we are on the right path to close the pre-existing, pre-pandemic gaps. However, as the California Budget and Policy Center points out, in June of 2022, "Around 3 in 5 California households with incomes below $50,000 had trouble affording basic expenses in June. And due to past and continued discrimination, about one-half of Black, Latinx, and other Californians of color reported struggling with basic expenses in recent months, compared to about 30% of white Californians."

The Public Policy Institute of California (PPIC) article specifically concludes that "addressing the remaining gaps and examining additional indicators of economic well-being will be key to supporting a continued, equitable recovery and reversing long-term disparities — it will be critical to continue targeting these gaps and elevating economic opportunity across the board."

We couldn't agree more.

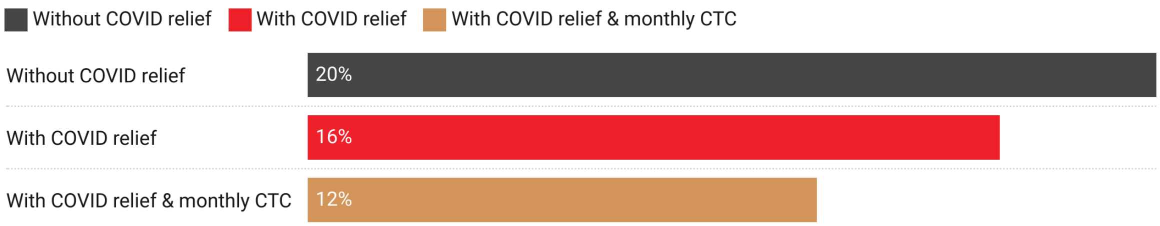
The Child Tax Credit lowered child poverty by 25%, without substantial downsides.

Using nationwide data, researchers estimate that child poverty declined by 25% as a direct result of the Child Tax Credit's (CTC) expansion in mid-2021. These significant numbers demonstrate the benefit of the expanded Child Tax Credit (CTC) and its role in combating child poverty during the pandemic. Unfortunately, the 2020 and 2021 measures were later pulled back or not renewed. However, data regarding the impact of the credit is clear: direct, targeted investments can keep children and families out of poverty.

Child poverty declined by 25% as a direct result of the Child Tax Credit's (CTC) expansion in mid-2021.

The Public Policy Institute of California (PPIC), which examined the safety net for Californians during the initial COVID-19 response, posits that, "although jobs continue to be the largest source of family resources, the sobering reality is that poverty is likely to be higher in 2022 than during the worst of the pandemic." This assertion begs for additional resources and programming to support California families on a go forward basis.

Child poverty rates under different policy interventions



Source: Data come from "Monthly Poverty Rates among Children after the Expansion of the Child Tax Credit" (Parolin et al. 2021)
Notes: Each bar reflects the estimated child poverty rate nationwide in July 2021, just after the monthly CTC rolled out.
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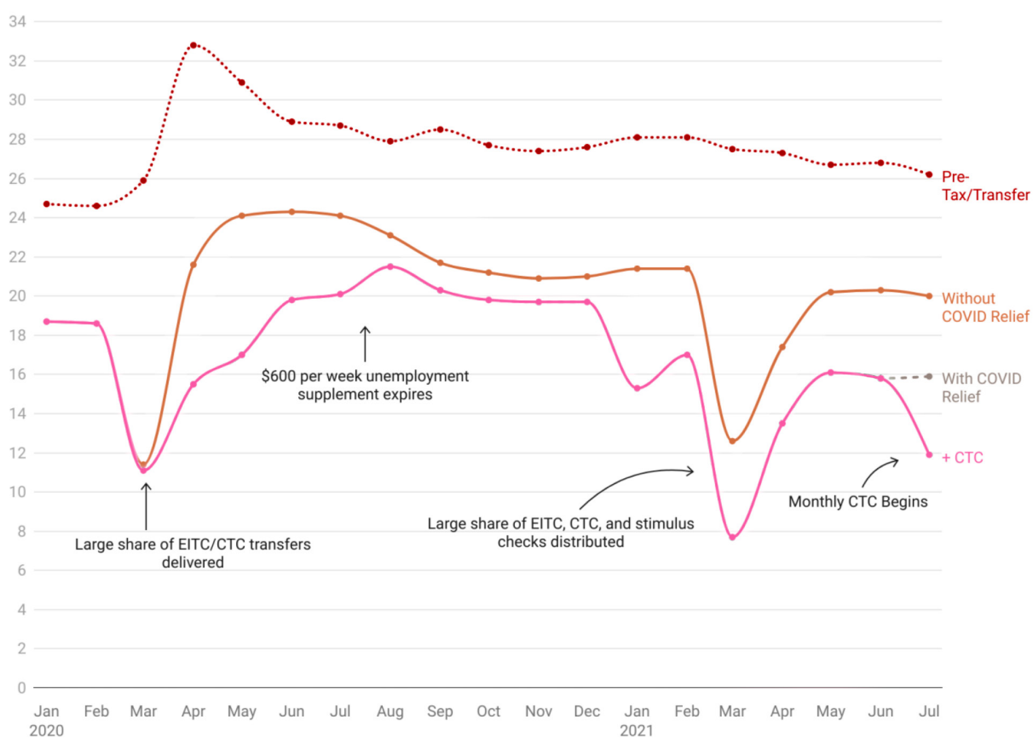
In combination with other pandemic relief measures, the Child Tax Credit (CTC) provided a critical economic buffer for families. Researchers at the Columbia University Center on Poverty and Social Policy found in 2021 that, "ongoing COVID-19 relief efforts continue to have a sizable effect on reducing child poverty, keeping 6 million children from poverty in July 2021 alone (a reduction of more than 40%). This impact also resulted in a notable drop in child poverty between June and July 2021, due primarily to the rollout of the expanded Child Tax Credit (CTC). On its own, this new payment kept 3 million children from poverty in its first month."

A 2021 report from the Center for American Progress asserts that nearly 11 million—or 1 in 7—U.S. children live in poverty with children of color disproportionately represented. Childhood poverty is known to reinforce systemic inequalities and wealth gaps. The expansion of the Child Tax Credit (CTC) enabled it to reach more families, at higher rates of benefit, which dramatically improved circumstances for millions of children - in particular - particularly Black and Latino families.

Trends in Monthly Poverty Rates among Children (January 2020–July 2021)



Child Tax Credit (CTC) expansions proposed in the American Rescue Plan would have continued to reduce child poverty in the U.S. by nearly half (45%) if the program had been maintained. When combined with the documented impacts of the direct cash payments to families included in the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the poverty rate fell in 2020. This is a clear demonstration of the utility of such social welfare programs in shoring up economic security for the women and families most in need.

Fears that the Child Tax Credit (CTC) would discourage work among families with children proved unfounded and moreover presented an opportunity for other studies which dispelled persistent myths about the program and showed that the Child Tax Credit (CTC) did not have significant, negative employment effects. In other words, the expanded Child Tax Credit (CTC) did not discourage work among adults living with children, as many of its detractors initially posited. In fact, the expanded Child Tax Credit (CTC) dramatically reduced child poverty and made it easier for families to pay for necessary expenses.

The Columbia University's Center on Poverty and Social Policy found that the Child Tax Credit (CTC) expansions proposed in the American Rescue Plan would have continued to reduce child poverty in the U.S. by nearly half (45%) if the program had been maintained. When combined with the documented impacts of the direct cash payments to families included in the Coronavirus Aid, Relief, and Economic Security (CARES) Act, the poverty rate fell in 2020. This is a clear demonstration of the utility of such social welfare programs in shoring up economic security for the women and families most in need.

Other recent research demonstrates other beneficial and significant impacts of cash assistance and tax credits that assist families in need. One such study by the Proceedings of the National Academy of Sciences (PNAS) identifies that cash assistance for low-income mothers during the first year of their children's lives can support brain activity in babies and strengthen cognitive development. This finding is especially significant considering resounding evidence which indicates impoverished children often have less developed cognitive skills when starting school.

In addition, childcare support and child tax credits help employees maintain their jobs and support their children. Finally, there is evidence that child tax credits can reduce childhood medical injuries and behavior problems.

Given the significant need of California's families post-COVID and with these data in mind, the California Commission on the Status of Women and Girls agrees with the Center for American Progress: "substantially increasing the Child Tax Credit (CTC) on a permanent basis would help secure economic stability for working families, reduce inequality, and sustainably boost economic growth. It would be one of the most effective investments we can make as a society."

In addition to the Child Tax Credit, the First Coronavirus Response Act (Families First) provided health care access and protections to children and families at a time when they could not withstand the cost and loss of coverage. Unfortunately, according to a recent report that reviewed national data, "at least 6.7 million children are likely to lose Medicaid when the Families First Coronavirus Response Act (Families First) continuous coverage requirements expire and the public health emergency (PHE) ends."

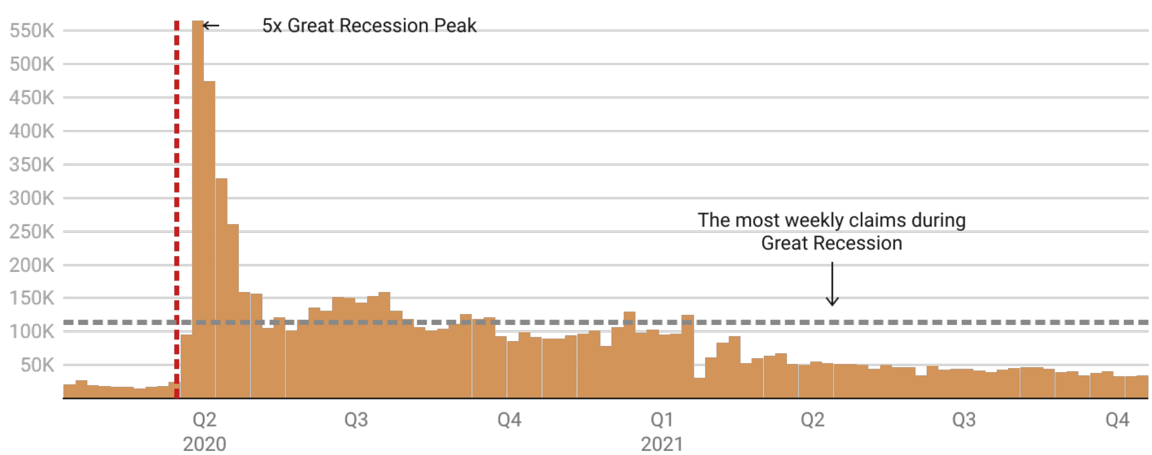
The anticipated loss of coverage is projected to have a greater impact on children of color. The report states, "two-thirds of the children who are likely to lose Medicaid when the PHE ends will be children of color (4.5 million). They include 2.4 million Latino children and 1.4 million African American children."

The report charted out children covered through Medicaid, by state, risk level, race, and ethnicity. For California, the risk level was set at 2, with 1 being the lowest and 5 the highest, indicating that California is at a lower risk of Medicaid loss posed by state policy. It further noted that "leading experts agree that the "most important single step states and CMS can take to avoid coverage losses" is to increase electronic eligibility redeterminations, often termed "administrative" or "ex parte" renewal." As California continues to do its part to ensure health coverage and benefits support all Californians, considerations for how to minimize and prevent loss of coverage are especially important at this time.

California women have benefited from safety-net programs throughout the pandemic.

State-level investments in worker security are in need of an approach that is worker and economy focused. The California Policy Lab (CPL) found that during the unemployment surge in spring 2020, historic numbers of women filed Unemployment Insurance (UI) claims. Just in the week of March 16, 2020, 565,000 women workers filed for Unemployment Benefits (UI) benefits – over five times the highest weekly total ever recorded during the Great Recession.

Total weekly unemployment insurance claims filed by women



Source: The California Policy Lab Analysis of Employment Development Department Data. Notes: Sample includes all women who filed regular unemployment insurance claims in the given week, both initial and additional claims. The data do not include Pandemic Unemployment Assistance claims.

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Major tax and safety net programs have been shown to reduce income inequality by 48%, according to the 2018 California Poverty Measure. According to the August 2022 U.S. Census supplemental poverty measure, the number of women heads of households in poverty declined from 7.8 million in 2020 to 4.95 million in 2021 on top of the 3.4 million children who were taken out of poverty.

A recent Public Policy Institute of California (PPIC) report indicates that, "In 2020, government responses to the pandemic further supplemented family income, leading to improvements in both income inequality and poverty. Government programs tackled some of the most entrenched racial inequities with regard to poverty and were documented as having reduced, "racial income inequality, shrinking the gap in median income by about 30% for Black and Latino families compared to white families."

The nationally focused Center on Budget and Policy Priorities released a detailed report in 2021 titled, "Historic Unemployment Programs Provided Vital Support to Workers and the Economy During Pandemic, Offer Roadmap for Future Reform" examining the temporary expansion of unemployment benefits passed by Congress to mitigate some of the economic impacts of the pandemic.

According to the report, "The temporary pandemic unemployment programs significantly increased the coverage, duration, and adequacy of unemployment benefits compared to regular Unemployment Insurance (UI), substantially reducing hardship, and providing important stabilization and impetus for recovery for a sharply declining economy.

Without these measures, about 5 million more people would have had annual income below the poverty line in 2020 (and potentially 6 million more in 2021); many additional millions would have had less money for food, shelter, and other necessities for their families; the jobs rebound that far surpassed initial projections would have lost steam; tens of millions of workers not covered by regular Unemployment Insurance (UI), especially workers of color, would not have received any benefits; and up to 27,000 more people may have died from COVID-19 in its early months because they needed to work in high risk occupations to make ends meet.

> The California Policy Lab (CPL) found that during the unemployment surge in spring 2020, historic numbers of women filed Unemployment Insurance (UI) claims – over five times the highest weekly total ever recorded during the Great Recession.

These enormously beneficial outcomes came without the pandemic unemployment benefits holding back employment growth, despite rhetoric to the contrary."

According to an analysis by the Century Foundation, initial unemployment claims in the first year of the pandemic shattered all previous records in the history of the program, with tens of millions of Americans filing claims. Unfortunately, Unemployment Insurance (UI) benefits did not reach all those who needed them. Inequities persisted along lines of race and gender nationwide showing that in March of 2021:

- "Though Latinx workers make up 25% of those who are unemployed, only 7% of Unemployment Insurance recipients are Latinx."
- "The unemployment rate for Black workers, 10.2%, is 73% higher than that of white workers."
- "Since February 2020, over half a million Black women, and 3.5 million women total, have dropped out of the labor force."
- "Though workers of color are more likely to face unemployment—and when unemployed, are out of work longer—they are less likely to access Unemployment Benefits (UI)."

The Century Foundation has written extensively on the economic damage Congress induces as a result of arbitrary end dates for benefit extensions and expansions to macroeconomic recovery nationally, stating, "the Foundation finds no support for either in empirical research or labor market conditions though we can see a real cost by millions of workers and a slower economic recovery overall."

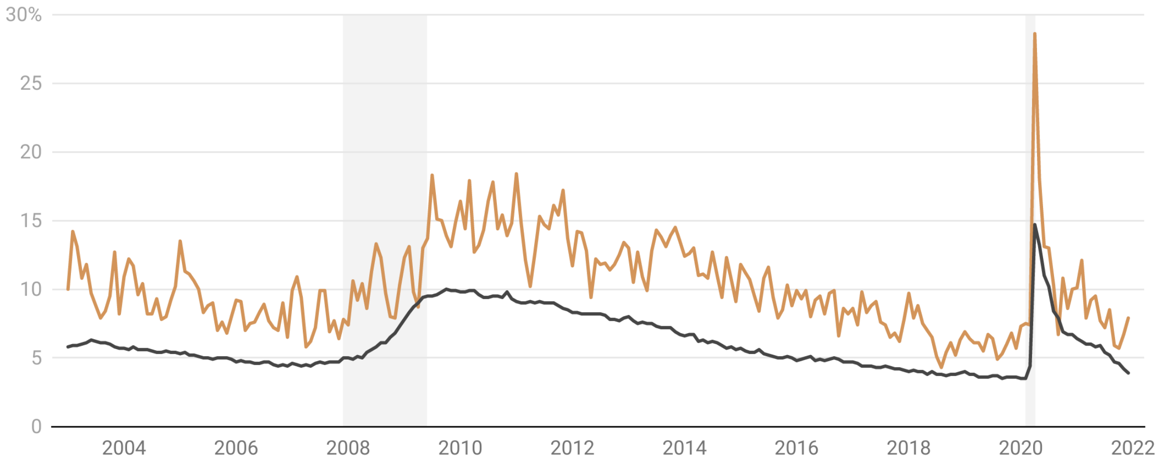
The report additionally found that pandemic unemployment assistance programs were successful, largely because they were not subject to traditional restrictions on Unemployment Insurance (UI). This demonstrates that a wider safety net to the larger system is needed moving forward.

Any expansion to the safety net, however, must include particular attention and support to the nation's most marginalized communities. "In May 2020, the Bureau of Labor Statistics (BLS) delivered the worst U.S. jobs report on record… 20.5 million jobs had been lost in the previous month and the national unemployment rate had hit 14.7%. More data followed showing how Black and Hispanic Americans (with jobless rates of 16.7% and 18.9%, respectively) were getting hit much harder by the pandemic than white workers (14.2%), further widening the wealth gap in the U.S. But February of 2022, one stark detail remained unpublished: Native Americans saw their jobless rate soar , even higher than any of these groups to a staggering 28.6% that April."

Responding to ongoing calls for increased visibility and inclusion – pushes that ramped up as the pandemic negatively impacted minority populations – the Bureau of Labor Statistics (BLS) changed course and recently started publishing monthly economic data for Native Americans.

Despite having a high vaccination rate, Native Americans have died from COVID-19 at one of the highest rates of any race or ethnicity since the start of the pandemic per CDC data. More research is needed that is focused specifically regarding Native American women to determine where additional support may be required. Obstacles to health care, higher rates of co-morbidities and higher rates of people experiencing poverty likely all play a role in this specific outcome. Poverty in particular presents a set of limitations on the types of precautions people in various communities are able to take to prevent COVID infection and reduce their risk of Long COVID. On this and other risk factors, additional state and gender specific data is needed to support further research on Native American women.

Unemployment rates for American Indians and Alaska Natives and for the total population, January 2003 to January 2022



Source: U.S. Bureau of Labor Statistics monthly unemployment data. Notes: Unemployment rates for American Indians and Alaska Natives, as well as the total population, are seasonally adjusted. Shaded areas represent recessions as denoted by the National Bureau of Economic Research.

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Existing data, however, is clear: Women of all socio-economic backgrounds and races relied on unemployment benefits as they rode out an economic shock wave that far exceeded previous unemployment waves - even including the Great Recession. In fact, the Public Policy Institute of California (PPIC) found that the state's unique propensity for innovation around traditional safety net programs provided strong examples for future public policy toward ending poverty.

As an example, the Golden State Grants (GSG), dispersed in spring and fall 2021, to individuals receiving California Work Opportunity and Responsibility to Kids (CalWORKS) or Supplemental Security Income/State Supplementary Payment (SSI/SSP), addressed a significant gap in federal economic stimulus programs. Given that recipients of such programs are less likely to file taxes than other Californians, ensuring inclusion helped ensure access to essential support.

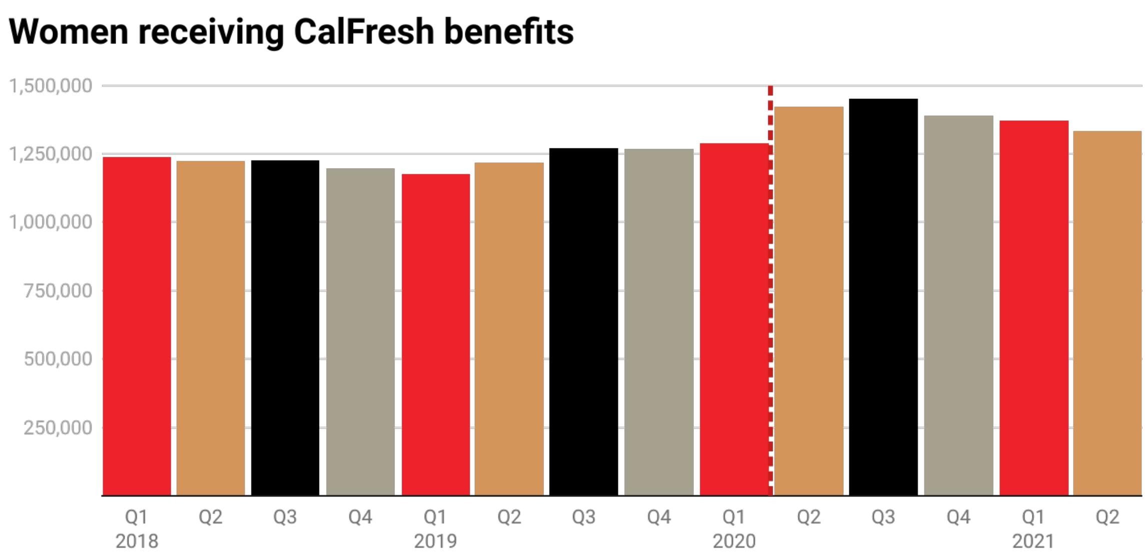
The Public Policy Institute of California (PPIC) also highlighted California's waivers to federal rules and participation in a federal pilot program that allowed CalFresh (Supplemental Nutrition Assistance Program or SNAP) participants to purchase groceries online, which played a significant role in preventing hunger for these populations. In addition, California's decision to provide universal free or reduced-price school meals served to close a significant gap for children specifically, thus lessening the burden on the adults in their homes. Such examples of innovative policymaking provide a model for other states to embrace as America works toward recovery. Moreover, California

The state's unique propensity for innovation around traditional safety net programs provided strong examples for future public policy toward ending poverty.

policymakers should consider their own work as examples as they set future policies to ameliorate poverty and inequity in the state.

However, as policymakers consider how best to support women in a post-COVID landscape, we must emphasize that assisting children, while critical and part of the larger ecosystem of family support, is not the same as assisting women. The California Policy Lab (CPL) found that 183,000 more women relied on food assistance during the early pandemic, and enrollment in mid-2021 still stood 5% higher than before the pandemic.

For example, the Centers for Disease Control and Prevention CDC reported a decrease in the level of, "very low food security (VLFS) among low-income households with children in California," during the pandemic as reported by the mothers surveyed. In a comparison, between April to July 2020, very low food security (VLFS) levels in the state were down from the pre-pandemic level of about 20% to 14%. As noted above, this correlates strongly with the increased investment in economic assistance for low-income Californian families as well as increased food security that came shortly after federal Coronavirus Aid, Relief, and Economic Security (CARES) Act and Families First Coronavirus Response Act (FFCRA) funds were instituted.



Source: The California Policy Lab Analysis of California Department of Social Services (CDSS) data. Notes: Sample includes all women age 18+ receiving CalFresh benefits in the given quarter.

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However, The California Policy Lab (CPL) finds that while enrollments in food assistance surged for both women and men during the early pandemic, women stayed enrolled at higher rates than men well into 2021, suggesting that their economic situations remained more severely impacted.

The National Women's Law Center (NWLC) similarly found that women in 2022, particularly women of color, "continue to face financial strain, impacting their ability to afford enough food to eat and to keep up with housing payments."

Their analysis of the U.S. Census Bureau Household Pulse Survey (HPS) in early March of 2022 shows that:

- "Black, non-Hispanic women and Latinas were more likely than white, non-Hispanic men and women to not have enough food to eat."
- "Black, non-Hispanic women and Latinas experiencing food insufficiency were more likely than white, non-Hispanic men and women experiencing food insufficiency to also not afford enough food for their children to eat."

Take-up of the CalEITC among CalFresh households

	HOUSEHOLDS (TAX-UNITS)	INDIVIDUALS	AVERAGE CLAIM	TOTAL
CalFresh enrollees	1,903,062	5,617,749	-	-
CalEITC-eligible enrollees	948,207	1,864,278	-	-
Received CalEITC	506,632	1,237,430	$373	199,103,804
Did not receive CalEITC	441,575	626,848	$172	75,718,585
Take-up Gap	47%	34%	-	-

Source: The California Policy Lab

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Over 12.1 million women did not have enough food to eat in the prior week, according to this study and, "more than 1 in 5 Black, non-Hispanic women (23.2%) and more than one in six Latinas (18.7%) reported sometimes or often not having enough food to eat in the prior seven days." Experiencing food insufficiency has significant long-term health consequences, impacting women more significantly than men. As the pandemic continues, California must pay specific attention to women and their families who continue struggling with insufficient food.

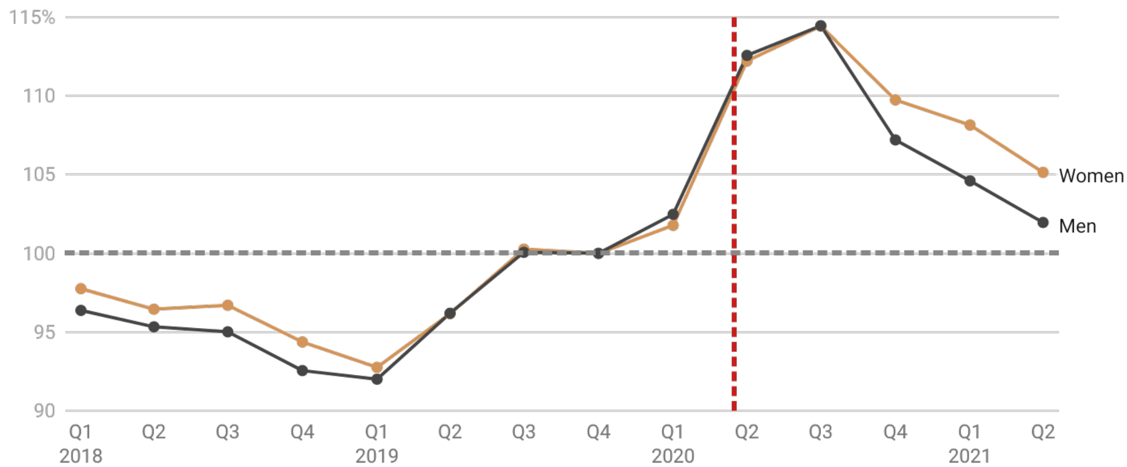
Particular attention must be paid to subgroups of women who have experienced dramatically reduced food security, and other negative outcomes, as compared to their peers. For example, Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, Asexual (LGBTQIA+) people of color were three times more likely than white non-Lesbian, Gay, Bisexual, Transgender, Queer, Intersex, Asexual (LGBTQIA+) adults to face food insufficiency during the pandemic, according to a 2022 study conducted by the UCLA Williams Institute. According to this study, 13% of LGBT adults reported not having enough to eat during the pandemic as compared to only 8% of non-LGBT adults. An astonishing 20% of transgender adults reported experiencing food insufficiency.

Lesbian, Gay, Bisexual or Transgender (LGBT) respondents to the U.S. Census Bureau's Household Pulse Survey (HPS) were more likely to experience economic and mental health hardships during the acute phase of the pandemic. In addition, "nearly a quarter (21.6%) of

LGBT respondents reported the loss of employment income in their household compared to 16% of non-LGBT respondents."

As a result of these challenges, social safety net enrollment is a strong indicator of economic need among California women. In the early stages of the pandemic, the number of women who relied on CalFresh benefits rose by 183,000. CalFresh (Supplemental Nutrition Assistance Program or SNAP) enrollment among women in mid-2021 still stood 5% higher than before the pandemic, indicating continuing economic hardship among low-income families as shown here by The California Policy Lab (CPL).

CalFresh enrollment by gender, relative to 2019Q4



Source: The California Policy Lab Analysis of California Department of Social Services (CDSS) data. Notes: Sample includes all men and women age 18+ who received CalFresh benefits in the given quarter. Within-group quarterly enrollment is normalized by enrollment in 2019Q4.

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While women, as a whole, benefited to some degree from the interventions and support provided from federal and state government as part of pandemic response, the level of benefit, ability to access, and long-term impact of these policies differs significantly by population and subgroup. Additional consideration of these marginalized populations is necessary in policymaking to ensure an equitable benefit from future safety net programs and crisis response efforts.

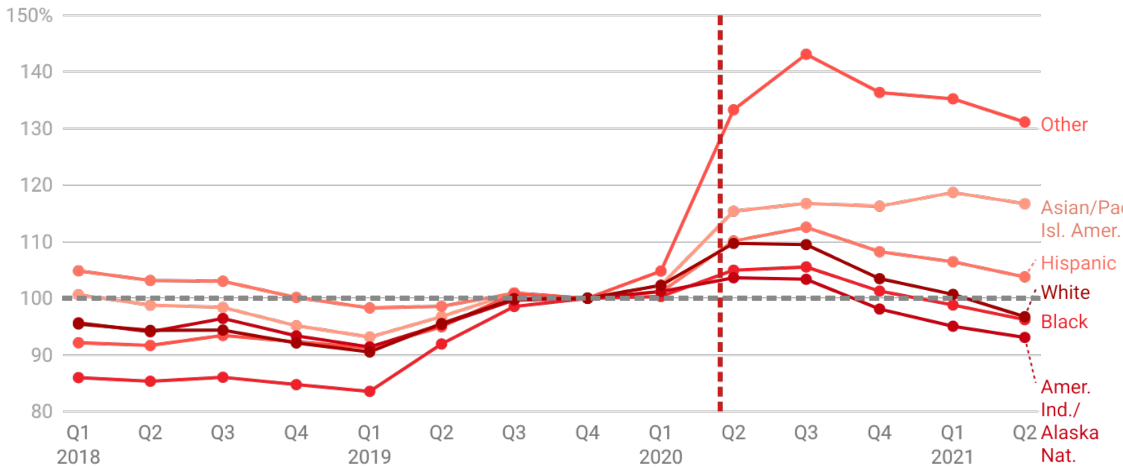
Asian and Hispanic women were still using food supports at elevated levels compared to pre-pandemic.

As inflation continues to surge and the economic impacts of the pandemic and Long COVID remain unknown, managing food insecurity for women and families is expected to be an ongoing challenge. California, like all states, will need to make policy and fiscal decisions regarding investments in this area.

Since the pandemic began, participation in existing food security programs has increased. CalFresh (also known as Supplemental Nutrition Assistance Program or SNAP) surged among women of all racial and ethnic backgrounds. However, it was women who identified as Hispanic, Asian or Pacific Islander American, and Other races that saw the largest relative jumps.

Sustained high enrollment levels among Asian and Pacific Islander American and Hispanic women highlight the unevenness of the recovery for women along racial and ethnic lines. Additional research and targeted intervention are necessary to ensure marginalized and impacted populations are well-served. These data underscore the necessity of an intersectional approach to research and policymaking in order to chart a recovery course that includes all of California's women and girls.

Women enrolled in CalFresh by race/ethnicity, relative to 2019Q4



Source: The California Policy Lab Analysis of California Department of Social Services (CDSS) data. Notes: Sample includes all women age 18+ who received CalFresh benefits in the given quarter. Within-group enrollment is normalized by enrollment in 2020Q1. Race and ethnicity are combined into a single concept in the CalFresh data. The "Hispanic" category includes all Hispanics, regardless of race.

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Women experiencing economic hardships such as those related to food or housing insecurity also reported mental health challenges.

A significant gender gap in the psychological impact of the pandemic demonstrates that women were hit unusually hard by the virus and its aftereffects as compared to their male counterparts. As mentioned earlier in this report, women with children showed the highest incidence of psychological distress during the early pandemic, while men have consistently shown lower rates of distress.

In the period of economic growth before the pandemic women were still at an economic disadvantage due to the gender wage gap. They were also more likely to live in poverty than men. The California Women's Well-Being Index shows that women of color specifically, were more likely to be living in poverty.

During the "COVID-19 recession" more women lost jobs than men. Among those women, Black and Latino immigrant women lost more jobs. More than 6 in 10 Black and Latino women in California lived in households that lost employment income during the pandemic and more than 4 out of 10 Black and Latino households struggled to pay for expenses like rent, food, and childcare, causing a likelihood of those populations to be behind on housing payments and struggling with food insecurity.

About **47%** of women in California reported symptoms of anxiety or depression during the pandemic. Nationally, the numbers of those experiencing anxiety or depression tripled during the pandemic. About **75%** of women specifically reporting experiencing economic hardships, also reported experiencing symptoms of anxiety or depression during the pandemic.

As a result of the economic struggles that women are facing, about 47% of women in California reported symptoms of anxiety or depression during the pandemic. Nationally, the numbers of those experiencing anxiety or depression tripled during the pandemic. About 75% of women specifically reporting experiencing economic hardships, also reported experiencing symptoms of anxiety or depression during the pandemic.

This data is further validated by the California Budget and Policy Center, who report that for women experiencing multiple economic hardships during the acute phase of the pandemic in 2021— such as the loss of household income or the inability to pay for food or housing — three-quarters reported symptoms of anxiety and/or depression.

Of course, unemployment and underemployment are recurring issues. However, they were dramatically exacerbated during the pandemic. Health Affairs reported on the relationship between job loss, the mental health distresses associated with job loss, and suicide. Unemployment is known to affect depressive symptoms and increase alcohol abuse. The brief explains that more research is needed; but it is understood that "more than half of those with mental and behavioral health issues do not access treatment," and, "mental health symptoms can also lead to loss of employment." Even prior to the pandemic, these behaviors can establish a cycle that is difficult to break, regardless of if and when external conditions eventually improve.

A University of Chicago Medicine study found that, "increased health-related socioeconomic vulnerability (HRSRs) among U.S. women early in the coronavirus disease 2019 (COVID-19) pandemic was prevalent and associated with alarmingly high rates of mental health problems." In fact, the study found that, "In the early pandemic phase, 49% of all women, including 29% with no pre-pandemic health-related socioeconomic risks (HRSRs), had experienced incident or worsening health-related socioeconomic risks (HRSRs). By April 2020, the rates of depression and anxiety were twice that of pre-pandemic benchmarks (29%); 17% of women had symptoms of traumatic stress."

Similarly an article produced by Baylor University suggests that the pandemic caused increased mental health concerns which disproportionately impacted women and girls regardless of their economic standing. Even early in the pandemic, a Kaiser Family Foundation poll showed that one gender gap indicated that women overall were, "16 percentage points more likely than men to say that worry or stress related to COVID-19 has had a negative impact on their mental health (53% vs. 37%).

Among parents of children under age 18, the gender gap is a striking 25 percentage points; 57% of mothers vs. 32% of fathers say their mental health has gotten worse because of the pandemic. In the poll taken just two weeks prior, the gender gap among all adults was 9 percentage points (36% vs. 27%) and among parents it was just 5 percentage points (36% vs. 31%)."

More broadly, researchers have found in nationwide surveys that up to 40% of parents reported symptoms of depression or anxiety in the early weeks of the pandemic. These feelings were strongly correlated with children's anxiety levels and the parents' sense of readiness to educate children at home. Long-term consequences of these shocks to mental health are still unclear, and heightened distress among mothers will persist as the pandemic stretches on, negatively impacting women and their children going forward.

Emerging evidence suggests children, in particular, continue to struggle as the pandemic progresses. The pandemic has widened socioeconomic gaps in education, with nonwhite children spending 5.5 more weeks on average in remote learning during the 2020-21 school year than their white counterparts. Nonwhite children and those who attend schools with the highest poverty rates also suffered the greatest declines in achievement.

Given the critical role that mothers played in caring for and educating their children during remote learning, the widening achievement gap puts the most vulnerable mothers and children under greater strain. This is still the case for many mothers currently, even as schools have reopened. In the meantime, children's achievement, on the whole, continues to lag.

Of particular concern for policymakers and practitioners should be mothers and their children who already possessed a preexisting mental health condition prior to the pandemic. Those with pre-existing conditions were found to have lower household income when the pandemic hit and were more likely to face job disruption and healthcare disruption during the pandemic. This is consistent with what was found in studies of other post-disaster mental health status studies.

Health Affairs offers a series of suggestions for this population, including: flexible hours for work, the ability to disclose mental health conditions without fear at work, access to affordable health insurance regardless of employment status, high-quality evidence-based mental health care, and telehealth options. In addition, they suggest access to social safety nets like "universal basic income (UBI), food assistance, tax credits, and subsidies for childcare and health care," all of which were demonstrated to mitigate the additional mental health impacts of unemployment during the acute phase of the pandemic.

Similarly, there is also evidence that "providing unemployed people with access to affordable health insurance that covers high-quality, evidence-based mental health care, including telehealth policies that allow for reimbursement of mental health services delivered by, "lay providers (for example, via task sharing) can help offset demand for the highly limited supply of mental health providers while also improving access to care." Women of a variety of backgrounds and needs who are suffering from mental health ailments may benefit from similar services and supports regardless of pre-existing conditions or employment status.

COVID-19 itself has become a pre-existing condition for many Americans. Since the onset of the pandemic, millions of people have contracted the virus at least once, if not multiple times. Research now shows that the crossover of increased rates of psychological distress in people who experienced the COVID-19 infection is significant, regardless of their previous mental health status.

According to research by the U.S. Veterans Affairs Department, "researchers identified elevated risks for issues such as anxiety, depression, stress disorders, opioid use, substance use disorders, and sleep conditions in many who experienced only mild or moderate symptoms of COVID-19."

Those who had been infected with COVID-19 had a "60% higher risk of having any mental health disorder or mental health-related prescriptions."

Those findings, by type of mental health issue, were at a higher risk as follows:

- Anxiety: 35% higher risk in the COVID-19 group
- Depression: 39% higher risk
- Sleep disorder: 41% higher risk
- Opioid use: 76% risk
- Opioid use disorders: 34% higher risk
- Non-opioid substance use disorders: 20% higher risk.

Additional research is necessary to fully understand the increased mental and behavioral health risks after contracting COVID-19. However, given the vast number of people who have survived one or more COVID-19 infections, as well as the ongoing rate of infection, these findings are predictive of significant mental health concerns on a global scale.

In addition to a greater need for mental health support services, the economic foundation of many pandemic-induced stressors women, and particularly women of color, experience, could be alleviated through public policy and economic programs that mitigate the challenges women continue to disproportionately face as the pandemic winds on.

Researchers identified elevated risks for issues such as anxiety, depression, stress disorders, opioid use, substance use disorders, and sleep conditions in many who experienced only mild or moderate symptoms of COVID-19.

The California Commission on the Status of Women and Girls (CCWSG) recommends, similarly to the United Nations, that, "allocating additional resources to protect women, putting women at the center of policy changes, and collecting more sex-disaggregated data to analyze the impact of pandemics on women," will be key to rebuilding an equitable economy that does not leave women behind.

On the whole, more research on pandemic-induced mental health challenges facing women is needed. As the pandemic stressors that affected women profoundly at work and at home continue to evolve, rather than dissipate, this research is imperative.

Some California women experiencing economic hardships were unable to access state support.

As a sanctuary state, California prides itself on being a safe place for immigrants. Unfortunately, our safety net programs and services do not always reflect this commitment and in some cases they are unavailable to undocumented immigrants. A study completed by the Community and Labor Center at the University of California Merced found there were a number of Californians that were not able to access unemployment benefits through the State's Employment Development Department due to their immigration status.

As discussed throughout this report, U.S. pandemic job loss was sharper among women than men, and people of color more than whites. Approximately 70% of the current U.S. workforce is concentrated in frontline jobs with women and people of color disproportionately represented. "More than one in six women workers lost their job (17.6%), compared with more than one in seven men (13.5%). In addition, while 14.1% of non-Hispanic whites lost their jobs, Blacks and Asians lost jobs at higher rates (16.0% and 16.4%), while Latinos lost jobs at the highest rate. One in five U.S. Latinos (20.1%), about 4.3 million workers, lost their jobs during the pandemic."

"Pandemic job loss was also higher among immigrants, but especially acute among non-citizens. Nearly one in four (24.1%) non-citizens lost their job, compared to almost one in six naturalized citizens (17.9%) and almost one in seven (14.5%) native-born U.S. citizens."

Even though they faced higher unemployment during the pandemic, non-citizens were not eligible for federal stimulus checks and were left out of traditional state assistance. It was up to states to establish services and funding to assist this population during COVID-19.

As a result, on April 15, 2020, the Office of Governor Gavin Newsom announced $125 million in disaster relief assistance for undocumented workers excluded from the state's unemployment insurance. The fund was intended to provide one-time aid of $500 per adult (with a cap of $1000 per household) to about 150,000 Californians who were affected by COVID-19 but were unable to receive traditional unemployment insurance benefits or a federal direct stimulus check. The Disaster Relief for Immigrants program was overwhelmed from the moment it started, highlighting its importance and the pervasive need it filled.

A recent survey by Equal Rights Advocates of Black and Latinx families demonstrates the resounding challenges experienced during the pandemic, including "the inadequacy of work, the pressures of childcare, the burden of debt, and scant avenues to building assets for families." Of those surveyed:

- “92% delayed a career change/advancement or obtaining healthcare due to changes in economic circumstances”
- “87 of those with childcare responsibilities said childcare disruptions led to disruptions at work”
- “83% said their current or most recent work experience came with: Inadequate pay and benefits, unreliable hours and poor working conditions”
- “77% experienced one or more of the following forms of discrimination at work: racial, gender, parenting and immigration status experienced one or more of the following forms of discrimination at work: racial, gender, parenting and immigration status.”

Access to safe and affordable childcare greatly impacts women of color. The Equal Rights Advocates’ survey states, “with nearly 700,000 parents leaving the workforce to care for children, childcare is quickly becoming a key factor determining the financial stability and futures of families of color. Childcare can make up almost one-third of a family’s monthly budget. While current policies have tried to address the challenges arising from the difficulties in childcare, they have proven to be inadequate.”

For women who are non-citizens, especially women of color, these challenges are exacerbated by a lack of access to programs intended to help women and families. Given California’s commitment to equity for our non-citizen residents and our significant immigrant population, it is imperative that policymakers consider economic recovery efforts and related programs with this population’s unique needs in mind.

POLICY RECOMMENDATIONS

FINDING 3: Pandemic response through government safety-net programs demonstrably helped women meet life's basic needs, pay down debt, and significantly reduced child poverty, highlighting a clear path forward to an equitable economy that has never existed but has now been demonstrated to be feasible.

Recommendation:

Re-institute, expand, and invest in proven safety-net programs that generate economic recovery for women disproportionately impacted by the pandemic.

Policy Solutions:

1. Extend Unemployment Insurance (UI): Californians who are experiencing Long COVID, impacting their ability to fully participate in the workforce, need access to Unemployment Insurance (UI). This should include when extended benefits have expired or fully used up, especially for challenged populations who exhausted benefits at higher rates than other groups. Furthermore, establish standards with concerted efforts to increase access to Unemployment Insurance (UI) through dedicated culturally relevant and multilingual education and outreach to multiethnic communities, people with limited English proficiency, and with higher rates of COVID-19 cases who had low recipiency rate of Unemployment Insurance (UI) benefits.

2. Affordable and Safe Housing: Increase the state's Low-Income Housing Tax Credit (LIHTC) to generate further opportunity for affordable, safe housing for low-income women, homeless women, single mothers, and veteran women.

3. Paid Family Leave: With the Governor's action to increase the paid family leave wage replacement to 90% for low-wage workers, resources for culturally competent education, training and access is critical for the utilization of this much needed benefit, further supporting women's return to the workforce.

4. Student Debt Relief: Improve the student loan and debt landscape for prospective borrowers, current borrowers and borrowers in repayment in California through the recommendations of the California Student Aid Commission.

5. Young Child Tax Credit: Support ongoing budgetary investments into the new refundable tax credit for former foster youth modeled after the Young Child Tax Credit. Further, end the work requirement, an unnecessary burden, for access to the Young Child Tax Credit for which households are only eligible to receive up to $1,000 credit for children under the age of six.

6. CalEITC: Continued investment in California Earned Income Tax Credit (CalEITC) to support outreach and education to qualified Californians, especially when considering that almost half of eligible Californians on CalFresh (Supplemental Nutrition Assistance Program or SNAP) did not claim the California Earned Income Tax Credit (CalEITC), including connecting eligible tax filers to free tax preparation services.

7. CalFresh: Apply the California Food Assistance Program (CFAP) to undocumented Californians who are age 55 or older. California Food Assistance Program (CFAP) provides state-funded basic nutrition assistance for Californians who are blocked from CalFresh, (California's Supplemental Nutrition Assistance Program or SNAP).

8. CalWORKS: Raise California Work Opportunity and Responsibility to Kids (CalWORKs) grants above deep poverty levels for all families by providing an additional grant increase targeted to families with an excluded member (due to eligibility issues such as immigration status) and thus, unfairly leaving them out of receiving sufficient assistance for basic needs.

9. Women-Owned Small Businesses: Fiscal relief in Women's Small Business Centers and entrepreneurship support in each of California's 58 counties is critical as many female-dominated job categories will not return to pre-pandemic levels, forcing many to seek new fields of employment. State subsidized employment for small businesses, particularly women-owned small businesses that have 15 or fewer employees, can prevent women from falling further behind as small business drives 46.8% of private workforce employment.

Recovery: How women are faring in California's economic recovery as lockdowns have eased

Industries dominated by women were hit especially hard by the pandemic, impacting female workers disproportionately.

During the last two years of economic upheaval, existing inequities such as the gender pay gap widened significantly, particularly for women of color and for those working in specific industries. According to The California Policy Lab's (CPL) research, frontline sectors like Retail and Accommodation, and Food Services (hotels and restaurants) experienced the greatest changes in employment during the early phase of the pandemic. These sectors also had the most women working in them at the onset of the crisis.

Which sectors were most impacted by the pandemic?

Source: The California Policy Lab analysis of Employment Development Department data. Notes: The figure plots a sector's percentage change in total employment between 2019Q4 and 2020Q3 by the share of women employees in that sector in 2019Q4. Larger circles indicate sectors with more workers in 2019Q4.

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Women working in the healthcare sector also experienced significant challenges. According to a 2022 report from Nurse.com and Relias, a healthcare workforce training and performance solutions company, female registered nurses found their pay gap widened significantly during the first two years of the pandemic. The report found that median salaries for male registered nurses were $14,000 higher than female registered nurses in 2021, as compared to a gap of $7,297 in 2020. Women hold the bulk of the nation's nursing positions, at roughly 87%, as compared to male nurses who hold about 13% of the positions.

Hospitals continue to struggle with staffing issues in the ongoing pandemic. As more information emerges on the shocking prevalence of long-term disability due to Long COVID or post COVID-19 symptoms, it is anticipated that pressures on the industry will persist.

According to the Bureau of Labor Statistics, (BLS), U.S. healthcare organizations are projected to need to fill almost 200,000 open nursing positions each year until 2030.

A 2022 report from Pew Research indicates that the relatively modest overall change in pre-pandemic employment numbers as women return to the workforce obscures significantly divergent outcomes based on levels of education. Specifically, women who have no education beyond high school exited the labor force entirely, in greater numbers than similar educated men. However, the pandemic has not interrupted the long-running gains of women among the college-educated labor force.

The Pew Research report also found that the pandemic was not associated with a substantial widening of the gender pay gap in the aggregate - among full- and part-time workers ages 25 and older, "women earned 86% of what men earned based on median hourly earnings in the third quarter of 2021. Two years ago, the estimated gender pay gap was 85%."

However, these findings are contradicted by a National Women's Law Center (NWLC) review which found that the appearance of no change was due to the loss of many low-paid, part-time jobs at the start of the pandemic, which caused the median earnings numbers for women working full-time to rise in 2020. The report indicates that, "The numbers paint a picture of a closing wage gap (82 cents vs. 83 cents) but when comparing all women and men who worked in 2020, regardless of how many hours they worked, the average woman earned 73 cents for every dollar a white, non-Hispanic man earned."

This widening of the pay gap was particularly devastating to Black, Latina and Native American women. While the difference between the overall earnings of women and men has shrunk over time, it has done so incrementally, creating a persistent gap that worsened since the advent of the pandemic.

As an example of this, in July of 2022, the Labor Department reported that the average hourly earnings for all workers picked up by 5.1% through June of the same year, but concurrently showed that the workforce participation rates for Black women and women overall declined in the last month, even though the rate for white women remained steady.

For the most impacted populations, these workforce challenges combine with other economic factors to a problematic degree. Inflation, in particular, continues to impact women disproportionately well into 2022. According to the Public Policy Institute of California (PPIC) in August of 2022, this is particularly noticeable for women still accessing CalFresh benefits. PPIC notes that, "several times during the pandemic, the federal government bolstered food assistance through the Supplemental Nutrition Assistance Program (SNAP)—known in California as CalFresh. But these substantial increases have been eroded by inflation in recent months. Nationally, prices for food at home increased 13.1% between July 2021 and July 2022, while overall prices went up by 8.5%. All in all, inflation has cut the value of SNAP increases since 2019 by 76%."

While federal increases to the program were substantial due to temporary pandemic-era policies, the increase effectively disappeared when accounting for inflation. SNAP benefits are updated for inflation every year, with relief expected in the fall. However, that update is expected to coincide with the end to additional aid that is tied to public health emergency declarations.

Thus far, California policymakers have taken action, increasing enrollment for eligible Californians and expanding state-funded food assistance to undocumented adults ages 55 and over. These efforts must continue and be implemented with a gender lens as part of ongoing program growth. Not only do these safety net programs help low income families, they particularly impact women. 86 percent of all SNAP benefits go to households that include a child, elderly person, or person with disabilities all most likely to have female caregivers and female centric support structures. As efforts to restore the economy continue, targeted safety net programs, services, and direct financial support for the most impacted populations will continue to be necessary to avoid the worst public policy outcomes.

The pandemic did nothing to resolve substantial structural gender inequities in the economy.

The results presented within this report do not show gains for women, relative to men, along any socio-economic metrics. As mentioned throughout the report, a return to pre-pandemic levels amounts to a return to an unequal status quo.

California recovery efforts, while substantial, have not affected meaningful structural changes in the economy that would help all women advance. In some ways, the pandemic has further entrenched long-standing bias and inequalities against women in the workplace. In others, it has wiped away hard-fought gains.

In particular, the pandemic exacerbated existing racial and economic labor market disparities. There is still much unknown about the long-term impact on communities that were structurally ill-prepared to handle COVID-19's economic impact.

Available data, however, is cause for concern. In May of 2020, the unemployment rate for women was two points higher than for men, with Black and Hispanic women facing the highest rates of joblessness. Further, the data, "does not account for job losses in the informal labor market, such as the major job losses faced by domestic workers, over 90% of whom are women and most of whom are women of color." In addition to these losses, long-standing inequities persist – or have been bolstered.

For example, women continue to face discrimination in the workplace, as some employers continue to view female applicants negatively due their real and perceived at-home responsibilities. Research shows that some employers even offer worse pay to women as a result of this bias. Conversely, men are often rewarded in the workplace for being fathers. This disconnect, alongside renewed emphasis on children's wellbeing in the wake of COVID-19, could lead to further expectations that women with children will - or must - devote more time to childcare at the expense of their formal work.

In 2022, the uncontrolled gender pay gap is $0.82 for every $1 that men earn. These numbers only get worse for women of color, LGBTQIA+ women, and mothers.

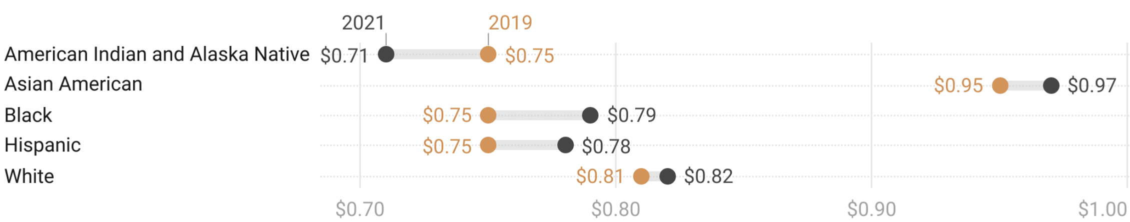
Social expectations play a significant role in shaping women's experiences in the labor market. Research shows that college-age women believe a science or business degree would interfere with their marriage and family goals, while women select college majors and choose particularly flexible, lower-paying jobs that leaves more time for family care. The pandemic has demanded even more effort from women in the home and could further entrench these beliefs. So long as women continue to internalize this trade-off between flexibility and earnings, gender gaps in family structure and labor market outcomes will persist.

Perhaps no structural inequity is as persistent or as relevant to the economic interests of women in California as the gender pay gap. While the difference between the earnings of women and men has shrunk over time, this shrinkage has been incremental, leaving the gap to persist over decades.

The disparity in how men and women are paid continues unabated, when all compensable factors are controlled, according to research by Payscale, meaning that women are paid less than men due to no attributable reason other than gender. In 2022, the uncontrolled gender pay gap is $0.82 for every $1 that men earn. These numbers only get worse for women of color, LGBTQIA+ women, and mothers.

As an example, before the pandemic, women of color earned up to 25% less than white men on average, according to data from Payscale. Recent modest gains among Black and Hispanic women still leave these workers earning less than 80 cents for every $1 that a white man earns.

Women's earnings per $1 of white men's earnings before and during the pandemic



Source: Data from Payscale 2020 and 2022 Gender Pay Gap Report. Notes: 2019 data come from a Payscale survey of workers conducted between January 2018 and January 2020. 2022 data come from a Payscale survey conducted between January 2020 and January 2022. Each point represents how much the average woman from each racial/ethnic group earned per dollar earned by the average white man in the survey. The sample includes only workers with at least a bachelor's degree. The earnings gaps do not control for differences in women's experience or education levels.

Created with Datawrapper

2020 estimates of the annual gender pay gap in California suggests a pay gap, "of $46B and an even higher race/ethnicity annual gender pay gap of $61B," up from a 2016 estimate of $39 billion.

More and more, the gender gap in earnings reflects the fact that women face barriers to securing jobs in higher-paying occupations and industries. Nearly 50% of the gender earnings gap is driven by the fact that women work in lower-paying sectors than men, on average. Those lower-paying sectors were also responsible for most of the layoffs during the pandemic. Thus far, they have also been the least-likely to re-hire workers. The ongoing struggles in service sectors continues to reverberate among the women who make up the backbone of these industries.

It is estimated that the pandemic added an estimated 36 years to the time it will take for women to make the same amount as men, bringing the total now to 135 years. This is, in large part, due to occupational segregation. As described throughout this report, women are overrepresented in low-wage jobs, defined as earning median hourly wages of $10.22 or about $18,000 a year. This is especially pronounced for women of color. Examples of these jobs include, but are not limited to food preparation and service jobs, temporary workers, home health and childcare workers, and cleaning professionals, among others. The Pew Research Center has found that large racial and gender wage gaps persist in the U.S., despite some progress.

Occupational segregation accounts for a significant part of the wage gap in California and the greater U.S. According to a report by the California Senate Select Committee on Women and Inequality implicit bias, expressed at an individual as well as institutional level, is responsible for a significant portion of this occupational segregation. This makes it more complicated and harder to meaningfully address.

The report notes that, "while men and women may choose to enter male or female associated occupations, their choice can be seen as the result of a complex interaction between cultural bias, social pressures, and even discrimination." Studies estimate that sex segregation accounts for one-third to 40 percent of the gender pay gap with one study of 50 years of U.S. workforce data which found a correlation of an influx of women into a previously male dominated profession, with a decrease in average wages.

This persistent wage gap has resulted in structural deficiencies which have impacted women as a class, including the ability of all women to withstand the economic impact of the acute phase of the pandemic. It also lowers their ability to rebound or recover from ongoing issues related to the pandemic as well as other major life events. These disadvantages are particularly profound for women of color as well as those in same sex relationships.

Closing the gender and race pay gap would boost the state's economy and save money by reducing poverty. According to the IWPC, in California, if all working women and working single mothers earned the same as comparable men, "men who are of the same age, have the same level of education, work the same number of hours, and have the same urban/ rural status" the state's poverty rate for working women would be reduced by about 40%. Additionally, the estimated average earnings increase if all working women earned the same as comparable men would be 15.8% (that's an additional $68.45 billion or 2.2% to the state's economy).

Equal Pay Day was developed by the National Committee on Pay Equity (NCPE) in 1996 as a public awareness event to illustrate this persistent gap between men's and women's wages. This date symbolizes how far into the year women must work to earn what men earned in the previous year. Because the wage gap is wider for women of color, multiple dates exist, corresponding with women belonging to different racial/ethnic groups.

Equal Pay Day dates shift as the gap narrows or widens. Asian American, Native Hawaiian and Pacific Islander Equal Pay Day moved from March 9 in 2021 to May 3 in 2022.

The Equal Pay Day dates for 2022 clearly emphasize the widening gap for women of color when compared to the dates from the previous year. These dates are also more inclusive of the contributions of part-time workers who have struggled throughout the pandemic.

For Black women, the difference is clear. Moving from August 3 in 2021 to September 21 in 2022, this shift reflects nearly two additional months. Native American workers found their gap expanded significantly moving from September 8 in 2021 to November 30 in 2022. This was followed by Latina's who went from an Equal Pay Day of October 21 in 2021 to December 8 in 2022. Currently, Latinas must work almost an entire extra year now to make what white men make in one year.

The California Commission on the Status of Women and Girls (CCSWG) has a long history of advocacy work with regards to Pay Equity in California. Former Commissioner, Senator Hannah Beth Jackson, authored the California Fair Pay Act, the strongest Equal Pay Law in the nation, which was signed by then-Governor Jerry Brown. She also authored the landmark measures SB 973 (2020) and SB 1383 (2020), signed by Governor Gavin Newsom, which required large California employers to report salary data and protect California's paid family leave benefits, respectively.

While the California Commission on the Status of Women and Girls (CCSWG) continues to work with state level partners to provide resources, training, policy advocacy, education opportunities, and assistance to help ensure that women are front and center as we rebuild our state economy, there is much more that must be done to alleviate the burden the wage gap places on women of color, mothers, and LGBTQIA+ women.

In March of 2022, the California Department of Fair Employment and Housing (DFEH) released the first data required under SB973 (Jackson) which showed that statewide, "women were much less likely to be in the highest salary range than men despite the breakdown of the workforce being roughly even along gender lines. Of the top earners making more than $128,960, only 36 percent were women compared to 64 percent being men."

The report offered industry breakdowns that showed women as being overrepresented in low wage positions, as well as occupationally segregated in areas like administrative, sales, and service jobs. Men were more likely to be executives and managers. These disparities will continue to have an outsized effect on the ability of women as a whole, and especially women of color, to recover economically from the pandemic. Given ongoing stressors related to the third year of the pandemic, these challenges are expected to persist without additional intervention.

Considering the additional challenges that COVID-19 places on the health and care industries, the salary data for these sectors is particularly concerning. Globally, women working in these roles, "face a larger gender pay gap than in other economic sectors, according to, "The Gender Pay Gap in the Health and Care Sector," jointly published by the International Labor Organization (ILO) and the World Health Organization (WHO)." This global analysis found

Latinas went from an Equal Pay Day of October 21 in 2021 to December 8 in 2022. Currently, Latinas must work almost an **entire extra year** now to make what white men make in one year.

that on average, women working in the health and care sectors earn an average of 24% less than male peers, on top of the gender pay gap. Male nurses specifically report an average of $7,300 more in salary than female nurses who are paid, on average, roughly 91 cents for every dollar earned by men.

The International Labor Organization ILO highlights that "mothers working in the health and care sector appear to suffer additional penalties. During a woman's reproductive years, employment and gender pay gaps in the sector significantly increase. These gaps then persist throughout the rest of a woman's working life." The report further shows that, "for almost all countries and at almost all quantiles of the hourly wage distribution, the unexplained part of the gender pay gap in the health and care sector dominates and is positive. This implies that women working in this sector are underpaid for their labor market attributes, relative to men who have similar labor market profiles."

Worldwide, women make up roughly 70% of frontline health care workers - roles they maintain in addition to keeping families, communities, and economies functioning. With Long COVID a looming issue and the need for healthcare workers growing, this sector is one of a few in need of immediate intervention. Burnout coupled with frustrations over insufficient pay across this sector, could result in significant systems failures tied directly to gender inequities. Policymakers have made some strides in this area, but it is imperative that they must urgently continue the work in California to close the gender wage gap and opportunity gaps for women, and women of color specifically.

With regard to California specifically, another area we see a direct disproportionate impact is in the small business sector. Women-owned small businesses have been particularly hard hit.

According to the Regional Small Business Development Center Networks of California. the need for assistance for California small businesses was well beyond what was provided by the federal disaster loans.

The study identified a variety of critical resources as necessary for small business owners to navigate the impact of the pandemic. They included access to capital or subsidies, the ability to pivot to new revenue opportunities, and support systems such as mentoring and consulting services. The study further demonstrates that women-owned and minority-owned businesses have struggled more during the recovery and "may not have received assistance in proportion to their acute need, loss in revenues, and the impact on their business operations."

The report provides a snapshot of business closures by gender and race. "Women-owned businesses, businesses with at least one female owner, were impacted more (49% closures in April) than businesses with only male owners (43% closures in April). However, the recovery has been stronger for women-owned businesses, reducing the percent of business closures by 15 percentage points from the end of April to the end of July, while those for male-owned businesses reduced by about 11 percentage points."

For additional context, the Gates Foundation found that, "in economies with the strictest pandemic lockdowns, women-owned companies were 10 percentage points more likely to close than those owned by men. That's not surprising: Most women-owned businesses tend to be smaller — sole proprietorships or informal microenterprises with fewer than five employees."

According to the National Bureau of Economic Research (NBER), the pandemic caused nearly 26% of women-owned businesses to close during February - April of 2020. This is compared to only 20% of male-owned businesses that faced the same closures. In California specifically, 26% of businesses have laid off workers since March 2020 according to a California Statewide Report.

We know that the participation of women in all economic areas is critical for growth and stability, and that systemic inequity makes the pathway for women entrepreneurs significantly more difficult. However, due to a lack of specific data, charting a pathway to close gaps and eliminate inequality for this specific group of business owners presents a current challenge.

Some of the available data indicates that female owned businesses are leading the way on adaptation - potentially a net positive for the state as the pandemic progresses and long-term economic consequences remain unknown. According to the report "2022 COVID-19 Impact on Women-Owned Businesses" nearly 15% of women moved 76-100% of their company's operations to remote status, compared to 9% of men.

This may be due in part to the flexibility that women owners are willing to provide their employees during the pandemic. Of those included in the report, nearly 28% allow remote work 3+ days a week. In addition, many industry positions which tend to be dominated by women such as help desks, legal and compliance operations and marketing and advertising firms are considered likely to remain fully remote. This shift in the work environment may offer compelling flexibility to workers, as well as necessary health protections or adaptations for workers who require them.

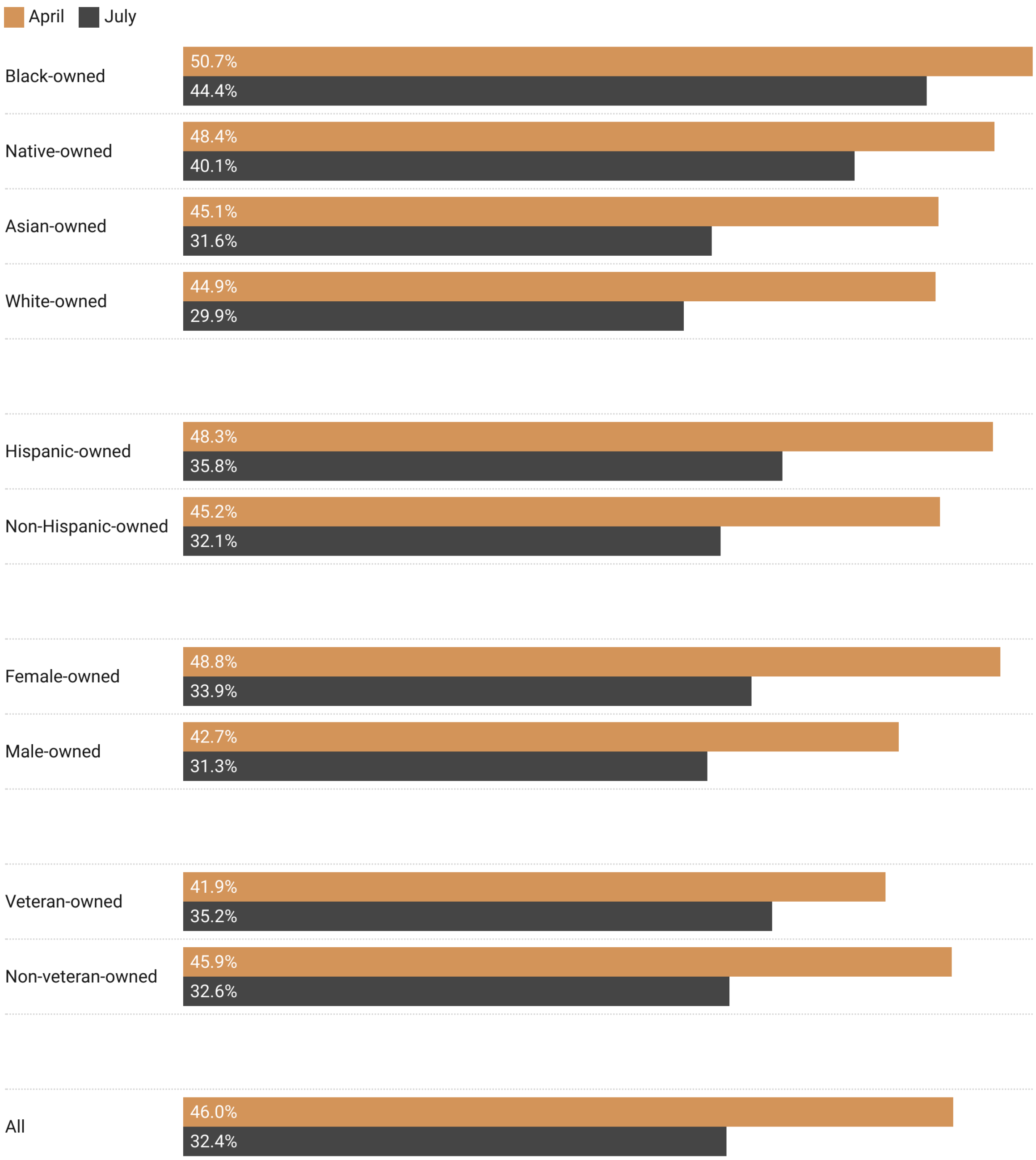
The findings of the report showed that, "since March 2020, women-owned/led businesses have faced significant disadvantages compared to men-owned/led businesses in accessing critical resources for sustainability and success. In addition to juggling greater non-work related demands on their time, women of color and primary caregivers benefited less from available funding than other groups." The report specifically noted that women of color received 13% less assistance from banks or financial institutions as compared to 22% of men and relied more heavily on friends and family for assistance (58%) as compared to white women (38%) or all men (40%).

Inequities in financial assistance were present both in regard to private financing as well as in the distribution of government relief funds. Nearly 80% of survey participants reported requesting government relief funds since March of 2020, however women of color were less likely overall to apply for assistance than white women or men generally. When they did apply, women of color (18%) were denied relief funds 2-3 times more than men (9%) and white women (6%).

The report notes that nearly a third of respondents received other types of assistance. Women particularly relied on Women's Business Centers and Small Business Administration offices, receiving less funding overall than men did from business bankers or Small Business Development Centers.

As a result of these and other challenges, the report indicates that California women-owned small businesses continue to struggle into 2022. "32% of businesses have returned to pre-pandemic operating levels or will recover within 6 months, 44% will take 6 months+ to recover, 19% doubt they will ever recover." Of this data, women of color reported that almost half (47%) will need 6 or more months to recover as compared to 38% of white women business owners and 57% of women of color reported a decreased demand for their products or services as compared to 48% of white women.

Business closures by owner characteristics



Source: The Economic Development Collaborative survey. Notes: Data come from a survey of California small businesses conducted between January 2020 and July 2020. Each bar reflects the share of small businesses that reported a temporary or permanent closure in April or July 2020. "Native"-owned businesses include those owned by entrepreneurs of Native American, Native Alaskan, or Pacific Islander ancestry.

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According to the National Bureau of Economic Research (NBER), the pandemic caused nearly 26% of women-owned businesses to close during February - April of 2020. This is compared to only 20% of male-owned businesses that faced the same closures. From April to July of 2020, female-owned businesses experienced higher percentages of temporary and permanent closures as compared to male-owned businesses. However, male-owned businesses received higher loan amounts for assistance programs including Paycheck Protection Program (PPP) and Economic Industry Disaster Loans (EIDL) than compared to that of women-owned businesses. In California specifically, 26% of businesses have laid off workers since March 2020 according to a California Statewide Report.

Median PPP and EIDL loan amounts by business ownership

Ownership Type	PPP: Non-Employer	PPP: Employer	EIDL: Non-Employer	EIDL: Employer
White-owned	$8,000	$33,000	$15,000	$48,900
Black-owned	$7,500	$15,713	$8,500	$18,900
Asian-owned	$5,833	$29,593	$10,000	$46,500
Native-owned	$8,296	$27,545	$11,000	$50,000
Hispanic-owned	$7,300	$23,000	$13,800	$30,000
Non-Hispanic-owned	$7,868	$32,000	$12,000	$44,450
Female-owned	$7,550	$28,402	$11,000	$39,000
Male-owned	$8,000	$35,000	$14,800	$58,000
Veteran-owned	$6,725	$35,000	$14,750	$44,000
Non-veteran-owned	$7,500	$32,000	$11,700	$45,000
All	$7,500	$32,000	$12,500	$45,000

Source: The Economic Development Collaborative survey. Notes: Data come from a survey of California small businesses conducted between January 2020 and July 2020. Each cell reflects the median reported Paycheck Protection Program (PPP) and Economic Injury Disaster Loan (EIDL) loan taken by businesses with and without employees ("Employer" and "Non-Employer," respectively). "Native"-owned businesses include those owned by entrepreneurs of Native American, Native Alaskan, or Pacific Islander ancestry.

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With the compounding challenges of economic turmoil, loss of sales, and inequitable distribution of assistance, many businesses had to lay off workers and downsized to stay afloat. This reality has shifted the workforce, especially for low-wage workers. These workers are experiencing the highest rates of unemployment in addition to the most negative outcomes related to the pandemic in total.

Roughly 99.8% of California's businesses are considered small enterprises which employ 48.5% of the state's total workforce an estimated 7.2 million workers. In 2020, at the height of pandemic closures, the Census Current Population Survey found that minority-owned businesses were disproportionately impacted: the number of active businesses owned by African Americans dropped by 41%, Latino by 32%, Asians by 25%, and immigrants by 36%. California policymakers leapt into action providing desperately needed tax relief, access to Capital, loan guarantees and securing additional Federal relief funds. The Governor's Task Force on Business and Jobs Recovery to Support Small Businesses made small businesses a focus of California's economic recovery and the Governor's Entrepreneurship and Economic Mobility Task Force (EEMTF) served as a bridge between the State of California and the entrepreneurial community.

Shifts to the workforce have played a role in driving change in other markets. For example, California's housing market has experienced significant change through migration away from previously popular city centers. The Public Policy Institute of California (PPIC) notes that in the past several years the state population has dropped by nearly 3.3 million, with the cost of housing driving additional migration within the state.

PPIC suggests that "a geographic polarization of income may be occurring—with income differences growing between regions but shrinking within each region—within the state, people are leaving higher-income regions in favor of lower-income ones. The downstream effects might be significant for policy, resource planning, and politics." One way to look at the issue is to use an intersectional gender lens, examining the potential opportunities available to the state that are developed by investing in women, and women-owned businesses, and in the affordable housing needs of women and families.

As the state attempts to mitigate the economic impact of the pandemic on our economy, policymakers have an incredible opportunity to dramatically improve the status quo. A report by McKinsey released in 2016 estimated that reaching overall workplace parity could increase California's overall Gross Domestic Product (GDP) by as much as 9%. Enormous economic gains can be realized for California if policymakers elect to provide additional support to women in a variety of impacted sectors, and to cultivate California's women-owned small business ecosystem as a priority - in particular businesses owned by women of color. If every crisis also contains an opportunity, California's policymakers should not let these opportunities pass them by.

Women in most frontline sectors who became unemployed are being reemployed at lower rates than those in non-frontline sectors.

The California Policy Lab (CPL) finds that the majority of workers who became unemployed during the pandemic lost their jobs in the second and third quarters of 2020. Many of those workers were not able to secure re-employment quickly, as the pandemic continued to impact businesses' ability to hire. In particular, women originally employed in service-oriented sectors were re-employed at lower rates than those in the Healthcare, Education, and Professional Services sectors.

Only 58% of women who were unemployed and then re-employed from the Administrative, Support, and Waste Management sector had re-gained employment in the Admin, Support, Waste Management sector by 2021Q2. 54% of women who were unemployed from the

Administrative, Support, and Waste Management sector had re-gained employment by 2021Q2.

Shares of UI claimants re-employed in original sector

Source: The California Policy Lab analysis of Employment Development Department data. Notes: Each bar represents the share of women (men) who first filed for unemployed in 2020Q2 or 2020Q3 and were re-employed in their original sector by 2021Q2. The sample includes only workers who were re-employed in any industry as of 2021Q2 and excludes workers who left the labor force during the pandemic. Each sector contains workers from multiple and potentially overlapping occupations. For example, "Education Services" includes both teachers and custodians who work for education providers.

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Nationally, workers who were laid off, or had to cease working due to disability, utilized their state's unemployment insurance systems in overwhelming numbers during the pandemic. Federal and state unemployment systems work in tandem to fulfill this need. Specifically, the federally required Unemployment Insurance (UI) taxes that are designed to replenish a state's Unemployment Insurance (UI) "trust fund" and to issue payouts for claims when employees are laid off or become disabled and make claims for support. However, in California where costs of living are higher than many other American states, these taxes are not enough to ensure optimal functionality of the program.

This is both because the taxes levied are at a rate that is too low to meet the state's economic needs, and because the system itself is predicated on regressive tax. Regressive taxes occur when the accessible benefits of the tax are increased commensurate with the income of the individual receiving the benefit. As a result, low wage workers receive the least benefits from the state's Unemployment Insurance (UI) system, while higher wage employees receive higher claims payments.

Historically, during a recession, California's Unemployment Insurance (UI) surplus generally turns negative. Put another way, there is not enough money in the account to meet the demand of unemployment and disabled claimants. When this occurs, federal funds must be used to backstop the shortage so that payments to claimants can continue.

As with all bills, they come due eventually. In the meantime, while they are unpaid, they accrue interest, which ultimately requires the use of the state's general fund revenues. This can result in fiscal shortages for other critical programs that rely on these dollars.

To remedy this, the Legislative Analyst's Office (LAO) has suggested scheduled tax increases for firms that will likely disproportionately impact lower wage workers. In theory, by reducing the total debt accrued during a recession, and therefore lowering the interest payments and company taxes, more people will benefit overall. However, further research is needed to determine the impact as well as any unintended consequences.

At the individual claimant level, there are a number of barriers that can make accessing Unemployment Insurance (UI) a challenge. While advances have been made in the last 5 years, there are still limited language translations of Unemployment Insurance (UI) materials that are accessible to a wide variety of print and digital comfort levels. When individuals are unable to obtain materials in their own language, in a method that is accessible to them, it is difficult for them to understand – much less complete – the process of filing and receiving payment on a claim.

During the pandemic it also became clear that the 26 week limitation on benefits is more harmful to female job seekers who are still grappling with the additional burdens of caregiving and home-based responsibilities. The reality is that job searches take time, no matter what the current economic conditions. For women grappling with significantly increased caregiving responsibilities, time is one thing there is never enough of.

The National Employment Law Project (NELP) notes that in particular, "A shorter maximum duration of benefits reduces unemployed workers' financial security and increases pressure on workers to accept jobs that do not match their skills and needs." This can have long-term exponential impacts on workers who feel forced to take positions that are not a good fit and enter a cycle of job hopping or job insecurity.

The creation of the Pandemic Emergency Unemployment Compensation (PEUC), which extended unemployment support for workers who had exhausted their state benefits, was critical in helping workers bridge the gap of need, but according to the National Employment Law Project (NELP), "ultimately left workers stranded: "More than 3.6 million workers were still relying on Pandemic Emergency Unemployment Compensation (PEUC) when it abruptly terminated on September 6, leaving most of these workers without any further means of income support."

Statistically these payments would have been particularly meaningful to women, as "extended benefit payments tended to benefit women more than men. Given this data, it makes sense for the state which is spending billions to repay debt, to take stock of how the system has benefitted women specifically and what can further be accomplished through this mechanism to affect the outcomes for women and families."

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The National Employment Law Project (NELP) suggests specifically that extending unemployment benefits is an equity issue. "Providing additional weeks of standard benefits and improving policies that extend benefits for extra weeks when jobs are scarce would give all jobless workers sufficient time to find suitable employment."

Cuts to the amount of time that benefits may be accessed are particularly harmful to workers who confront systemic discrimination in the labor market due to their identity. Factors such as an applicant's race, ethnicity, gender expression, size, age, sexual orientation, or other factors prolong the search for suitable work for some workers more than others.

This report points out that states, which determine benefit amounts as a proportion of a worker's prior wages, help to institutionalize the ongoing impact of discriminatory wage gaps. Women of color, for example, are overrepresented in low-paying jobs and typically receive lower benefits, making it harder to survive on these benefits alone. It also highlights the structural issues facing, "workers with dependents, single parents whose sole income supports a family, tipped workers, and part-time workers," pointing out that, "Black and Latinx workers disproportionately experience greater hardship when they receive low levels of benefits because they typically have less personal wealth than white households to fall back on as a result of the systematic exclusion from wealth-building opportunities over generations."

Women in service occupations are more likely to be reemployed in a different sector, which may require new skills and slow overall advancement.

The California Policy Lab (CPL) finds that women who were originally employed in frontline, service-oriented industries before the pandemic were less likely to still be employed in those sectors in 2021Q2. For example, of those women employed in Accommodation and Food Services (e.g., hotels and restaurants) in 2019Q4, only 50% were still in that sector in 2021Q3, while 23% had moved to a different sector.

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High rates of women not being employed in any sector—either because of unemployment, or because they left the California [or state] labor force—suggests that structural changes in the economy have had a long-term effect on employment in service sectors specifically.

A report titled A 21st Century ReEmployment Accord suggests that, "businesses in retail, manufacturing, and healthcare report rapid adoption of technology in response to worker and customer safety concerns around the health pandemic. One report from Massachusetts Institute of Technology (MIT) finds that, in direct response to COVID-19, 32-50 million jobs would be impacted by increased technology in the workplace in the near future." The report outlines the potential future costs to the economy as a whole. It details, "according to hiring managers in one national survey, job openings cost businesses on average $800,000 each year."

According to the report, the impact on families and communities is significant. Communities with high levels of worker displacement experience broad negative impacts including reduced levels of homeownership, and therefore, in California, a lower tax basis to invest in education and other local services which have an exponentially negative impact that can span generations.

Maria Flynn, President and Chief Executive Officer (CEO) of Jobs for the Future, in testimony before the Senate Health, Education, Labor, and Pensions Committee, articulated clearly the potential crisis before us:

- "...the workers who are suffering the greatest economic hardship as a result of the crisis are the people our society has repeatedly left behind: low-wage earners and individuals with no postsecondary credentials—many of whom are Black, Latinx, or from other underrepresented populations."
- "Before the pandemic, the United States faced severe shortages of workers with associate's degrees and certain technical credentials. The current crisis has exacerbated this trend."

These changes have a layered impact on families in California that were already struggling. In particular, Black women and Latinas are overrepresented in frontline service sectors, where they receive disproportionately less in wages. According to a Public Policy Institute of California PPIC study, Black and Latino families comprise 58% of the lowest-income families in California in 2022. "Black families earn $0.60, and Latino families earn $0.50, for every $1 that white families earn. Many factors drive these trends, ranging from disparities in education, local job opportunities, and incarceration to discrimination in the labor market."

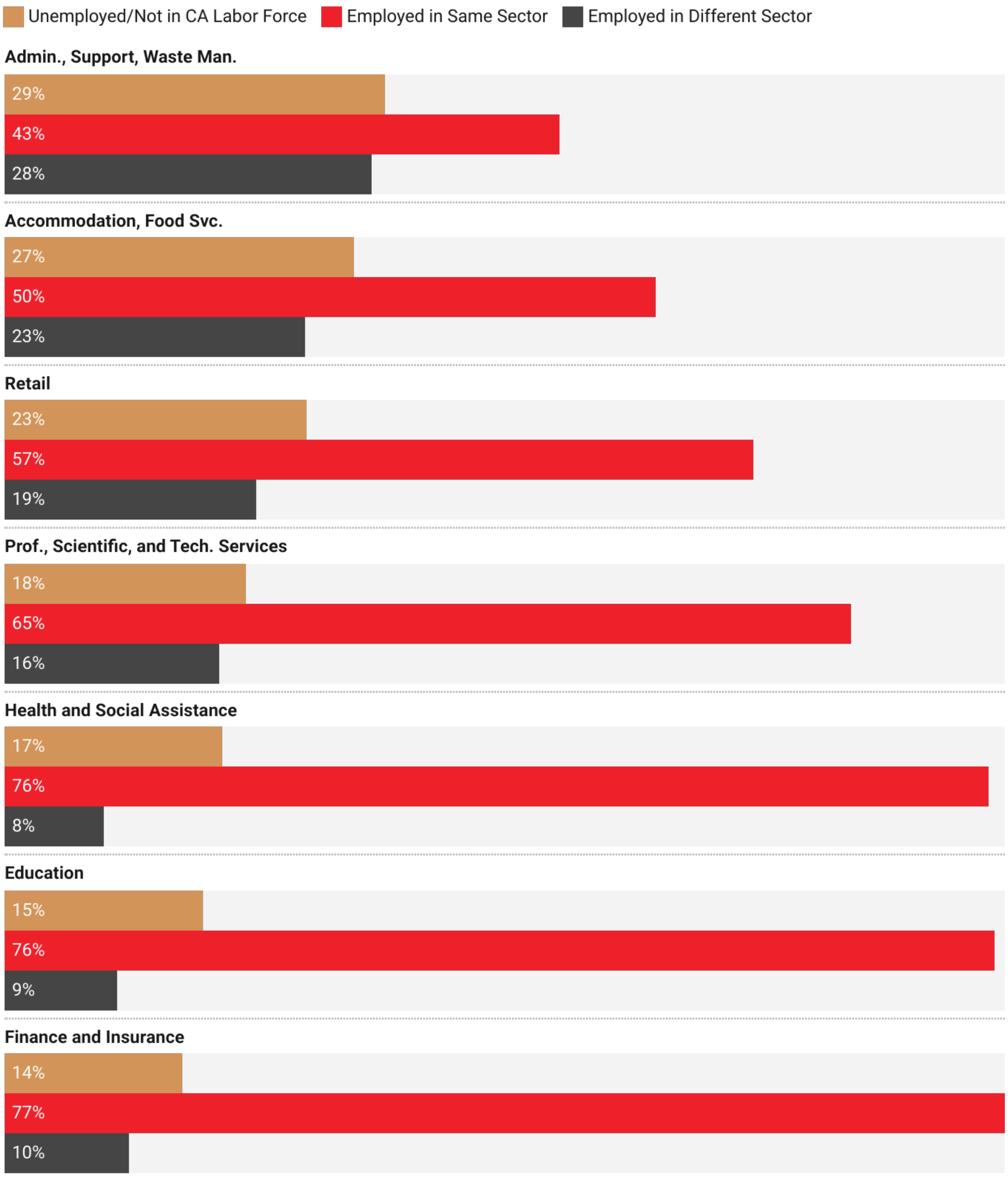
A 2021 data tool from Urban.org shows neighborhoods in California that were hardest hit by COVID-19 job losses were also home to workers in industries like tourism and transportation, which were heavily affected by the early economic shutdowns. Sector and gender-specific and disparities in economic recovery and recovery times was examined early in the pandemic by the Congressional Research Service which determined that women were more concentrated in the jobs most affected by business closures and restrictions and that their "employment was disproportionately reduced in response to caregiving needs, which increased as schools closed and family members became ill or needed assistance in quarantine." Given ongoing infections and the prevalence of Long COVID, the latter at least, appears to be a long-term problem that will require intervention.

The report also points out that, "Lower labor engagement can lead to fewer opportunities for advancement (e.g., promotion, training) and less work experience, slowing wage growth and affecting future employability. This can have lasting negative effects at the individual and macroeconomic levels, including increased inequality—both between sexes and among women—and lost productivity." In other words, even as women make gains in the labor market, the longstanding impacts on wealth building will likely persist for years to come.

By August 2022 the U.S. Department of Labor reported that the national economy had recovered all 22 million jobs lost in the pandemic, but with a notable gender disparity. While men were reported to have recouped all 10 million of their previously lost jobs, women, who lost an estimated 11.9 million positions, came up roughly 100,000 short of their numbers prior to the onset of the pandemic.

Occupational segregation, the greater concentration of female workers in industries that were hit hardest in the early stages of the pandemic -- restaurants, education, health care -- is thought to be the blame.

Women's employment status in 2021 Q3, by sector employed in 2019 Q4



Source: The California Policy Lab analysis of Employment Development Department data. Notes: The sample includes all women workers employed in 2019Q4.

While a key component, it is not exclusively traditional occupational segregation that led to the gender differences in pandemic economic impact. For example, women historically also work in hard-to-quantify informal roles, such as street vendors or house cleaning services or

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home-based crafts, that lack the employee protections of traditional jobs. When those jobs disappeared their numbers went largely uncounted.

One suggestion for tackling labor market issues posited by the World Economic Forum suggests that, "the recovery should usher the way for re-deploying and re-employing women in emerging jobs – a target that will require focused efforts to overcome the trend towards occupational segregation by gender and proactively strengthen the pipeline of women prepared for the emerging jobs of tomorrow."

Effective mid-career reskilling policies are an important tool for breaking up occupational segregation and moving women into historically male-dominated sectors which will decrease the wage gap overall. These kinds of upskilling efforts should be combined with public policy solutions and with efforts to adapt corporate cultures to be more inclusive and gender flexible.

Unfortunately, our current national workforce development system is a disjointed amalgamation of postsecondary education, skills training, and workforce programs that are not adequately funded or aligned – rendering them inadequate to meet the changing needs of both industry and workers. California's Cradle to Career and Future of Work policy initiatives can well position the state to identify and cultivate necessary changes to education, retraining and upskilling systems that will support workers in developing abilities to thrive in modern and changing workplaces.

As Maria Flynn summed up in her conclusion of her Congressional testimony, "Now is the time to transform our nation's workforce development system. We must devote more resources for skills development, modernize career navigation services, offer more assistance to people who are planning their career pathways, provide necessary transition assistance to displaced workers, and ensure that our nation's most underserved populations are able to succeed. If we do these things, we will meet the needs of today's workers and our evolving economy, while building a strong foundation for the future."

As California policymakers consider cultivating career pathways and assistance to workers, ongoing and equal attention must also be paid towards remedying the chronic inequities and gendered societal biases facing women that have been defined elsewhere in this report.

Among the most pernicious of these is California's caregiving infrastructure. One study by the Organization for Economic Cooperation and Development found that 61.5% of mothers of children under 12 reported taking on the majority or entirely of extra care work in 2020, compared with 22.4% of fathers. A Bloomberg article presents this issue as inseparable from

The pandemic has further widened the gender economic gap, impacting women's future retirements far more than men's. For example, among pre-retirees, more women reported a negative impact on their job security than men (39% vs. 20%).

equitable recovery for women, highlighting that "the effects of those early decisions—and a refusal in the U.S. to prop up the spiraling child-care industry—have established patterns that are hard to shake, especially because after-school and summer care remain inconsistently available or unaffordable for many families." The article noted that as "women's employment numbers have continued to rise... many moms still cannot conceptualize a way to reenter the workforce or continue to struggle to balance the additional care demands with the persistent demands of work."

It's useful to note that Pew Research found that fathers in two-parent, two-income households were likely to overestimate the amount of care work they perform, presenting the issue as deeply impacted by unconscious biases.

The pandemic has further widened the gender economic gap, impacting women's future retirements far more than men's. For example, among pre-retirees, more women reported a negative impact on their job security than men (39% vs. 20%). A study conducted by the Harris Poll uncovered a big retirement-related challenge for women - their lifelong earnings gap, which due to the wage gap spread over a lifetime combined with women's greater propensity to have career interruptions as they caregive their children, parents and spouses - is now topping $1.1 million. As a result, men's confidence in their retirement savings has begun to rebound from lower levels during the pandemic while women's fell too and remains at an all-time low.

Regardless of efforts to support, accommodate, and re-skill workers, a piecemeal recovery plan in which women and girls are singled out for siloed programs and funds is less effective overall than an approach to the economy that considers their gendered and intersectional workforce needs as a whole. California policymakers should consider individual policies, such as the creation of workforce pathways, in the context of the complex barriers they face if they desire to envision the state's women as part of the Future of Work.

POLICY RECOMMENDATIONS

FINDING 4: Working women in California experience a persistent wage gap which impacts wealth building and financial security and is a contributor to poverty. COVID-19 shutdowns drastically shifted the burdens of caregiving and significantly increased the share of labor at home that fell on women, even those working full time and exposed cracks in a patchwork infrastructure that is also an essential need. Women employed in the care industry were also significantly impacted by shutdowns and a slower industry-wide recovery. Overall, women reported experiencing disproportionate rates of psychological stress.

Recommendation:

The collapse of the care industry during the pandemic requires California to envision a new approach to care, from affordable and accessible childcare options for families, to improving wages and incentives for the caregiving profession, supporting economic recovery within this women-dominated industry and workforce reentry for working mothers.

Policy Solutions:

1. Affordable Childcare: Improve access to affordable safe childcare for families by increasing the state's financial support through subsidies to families by decreasing the maximum family fee of 10%.

2. Incentivize the Care Profession: Increase wages and compensation for childcare providers, while also providing funding for the following: health care and retirement plans, the hold harmless policy, instituting state preschool, and generating childcare workforce development grants and infrastructure.

3. Elder Care: By 2030 more people in the U.S. will be older than age 65, than younger than age 5 and California must invest in a prepared and well-trained workforce ready to meet the complex needs of elder care in an accessible and affordable manner that recognizes the preferences and needs of a diverse population of older adults.

4. Retirement: Significant investments should be made to make up for lost years in retirement savings faced by women who left the workforce to become primary caregivers and teachers for their families during the pandemic.

5. Guaranteed Income Pilot: Launch a pilot guaranteed income program for all people making less than $136,000 (head of household) for the next five years to lift millions out of poverty and offer opportunities to climb out of debt, build wealth, or pursue additional education.

Ongoing Pandemic: Without intervention, women will continue to encounter structural economic disadvantages

The pandemic damaged the care infrastructure and exacerbated existing inequalities.

As Katica Roy, CEO of Pipeline put it recently in an article in Fortune, "COVID-19 came and eviscerated more than three decades of hard-won gains for women and the economy. Now women are realizing inflation is not gender neutral. At this point, the question that matters is not whether we will slip into a recession. Rather, we should start figuring out what we'll do to ensure women and the millions of families that depend on them for their financial security aren't swept away when the tide goes out."

Inflation is just one example of the ways in which people across California are disproportionately feeling the impacts of the pandemic. Structurally, due to the wage gap, occupational segregation, historical inequity and the disproportionate burdens of caregiving - those people are more likely to be women.

Roy's article explains it succinctly, noting that, "Following June's inflation surge, the U.S. minimum wage dipped to its lowest level in real dollars since 1956. Since women make up 58% of minimum wage workers and 56% of Americans living in poverty, inflation is not gender neutral."

Roy's assertions are correct. COVID-19 eviscerated significant gains that women and the economy have made in recent years. In April 2022, the National Women's Law Center (NWLC) released a factsheet in April of 2022 that highlights the ways in which Economic, Food, and Housing Insecurity Remain High for Women and Families Entering the Third Year of the Pandemic.

As examples, "Over 1.1 million jobs have been lost by women since the start of the crisis and unemployment rates for Black women and Latinas, at 5.5% and 4.2%, respectively, were higher than the rate for women overall (3.3%), white women (2.8%), and white men (3.1%) in the month of March."

Additionally, over 15.9 million women, 18 years or older (13.0% of women overall), reported that their household had lost employment income in the last four weeks. Over 1 in 5 Latinas

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(22.8%) and nearly 1 in 6 Black, non-Hispanic women (15.9%) were in households that lost employment income.

The financial strain articulated in these data points translates to a real world inability for many women and their families to keep up with the cost of food and housing, debt repayment, ability to access healthcare and education, or to save for retirement. These ongoing challenges posit both immediate and decades long impacts to California's women, their quality of life, as well as the statewide economy.

Concerningly, The California Policy Lab (CPL) finds that the third year pandemic economic recovery has not diminished the employment gap between women, who do and do not have children in California, which was recently ranked number 42 in a list of 2022's Best and Worst States for Working Moms by WalletHub. Such data may be explained as a result of the widespread impact that an inadequate care infrastructure can pose to the larger economy – in particular its most vulnerable.

The factsheet referenced above indicates that, "more than 1 in 5 (20.6%) women, in households with children under 12 years old, reported that at some point in the last four weeks, children in their household were unable to attend childcare because of the pandemic. Similarly, more than 1 in 5 Black, non-Hispanic women (21.6%) and Latinas (22.0%) reported not having childcare in the past month due to the pandemic."

Pre-pandemic, the number of providers was already inadequate, with 60% of Californians residing in a child care desert with limited access to child care providers. As the pandemic hit, existing childcare providers suffered severe financial strain due to loss in enrollment, forcing centers to shift operations or to close down. The cost of running a childcare center also increased to implement necessary safety protocols to keep everyone safe and healthy. The result was lost wages and jobs for childcare workers who were already struggling with basic needs prior to the pandemic, as well as an increased shortage of childcare facilities.

Persistent inability to access a dependable, affordable childcare infrastructure makes it difficult for parents to work, job hunt, or participate in education or training that can improve employment options.

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In part due to inadequate caregiving services, 19% of California's parents with young children have experienced job loss. Of those parents who remain employed, 37% experienced reductions to hours and pay in order to care for children at home.

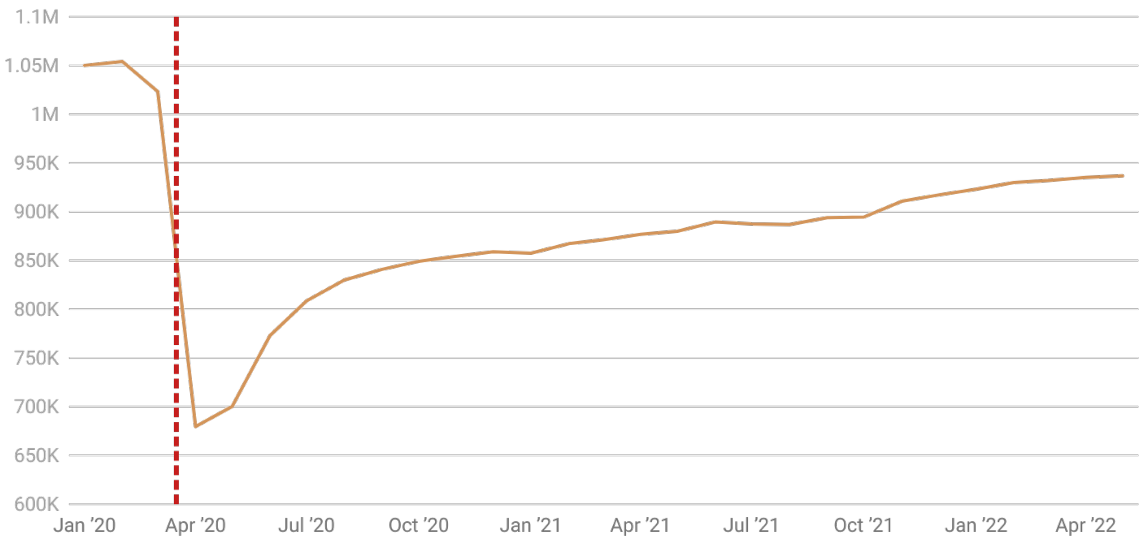
For many, the cost of childcare can make the difference between whether a family eats or goes hungry. Over a third of the parents polled in the previous survey say they have skipped or reduced the size of meals due to the financial stress brought on by the pandemic.

Parents of young children who need care, and the majority of childcare workers who provide it face this instability jointly. "Of the roughly 1 million child care workers in the country, research shows, 1 out of 3 will experience food insecurity in 2020. Experts say this rate of food insecurity, which means there is a lack of consistent access to food, is about eight to 20 percentage points higher than the national average."

Childcare workers, made up of predominantly women and women of color, are still among the lowest paid workers in the state, despite the last several years making clear how vital their work is to the entire economy. According to the Center for the Study of Child Care Employment at the University of California Berkeley, the median hourly pay for a California childcare worker in 2019 was $13.43 and approximately a third of these workers are on public assistance. Food insecurity and hunger were reported to be the top concern, similar to the data shown earlier at the height of the pandemic.

Today, the childcare industry is slow to recover to pre-pandemic employment levels. As of April 2022, childcare employment is still 11% down from where it stood before the pandemic:

Nationwide employment in the childcare industry



Source: The California Policy Lab Analysis of Bureau of Labor Statistics Data. Notes: Data reflect seasonally adjusted nationwide total employment in the childcare industry by month.

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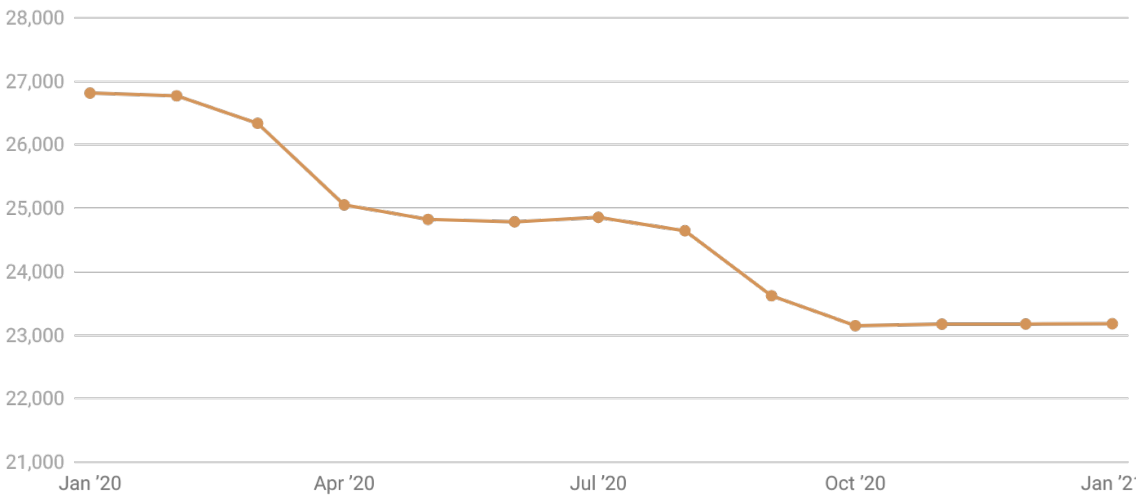
Total California child care home licenses



Source: The California Child Care Resource & Referral Network data. Notes: Each point reflects the total number of child care homes licensed in the state of California in the given month.

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Finally, the pandemic recovery has not diminished the employment gap between women who do and do not have children. Given COVID-19's disproportionate effects on the elderly, parents are also less able to rely on grandparents or other elders for childcare who typically help women participate more in the labor force - especially where childcare services are unavailable or unaffordable.

Families seeking care for elderly relatives are likely to find many of the same challenges regarding access and affordability as are encountered in the childcare sector. The 2022 state budget included a significant outlay of one-time funding for adult daycare centers and other organizations designed to help organizations make community spaces safer; however, additional policy interventions coupled with funding are necessary to improve outcomes in this area.

The isolation, already a known issue for elderly citizens contributing to a host of health and mental health issues, has not abated despite the reopening of care centers due to the high-risk status of this group and the personal choice many make to continue to isolate as a precaution against widespread infection.

Additionally, further research is needed on the specific impact to the mental health of aging and elderly community members who are no longer able to safely interact with grandchildren and family members as before. The isolation, already a known issue for elderly citizens contributing to a host of health and mental health issues, has not abated despite the reopening of care centers due to the high-risk status of this group and the personal choice many make to continue to isolate as a precaution against widespread infection.

Given ongoing reinfection rates, even those who are able to attain caregiving services for the youngest and oldest members of the families may find themselves frequently without it due to required quarantine periods, infection and reinfection with COVID-19. This cycle of quarantine and illness is disruptive to women and their families, the workforce – and the overall economy.

Particularly in areas where vulnerable populations congregate and interact, such as child and elder care centers, California must go further than current federal guidelines to mitigate community transmission and lower the infection rate. This effort should include data collection on outcomes and specific mitigation measures undertaken by adult day care centers (upgraded ventilation, adding windows, new HVAC, air filters, providing free high quality respirators etc.) and their efficacy for possible implementation in childcare centers and schools, and other vectors of transmission where vulnerable populations will benefit from being able to safely gather and interact with others.

Significant challenges to California's caregiving infrastructure existed prior to the pandemic. A failure to remedy these long-standing issues of access, affordability, and safety will strip opportunities from women and their families for generations to come.

Though the government response was strong, it was temporary, and did not strengthen the safety net for women permanently.

Safety net and emergency programs offered by the federal government, and some states, in the first two years of the pandemic provided clear evidence of success. Specifically, they demonstrated the types of programming and economic support necessary to lift women and families out of poverty during the height of the pandemic. They also demonstrated an ability to improve some circumstances for those struggling against historical inequities – at least temporarily.

Unfortunately, most of these programs have already been rescinded, or have not been funded for another cycle.

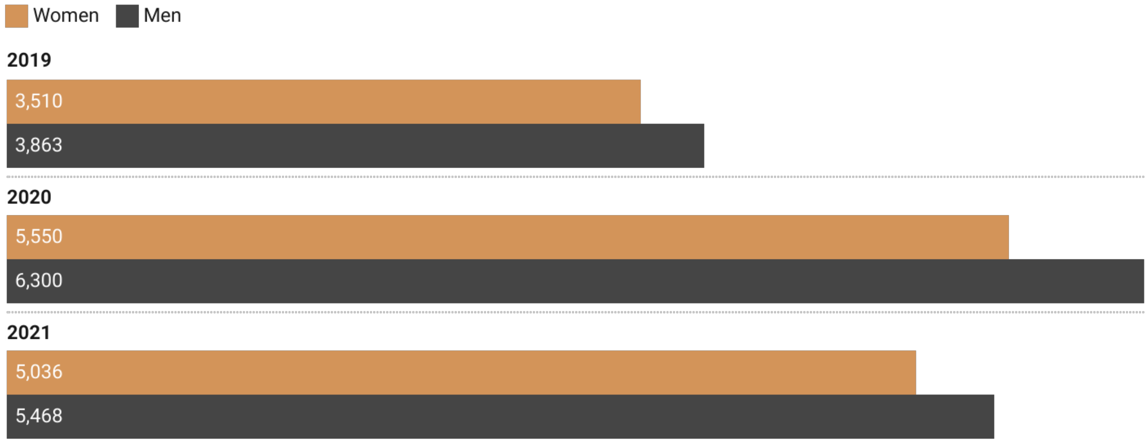
As examples, stimulus checks have ended. Most eviction moratoria have ended. While the student loan payment pause has been extended through December, it has been announced that it will not be extended again.

The Child Tax Credit (CTC), which benefited mothers and reduced child poverty considerably, was not enacted into law on a permanent basis - in spite of data proving its efficacy.

Other existing programs, which provided critical support, were temporarily enhanced or extended beyond their current programmatic and funding limitations – Unemployment Insurance (UI) benefits are one such example. However, even with enhancements, data shows that systemic inequities were still present.

According to The California Policy Lab (CPL), women whose earnings were well below those of men pre-pandemic received lower Unemployment Insurance (UI) payments during the pandemic. In 2020, the median woman receiving Unemployment Insurance (UI) was paid $5,550, while the median man received $6,300. This difference underscores how the gender wage gap translates into an Unemployment Insurance (UI) payout gap in times of crisis.

Median unemployment insurance payout, by gender



Source: The California Policy Lab analysis of Employment Development Department data. Notes: Each bar represents the median unemployment insurance claim paid to women (men) each year.

Created with Datawrapper

This data speaks to the need for additional public policy interventions to address systemic inequities, as well as to how those historical injustices can prove more harmful when emergency strikes.

The outcomes of ending these programs and extensions are predictable – and preventable. Gains have already begun to erode, or have disappeared entirely, as supports have been discontinued for women and other vulnerable populations. And labor shortages, opportunity gaps, and wage gaps still persist.

State policymakers would be wise to take advantage of the chance to implement federal programs – and funding – with women in mind. For example, the Inflation Reduction Act, signed in August of 2022, is the most significant legislation in U.S. history to tackle the climate crisis and strengthen American energy security. It is also expected to lower energy costs for households and businesses and to create manufacturing jobs across California.

From manufacturing jobs and investment in small businesses, to affordable housing and climate smart agriculture practices, the Inflation Reduction Act offers a unique opportunity to support California women in the workforce in industries where they are often overlooked or under-resourced.

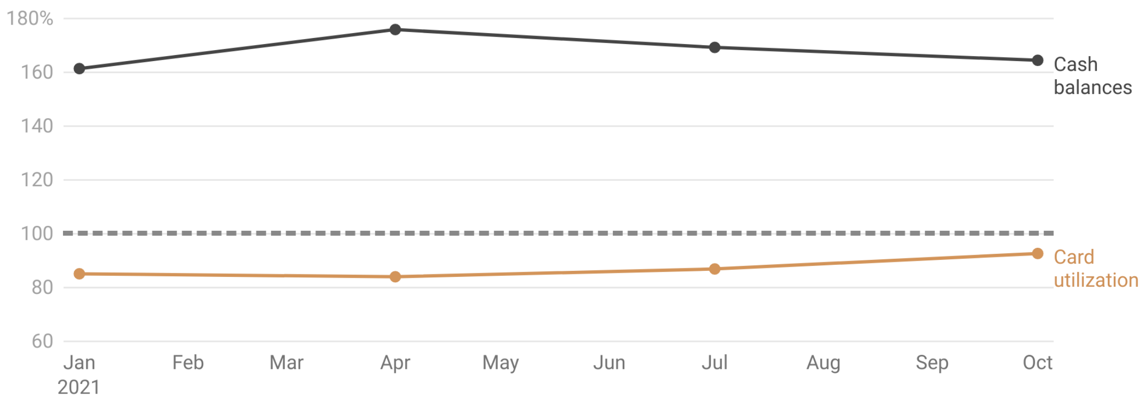
States are on the front lines of pandemic and economic recovery response. As compared to the federal government, state policymakers have the ability to make changes that can rapidly aid people in need in accessing support. As such, their continued action is critical. California should consider a state-level effort to expand upon the successes of the Federal government, as well as its own proven programs, to assist Californians still in crisis.

Economic support has been withdrawn and household credit card usage is now returning to pre-pandemic levels.

Prior to the pandemic, households were already experiencing a rise in their use of credit cards, a lack of savings to see them through unexpected emergencies, and struggling to pay for daily expenses. Temporary relief measures rendered by the federal and state governments were adequate to briefly improve the financial standing of many low-income households, allowing them to pay down long-standing debt and purchase essentials.

Those economic support efforts have unfortunately since concluded—and now, as the pandemic continues, an estimated, "70 million Americans with a debt in collections before the coronavirus crisis, are left to assess how they will deal with creditors' continued collection efforts."

Women's card utilization and cash balances among CTC-receiving families relative to 2019



Source: Card utilization data come from California Policy Lab Analysis of University of California Consumer Credit Panel data. Cash balances data come from JP Morgan Chase Company's Household Pulse report (Greig, Fiona, Erica Deadman, and Tanya Sonthalia. 2022. "Household Pulse: The State of Cash Balances at Year End." JPMorgan Chase Institute.). Notes: Each point in the card utilization series represents the ratio of card utilization among women in the given quarter relative to the 2019 average. The data are drawn from a 1% sample of credit reports. The cash balances series reflects the average median weekly checking account balances among families that received three monthly CTC payments in 2021, relative to the 2019 median.

Created with Datawrapper

By the second half of 2021, women's credit card balances and credit card utilization rates were on the rise. Average card utilization reached 93% of its 2019 level, back up from 85% in 2020Q2. At the same time, inflation is up considerably, eating away at any pandemic gains that households have accrued, especially jeopardizing low-income households for which gas and groceries are a bigger part of their paycheck.

Rising credit card balances and utilization, increasing inflation, and continuing issues with employment, leave already indebted women responsible for keeping their households afloat and making them vulnerable to an impending debt collection pandemic.

Today, the rate of credit card debt for Americans has surged. A recent report as of August 2022 by Axios has found "credit card balances are ballooning at the quickest pace in decades, reflecting higher prices and more open accounts than ever before," citing that "debt will get costlier for borrowers to carry as the Fed raises interest rates quickly to tamp down scorching hot inflation. There are early signs lower-income consumers are starting to fall behind on payments." This same report has stated credit card debt has seen the largest jump in a 20-year history, with a surge of $46 billion last quarter and with 233 million new accounts for the period of April-June of 2022. Credit card balances for households in the U.S. total $890 billion, and the total household debt is now more than $16 trillion.

A survey of Black and Latinx Families by the Equal Rights Advocate has found "credit card, healthcare, or student loan debt, debt is a constant hurdle for Black and Latinx families. The debt that concerns them most is credit card debt (32%), followed by student debt (11.5%), then back rent (10.57%)."

Of those surveyed, 85% said their debt was a significant source of stress and impacted their mental health. We agree with the recommendation of Equal Rights Advocates that for families of color, specifically for Black and Latinx families who have experienced "over a century of racist U.S. economic policy," we must prioritize public policy that supports these communities in building wealth and assets.

The report referenced a 2019 Federal Reserve Board's Survey of Consumer Finances that found extreme differences between owned assets among Black and Latinx, that "when examining family wealth, an average white family owned around $184,000, while an average Latinx family-owned $38,000 in family wealth, and Black families owned merely $23,000 in family wealth."

92% of those surveyed by the ERA "delayed one or more actions that could increase their financial security, due to changes in economic circumstances during the pandemic, with 16% halting a career change or stall career advancement, which would have potentially offered more income and 57% putting off owning or purchasing a home, thus delaying their ability to build assets."

Awareness of the pandemic-induced precarity of financial security among low-income and Black and Brown families also led the Western Center on Law and Poverty to acknowledge the efforts of California's State Controller Betty Yee, who, "suspended the Franchise Tax Board's (FTB) collection on debt imposed by state and local governments, including the juvenile and criminal legal systems, and superior courts (traffic violations, infractions)."

This is one example of how public policy can be used to reduce debt for historically marginalized and low-income communities. Another suggestion would be to pause deductions from tax refunds. As policymakers consider the success of limited federal and state economic recovery and stimulus programs which have improved chronic inequities for vulnerable populations, they should consider reinstating versions of similar programs – even without regard to the pandemic.

The pre-pandemic financial vulnerability of women was only enhanced by the virus. Statistically, women live longer than men. However, they also historically earn less, save less, and experience less access to retirement benefits.

Household balance sheets are now returning to pre-pandemic levels, which left many women vulnerable to poverty in old age.

As demonstrated by a 2021 survey of women's health, finances, and retirement by the Transamerica Center for Retirement Studies, the pre-pandemic financial vulnerability of women was only enhanced by the virus. Statistically, women live longer than men. However, they also historically earn less, save less, and experience less access to retirement benefits. This chronic disparity, which leaves many women vulnerable to poverty as they age, has been further aggravated by the pandemic.

Women have deep concerns about their finances now – and into the future as the pandemic wanes, with the survey finding that:

- 34% of women are anxious about their finances.
- 24% of women have concerns about the security of their employment.
- 51% of women's financial situation has been negatively impacted.
- 32% of women are, "just getting by to cover basic living expenses."
- 30% of women have no savings for health care expenses.
- 30% of women don't know how much they have for emergency savings.
- 49% of women agree that existing debt interferes with their ability to save for retirement.
- 56% of women have no backup plan for income, if unable to work until they retire.

These concerns, ultimately, appear to be justified. Generally, the survey found that women are less likely than men to have:

- Individual accounts like savings, checking or brokerages.
- Pre-tax health savings accounts or flexible savings accounts.
- Money set aside for emergencies.
- Medical and financial power of attorney, trust, or funeral and burial arrangements.
- Any legal documents in place that define their end of life wishes and priorities.

The survey also features numerous recommendations for policymakers, concluding that, "women's retirement insecurities are structural societal issues, ranging from the gender pay gap and time out of the workforce, to less access to employer sponsored health and welfare benefits, including retirement benefits," and suggests that, "concerted actions are needed from policymakers and employers to help bridge inequalities, ensure equal pay and benefits, and ultimately promote retirement security."

As discussed throughout this report, research continues to demonstrate how pernicious the economic impacts have been to women of color. An intersectional mixed methods study that compared financial stress among Latino adults before and during the pandemic, finds that there was a significant increase in financial health while also a significant decrease in financial well-being, concluding, "many of our participants were experiencing major stressors during the pandemic associated with labor market experiences and family circumstances," as well as noting, "women seemed to have been affected the most by the pandemic."

In addition, research by JP Morgan Chase and Co. into financial outcomes by race during the pandemic, found that cash balances for Black or Latino families were most affected by stimulus funds and Unemployment Insurance (UI) supports, and similarly these same families experienced the most depletions as well.

Educational attainment had a significant impact on women's ability to weather the crisis as well. According to The Center for American Progress finds that although women have made much progress to recover their lost economic and financial security, women and women with children continue to experience heightened incidences of financial hardships, women with a high school degree or less along with women with some college are still trying to, "climb back," to where they were before the pandemic.

These statistics are more profound when considered by race and ethnicity: "Black women, Hispanic women, and women of other races or multiple races report the most difficulties paying regular expenses, despite Black and Hispanic women having higher rates of labor force participation than women overall." The report finds that, "the lowest earning women are most likely to be sidelined from the labor market," most likely to,"have the smallest financial cushion," and, "the likelihood of having difficulties paying regular expenses is highest for those women with the least educational attainment."

Research conducted in early 2021 by McKinsey and Company estimated that, "recovery for women and those with lower educational attainment or income is likely to lag behind counterparts through 2024." Noting that the pandemic, "has most affected workers who were already vulnerable."

McKinsey and Company suggested that despite equitable recoveries between men and women in previous economic downturns, the pandemic has, "caused the largest female-to-male gap in unemployment rates since 2000," urging that, "an equitable recovery must address disparities and unique barriers to employment across race and ethnicity, gender, age, educational attainment, and income groups."

Women in the healthcare field, in particular, suffer from a doubled burden - the closure of pandemic response jobs. According to the U.S. Health Resources and Services Administration women comprise roughly 92% of medical assistants, 90% of nurses and medical record technicians, 87% of nursing and home health aides, 78% of health practitioner support techs, and 74% of medical and clinical lab techs. As pandemic response winds down, the women staffing this overburdened field are dealing with burnout, lower wage rates, chronic understaffing, and shaky futures.

Finally, they acknowledge the need to pay attention to longer term workforce trends such as the need for educational institutions to, "address in-demand digital skills with a 5 to 10 year view, rather than focusing squarely on post pandemic recovery," and that, "private- and public-sector institutions may need to consider mobility and retraining for a meaningful portion of their workforces to avoid talent shortages and displaced workers."

While federal and state response to the pandemic has provided temporary relief for some, short-term outcomes for many vulnerable Americans are trending in a concerning direction. An analysis completed by the United Way of the National Capital Area demonstrates how the pandemic has exacerbated national crises like homelessness. The states with the highest severe housing cost burden, or the percentage of households that spend 50% or more of their household income on housing payments, included California, New York, and Hawaii. For individuals in these situations, increased pressure on health and hunger services and various pressures exacerbated by the pandemic appear to have proved too significant, ultimately forcing some of them to experience homelessness.

Economic insecurity shows glaringly in the steep rise in California's unhoused population which a federal report shows increased by nearly 7% in early 2020 to an estimated 161,548, months before the pandemic and subsequent economic crisis spread across the state. In raw numbers, the total rose by 10,270 from January 2019 to January 2020, according to the annual Point-In-Time Estimates of Homelessness published by the U.S. Department of Housing and Urban Development (HUD). The reports rely on surveys of homeless people taken each January in communities across the state and nation.

Homelessness is one serious indicator that we can witness growing. However, additional significant long-term consequences of COVID-19 on vulnerable populations will continue to play out for years, if not decades, without intervention from policymakers.

Given the chronic inequities that vulnerable populations have historically faced, coupled with other current challenges like rising inflation, a return to pre-pandemic household finance levels will do little to offset the damage done during the crisis. While ongoing study is necessary, there is cause for concern that generations of women will ultimately require additional, significant government support as they age – unless responsive and preventative action are taken now to course correct the damage caused by the pandemic.

Women comprise roughly 92% of medical assistants, 90% of nurses and medical record technicians, 87% of nursing and home health aides, 78% of health practitioner support techs, and 74% of medical and clinical lab techs. As pandemic response winds down, the women staffing this overburdened field are dealing with burnout, lower wage rates, chronic understaffing, and shaky futures.

The student loan payment pause has supported more women than men. Women are predicted to struggle with repayment once the pause ends.

According to the Student Debt Crisis Center, there are nearly four million Californians with a total of over $140 billion in student loan debt. Student loan debt is now the second-highest consumer debt category after mortgages according to Education Data Initiative. To strengthen recent efforts by the federal government, California may wish to examine options for targeted equity-oriented debt forgiveness models as well. According to a Department of Education analysis, the typical undergraduate student with loans now graduates with nearly $25,000 in debt. In August 2022, Federal student loan payments were paused for a second, and what was anticipated to be the last, time. After more than two years, over 60% of borrowers reported they were not ready for payments to resume.

The ability of individuals to afford their student loan payments is contingent on a variety of factors, not the least of which is the level of degree, industry and ability of the student to complete the program. California policymakers can increase the availability of educational opportunities available to women with higher needs, without increasing their already high debt burden. Shifts in technology will play key roles in reshaping the jobs of California's future, creating advantages for college-degree holders over their less educated peers. A recent Public Policy Institute of California PPIC study found that, "among families in which any member holds a four-year degree or higher, median income has increased by 40% since 1980. It did not increase at all for other families. Families with college graduates earn $2.32 for every $1 that families without college graduates earn, as of 2020."

Unfortunately, however, the pandemic has exacerbated financial instability for many women and women of color, reducing their ability to repay existing student-loan debt while creating a disincentive to accrue new debt to further their educations. A 2021 report by the American Association of University Women found that, on average, women carry $31,276 of student debt with an average monthly payment of around $307. Yet, average annual earnings expectations for those with a bachelor's degree are $35,338. According to a report by the Center for Responsible Lending, "for the millions of student loan borrowers who are women and people of color, and are disproportionately affected by student debt, prolonged repayment plans prevent them from starting families, investing in businesses, going back to school, and buying homes. Consequently, our lack of debt-free education opportunities for borrowers of color is widening the racial wealth gap."

The report specifically highlights racialized discrepancies in the impact of student loan debt over time, sharing that, "After 20 years in repayment, the typical Black borrower still

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owes 95% of their cumulative borrowing total, while similarly, situated white borrowers have reduced their debt by 94%—with nearly half of white borrowers holding no student debt at all."

Student Debt Crisis, the nation's largest student debt advocacy organization, and Savi, a social impact technology company, completed a nationwide survey with 23,845 student loan borrowers in June of 2021.

The survey found that:

- "87% of women borrowers said that COVID-19 relief for federal student loans was critical to their financial well-being during this period of the crisis."
- "Nearly one-third of all borrowers said that more than a quarter of their income goes to student loans."
- "One-third of American Indian or Alaska Native, Black or African American, or Native Hawaiian or Other Pacific Islander respondents say their loan servicer had not communicated updates at all."

That same survey also found that Black or African American, American Indian or Alaska Native, Native Hawaiian or Other Pacific Islander respondents, "were most likely to miss or will miss a payment on rent or mortgage because of student loan payments during the pandemic."

Additional findings showed that:

- "75% of women said federal student loan relief was the most important government support they received during the pandemic."
- "8 in 10 women say that COVID-19 relief for federal student loans is financial aid that they currently depend on."
- "One-third of women say that over a quarter of their income will go to student loans when payments resume."

In addition to women of color, members of the LGBTQIA+ community are deeply impacted by the college debt crisis, with 47% of gay and lesbian borrowers reporting that they expect to be unable to afford their student loans six months from the time of the survey. The survey also noted that 24% of bisexual and 18% of gay and lesbian borrowers say they lost their job during the pandemic, compared to just 14% of straight borrowers.

In response to these challenges, the Biden Administration announced a Federal student debt forgiveness program in August of 2022. The program will "attempt to address the financial harms of the pandemic for low- and middle-income borrowers and avoid defaults as loan repayment restarts next year. To accomplish this, "the Department of Education will provide up to $20,000 in loan relief to borrowers with loans held by the Department of Education whose individual income is less than $125,000 ($250,000 for married couples) and who received a Pell Grant. Nearly every Pell Grant recipient came from a family that made less than $60,000 a year, and Pell Grant recipients typically experience more challenges repaying

The California Policy Lab (CPL) finds that more women than men are benefitting from the federal government's pause on student loan payments: 46% are women, while only 32% are men (with gender for 22% of borrowers unidentified).

their debt than other borrowers. Borrowers who meet those income standards but did not receive a Pell Grant in college can receive up to $10,000 in loan relief."

The announcement brought strong reactions both from Congress and the public. Many lauded the overall effort, but others offered complaints. A coalition of advocates quickly asserted to point out that the effort was only a start and would barely make a dent in some borrower's overall debts, particularly Black women who are additionally burdened by racial wealth gaps.

Black borrowers are twice as likely to have received Pell Grants compared to their white peers. Other borrowers of color are also more likely than their peers to receive Pell Grants. While these groups will see more relief from the Boden plan than others, they are also likely to carry more student debt than the $20,000 of maximum allowable forgiveness.

Perhaps far more significant are the additional rule changes outlined by the Biden Administration as part of the program, as defined below:

- For undergraduate loans, cut in half the amount that borrowers have to pay each month from 10% to 5% of discretionary income.
- Raise the amount of income that is considered non-discretionary income and therefore is protected from repayment, guaranteeing that no borrower earning under 225% of the federal poverty level—about the annual equivalent of a $15 minimum wage for a single borrower—will have to make a monthly payment.
- Forgive loan balances after 10 years of payments, instead of 20 years, for borrowers with original loan balances of $12,000 or less. The Department of Education estimates that this reform will allow nearly all community college borrowers to be debt-free within 10 years.
- Cover the borrower's unpaid monthly interest, so that unlike other existing income-driven repayment plans, no borrower's loan balance will grow as long as they make their monthly payments—even when that monthly payment is $0 because their income is low.

Given that most student debt in America is held by women and Federal relief will provide some assistance but likely fall short for certain borrowers, California has a unique opportunity to lead in this recovery. Women overall carry roughly two-thirds of the $1.7 trillion federal student debt. And Black women are more than twice as likely as white men to owe more than $50,000 in undergraduate debt. State-based service programs designed to speed up debt relief through forgiveness or supplemental payment programs will go a long way to making lasting changes for women of color and Black women, in particular, in our economy.

California policymakers should consider the high costs of living in the state as they identify and implement state-level solutions to the student debt crisis. This, along with other factors, can create additional burdens for Californians in paying down their debt. Perhaps in part for this reason, according to Education Data Initiative, Californians owe more than the average U.S. student loan borrower.

- $141.8 billion in student loan debt belongs to California state residents.
- $37,084 is the average student loan debt.
- 3,823,700 student borrowers live in California.
- 51.7% of them are under the age of 35.
- 9.7% of state residents have student loan debt.
- Among the state's indebted student borrowers, 16.0% owe less than $5,000.
- 20.2% owe $20,000 to $40,000 (average $28,300).
- 2.9% owe more than $200,000.

By all indications, student loan debt is disrupting hard won advancements in gender and racial equity at the national and state levels as well. The California Policy Lab (CPL) finds that more women than men are benefitting from the federal government's pause on student loan payments: 46% are women, while only 32% are men (with gender for 22% of borrowers unidentified).

This gap illustrates how many more women hold federal student loans than men and is also indicative of their increased difficulty in repayment.

Who is affected by the student loan payment pause?

Source: The California Policy Lab analysis of University of California Consumer Credit Panel data. Notes: Each bar represents the share of those borrowers affected by the student loan payment pause who are women (men), among those whose gender is identified. We cannot identify the gender of 22% of affected borrowers. In the overall Consumer Credit Panel dataset, 35% of individuals are women, 36% are men, and 28% do not have a gender listed.

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Before the Biden Administration announced the proposed Federal loan forgiveness plan, CPL had estimated that 46% of women would have struggled to repay their loans compared to 55% for men. Likewise, 29% of women borrowers were estimated to be at high risk of missing a payment on their student loans, versus only 22% of men. While forgiveness will not cancel the entirety of debt for many borrowers, it is still expected to have a significant impact, hence these numbers may shift slightly over the next year.

Student loan payments, translated into real terms, are payments that cannot be made into a retirement account, will not be invested for the future, are not paid to further education, or cannot be used to buy a home. Student loan payments are a consistent budgetary drain that prevents the type of long-term investments that have the potential to improve the lives of women and their families. This has lasting consequences both for the borrowers, and for the state economy. Of course, these consequences are more extreme for the state's most marginalized.

Shares of borrowers likely to repay and at risk of not repaying student loans, by gender

Source: The California Policy Lab analysis of University of California Consumer Credit Panel data. Notes: Each bar represents the share of women (men) who are predicted to repay or struggle to repay their student loans. We cannot predict the likelihood of repayment for 24% of women and 23% of men.

Created with Datawrapper

The California Student Aid Commission (CSAC), documented the disparate impact of debt in student borrowing on Black students, noting, "Black borrowers with bachelor's degrees have nearly 50% more student loan debt than their white peers, four years after graduation: $52,726 on average, compared to $28,006. Only 14% of Black bachelor's degree earners graduated in 2015-16 with no debt, compared to 30% of white, 33% of Latino, and 41% of Asian bachelor's degree earners."

Disparities for Black borrowers holds true even when controlling for income levels. "In California, three-quarters of Black graduates from California State Universities (CSU) and two-thirds of Black graduates from the University of California (UC) system graduated with debt, compared to half of all graduates in each of these sectors."

Looking at the data by zip code, the California Student Aid Commission (CSAC) found that Black and Latino residents in the Bay Area, "have default rates more than three times higher," than other neighborhoods with similar demographics; and default rates in Los Angeles' zip codes in neighborhoods of color, are double those of student debt holders in white zip codes.

Additionally, many student loans only cover certain educational costs and are unable to cover the additional needs a student may have that can make pursuing full-time education possible. As a result, some students must borrow money from other sources to pay for living expenses or other school-related expenses. Education Data found that:

- "95% of borrowers with outstanding debt related to their own education owe a balance on a student loan."
- "23% of borrowers with outstanding educational debt have a credit card balance."
- "4% of indebted borrowers used a home equity loan; 11% used some other type of loan."
- "11% of indebted borrowers who borrowed to fund a child or grandchild's education, used home equity loans."

Nationally, 56.5% of student financial aid recipients are female and 58% of all student loan debt belongs to women. Four years after graduation, 48% of Black students owe an average of 12.5% more than they borrowed. White and Caucasian borrowers owe 54% of the national student loan debt balance. The report also found that it takes women an average of 2 years longer to pay off their student loans, despite making higher payments.

In terms of disparity, Black women are the group most likely to hold student debt, and also the group most likely to receive the least amount of help paying it down. According to the Education Data Initiative, after 12 years of repayment, Black women owe an average of 13% more than they borrowed.

The Education Data Initiative found that:

- "Women of color are 20% more likely to have student loan debt than majority men."
- "The average Black woman's student loan debt grows 13% in their first 12 years of repayment."
- "In the same period, the average white woman's student loan debt shrinks by 28%."

Student loan debt is not only a gendered issue, but one compounded by race, and it is impacting the women who were also hardest hit by the pandemic.

Unfortunately, given all of these factors, the current payment pause will not be enough to provide meaningful long-term relief to student loan borrowers. Student debt relief must be a part of any state effort to build an equity-focused economy for the future. Any such policy making effort must take into account ongoing stressors related to Long COVID and the pandemic, industry based stressors, and the need for skilled and reskilled workers in industries dominated by women.

Finally, as we think about the future generation of college bound students, investing in their future now is an important step. The CalKIDS program, launched in August, invests $1.9 billion into accounts for low-income school-age children in grades 1-12 and for newborn children born on or after July 1, 2022. In its inaugural year this investment is anticipated to support 3.4 million low-income students across the state who can access college savings accounts ranging from $500-1,500 as seed investments for their future. California policymakers should consider additional public policy that ensures future generations of students are not saddled with the same degree of debt as their adult counterparts, and in particular women.

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Scaling recommendations for statewide representation and investment in 50.3% of California's citizens.

Across every sector, from health to the economy, the impacts of COVID-19 are exacerbated for women and girls. Persistent inequities lead women and girls to disproportionately suffer during economic downturns. The pandemic is deepening pre-existing inequalities, exposing vulnerabilities in social, political and economic systems which are, in turn, amplifying its impact.

Gender Advisors (GENAD) focus on the specific needs of women and girls, ensuring inequities do not occur during each phase of crisis response planning. Viewing planning, operations and policy through a gender lens, it requires providers to cross various disciplines. While this intersectional approach was missing piece in the overall U.S. pandemic response, it does not have to be for California moving forward.

A Gender Adviser (GENAD) provides support to ensure that planning, execution and evaluation properly integrate Gender Perspective (GP) and advises on the implementation and integration of a GP including, but not limited to, operations/missions, crisis/conflict analysis, concepts, doctrine, procedures, education and training. Gender Perspective (GP) is a tool that increases operational effectiveness and positively influences the environment by recognizing an overlooked population, identifying their specific needs, and presenting an appropriate and comprehensive response. In times of crisis, this process allows planners to gain valuable insight through greater situational awareness, while preventing conflict and speeding up recovery efforts.

The concept originates from United Nations Security Council Resolution 1325 created in 2000 and adopted by the North Atlantic Treaty Organization (NATO) in 2007. Within the last three years, the U.S. established the first national legislation focused on Women, Peace and Security (WPS) which was an important step in the right direction. The international community sends delegates to California to review Diversity, Inclusion and Equity (DIandE) policies and many have questions about Women, Peace and Security (WPS) and how California may implement similar legislation at a state level.

As California establishes systems to improve equity and inclusion, the diverse viewpoints of women must be included from within the local communities that serve them. The California Commission on the Status of Women and Girls (CCSWG) is committed to leading the work to understand the impact of COVID-19 on women and families and ensuring their representation as part of an equitable statewide recovery response.

Important partners in this work are women's commissions: governmental bodies exclusively dedicated to the promotion of gender equality and the empowerment of women. These commissions advise local governments and the public on local issues affecting women and girls, such as poverty, homelessness, domestic violence, childcare, education, pay equity, and - more recently - the impacts of COVID-19 on women and families.

Expanding local women's commissions and creating new local commissions at the city and county level would increase diverse representation of all women's voices throughout California. Currently, of 58 counties, only 17 counties have local commissions. Many of these are in coastal communities, highlighting a severe lack of representation in rural communities and other major regions of the state, including northern California, the Inland Region, and Central Valley. Many of these unrepresented areas were particularly hard hit by the pandemic. Moreover, many of the existing local Commissions have $0 line-item budgets, demonstrating a lack of overall investment in women and girls throughout the state.

County-Level Local Women's Commissions

Alameda	San Diego	Solano
Contra Costa	San Joaquin	Sonoma
Fresno	San Luis Obispo	Stanislaus
Los Angeles	San Mateo	
Marin	Santa Barbara	
Monterey	Santa Clara	
Sacramento	Santa Cruz	

City-Level Local Women's Commissions

Bell Gardens	Los Angeles	San Diego
Carson	Long Beach	Sanger
Compton	Milpitas	Santa Monica
Fresno	Norwalk	South El Monte
Glendale	Pasadena	West Hollywood
Lakewood	San Francisco	

To strengthen the existing network of local commissions and empower their work, the California Commission on the Status of Women and Girls (CCSWG) seeks to build a more direct system of support for women in communities across the state. This effort can fill a key gap in California by helping to collect and evaluate more detailed information on the needs of women and girls in counties where local women commissions are active. It can also provide a stronger analysis of women's representation among under-resourced communities across the state that currently do not have a local commission.

It is in California's interest to support, financially and politically, the creation of at least one Commission on Women in each of our diverse 58 counties, to provide perspective and feedback to state policymakers. This kind of network of support, which also guarantees representation of viewpoints from all areas as crisis response continues and future emergencies arise.

In partnership with local Commissions, direct service providers and nonprofit entities, we can annually generate a gender-focused needs assessment to quantify the long-term economic impact of the pandemic for women (lost wages, benefits, retirement, job advancement) and to assist policymakers in implementing recovery activities over the next decade.

To date, many of the pandemic relief efforts were designed to help as many people as possible in a short period of time. The impact to nonprofits and direct service providers, who have supplemented the response with ongoing services and resources for women and girls, has been enormous. And the need is growing.

In response to the changing workforce and the immense challenges women are experiencing, the California Commission on the Status of Women and Girls (CCSWG), in partnership with the Women's Caucus, secured funding in the Budget Act of 2021 (Senate Bill 129) to establish the Women's Recovery Response Grant program. This funding provides local assistance grants with $5 million in one-time funds. This first-of-its-kind investment inserts structural support and resources through grants into a network of local commissions on women, as well as direct service providers prioritizing women and girls.

In response to a call for grantees, the California Commission on the Status of Women and Girls (CCSWG) received applications requesting more than $62,118,154 million dollars - well in excess of the $5 million available. This is a clear indicator that the individual need across California's counties remains significant. With only $5 million available, we were able to fund just 20% of the applications, for a total of 135 grant awards.

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Grantees who were eligible to apply included existing local women's commissions established with a city or county government, entities seeking to establish such a local commission, and local and statewide nonprofits that provided programming and services that align with the mission of women and girl's commissions in support of economic recovery.

Grant funds were distributed to support three major ways:

1. Support for existing local women's commissions by engaging and strengthening them to ultimately inform the development of a future statewide Women's Economic Recovery Blueprint.
2. The development of new local commissions at the city and county level to increase diverse representation of all women's voices throughout California.
3. Increased resources for community-based organizations providing direct services to support immediate needs for women in a manner that ultimately supports and aligns with the mission of women and girl's commissions.

The grant program has provided opportunity for underserved communities of women and girls who lack representation and voice. Grant recipients selected for funding are providing needed support for economic recovery at the local level, including providing resources, training opportunities, direct assistance, and scholarship resources to women disproportionately affected by the pandemic. This work is particularly focused on women of color, those facing multiple barriers to employment, and underserved business owners recovering from the pandemic. The grant program has provided opportunity for underserved communities of women and girls who lack representation and voice through the creation of new local women's commissions or have provided much needed resources to strengthen existing commissions to benefit and champion women across the state.

Number of Women's Recovery Grants Active in each County

Alameda	17	Kings	2	Placer	8	Sierra	0
Alpine	0	Lake	1	Plumas	0	Siskiyou	1
Amador	0	Lassen	0	Riverside	13	Solano	10
Butte	2	Los Angeles	60	Sacramento	16	Sonoma	4
Calaveras	0	Madera	2	San Benito	1	Stanislaus	2
Colusa	0	Marin	4	San Bernardino	11	Sutter	3
Contra Costa	11	Mariposa	0	San Diego	17	Tehama	0
Del Norte	1	Mendocino	1	San Francisco	15	Toulumne	1
El Dorado	5	Merced	1	San Joaquin	7	Trinity	1
Fresno	4	Modoc	0	San Luis Obispo	1	Tulare	2
Glenn	1	Mono	0	San Mateo	8	Ventura	8
Humboldt	2	Monterey	4	Santa Barbara	8	Yolo	12
Imperial	1	Napa	4	Santa Clara	11	Yuba	2
Inyo	0	Nevada	1	Santa Cruz	3		
Kern	3	Orange	17	Shasta	1		

As this report has shown, many women in California were already struggling to pay the bills prior to the onset of the economic crisis. According to reports by the California Budget and Policy Center, in the five-year period leading up to the COVID-19 pandemic, women across the state, particularly women of color, were experiencing economic hardship — even during the longest period of economic growth on record.

Lost wages due to the economic upheaval means that rent or the mortgage can't be paid, difficulty affording food for the family, not being able to save money for a home, and less retirement savings. Individually and combined these are deleterious issues that can shape a woman's financial security – and that of her family – for generations.

The magnitude of economic setbacks for so many Californians requires dedicated funding for immediate intervention and sustained relief. Additional resources to support community-led direct support programs, and the development of a local Commission in each county. The combination of these things would help to scaffold a public policy-oriented network that not only distributes resources – but also can act as an early warning system against crises that disproportionately impact women.

We must build a more direct system of support for women in communities across the state by strengthening the existing network of local commissions, growing diverse representation of all women's voices through the establishment of new local commissions, and provide immediate relief to women by increasing resources for direct service providers to support the economic recovery of women and the economic circumstances of girls.

When you invest in women you invest in everyone – because California women are essential to our entire economy.

Women do not lead single-issue lives and must be considered as complex people dealing with a range of experiences and potential barriers.

While California is projected to experience a multi-billion budget surplus in 2022/2023, investments to spark economic recovery and increase equity for more than half of California's population remain lacking. Changes are needed at a structural level to ensure resources and opportunity are available to California's underserved populations while keeping gender in mind.

The Budget Act of 2021, through Senate Bill 129 (Chapter 69, Statutes of 2021) , established the Women's Recovery Response to provide local assistance to support the economic recovery of women and the economic circumstances of girls with $7.9 million in one-time funding. This historic investment was renewed again in the Budget Act of 2022, through Senate Bill 154 (Chapter 43, Statutes of 2022). At that time, an additional $7.9 million in one-time funding was appropriated for an extension of the Women's Recovery Response to continue to support community-level direct service providers and local women's commissions that are providing material support to the recovery of women and girls.

These funds, while critical, are inadequate to spark economic recovery and increase equity for more than half of California's population. Significant changes to public policy, additional research, and corresponding investments are necessary to ensure that appropriate resources and opportunity are made available to California's underserved populations and their diverse range of needs.

As a core function of the California Commission on the Status of Women and Girls (CCWSG), we study policy areas and make recommendations to improve the status of women and girls especially as it relates to their health, safety, economic viability, and educational needs. This work, however, takes on greater difficulty without robust, longitudinal data regarding our most impacted populations. The absence of robust, accurate, and reliable data from multiple counties, particularly rural ones, as well as entire ethnic populations such as California's Native American women and girls, who anecdotally have suffered extreme economic and health disparities compounded by the COVID-19 pandemic, is a disservice to the entire population of California. Moreover, its absence makes informed policymaking for these communities difficult – if not, in some ways, impossible.

In addition to a lack of data, California uniquely must contend with some of the unintended consequences of Proposition 209, which added Section 31 to the California Constitution's Declaration of Rights in 1996. It states that, "the state cannot discriminate against or grant preferential treatment on the basis of race, sex, color, ethnicity, or national origin in the operation of public employment, public education, and public contracting." Essentially, the passage of Proposition 209 banned the use of any action involving race-based or sex-based preferences in the state of California.

At the time, the Proposition was presented as an issue of equality. However, as our knowledge base has increased, we have come to understand that sometimes the pursuit of equality makes equity more difficult. A repeal of Proposition 209 would not restore affirmative action programs, but it would make it possible to take the race, gender or national origin of an individual into account in areas where women, and women of color, are sorely under-represented such as in state contracting where women of color are sorely underrepresented. It is estimated that $1 billion in potential public contracts for California women-owned and minority businesses was lost as a result of this proposition, according to a report by the Equal Justice Society.

By restoring affirmative action in California, government entities and universities could consider someone's race, gender, or ethnicity when determining resource allocation, hiring considerations and admissions. Data demonstrates that this policy reversal would prove an important step to achieving equity in the state of California.

According to EdSource, "Since voters in 1996 stopped the California State University system from recruiting students based on race and offering recruited student scholarships to relieve financial burdens, the share of Black and Native American students has fallen, but the widest enrollment gap exists among Latinos at the University of California, where there is a double-digit difference between the percentage of high school graduates and those enrolled in the 2019 freshman class: 52% vs 29%. And even for those students who completed the required course sequence for admission, known as A-G, the gap was 13 percentage points."

In 2020, Proposition 16 failed passage by voters which would have repealed Proposition 209, which has been in place since 1996, prohibiting California's public higher education institutions from considering race, sex, or ethnicity in admissions. At the time, voters failed to support its passage.

It is time that Californians right a long-standing wrong by opening employment and state educational opportunities to women and Black, Indigenous, and People of Color (BIPOC) populations.

As policymakers race to insulate Californians from a nationwide shift towards radical conservative policies that directly impact civil rights like access to healthcare and the right of LGBTQIA+ couples to marry, Californians should consider the relative value of simply enshrining in the state Constitution, a clear and holistic argument for equity and equal rights under the law for all people. One perhaps, that is not specific to particular markers of known discrimination. A more general effort to shore up equality could help bulwark against future, unknown attacks on individual liberty. This is particularly true for women and girls who are still climbing out from under a system built on coverture - a legal doctrine that denies them legal status.

You can't fix what you can't see. Significant and ongoing research is required to correctly assess the needs of California women and the impact of public policy interventions.

As the global economy enters its third year of disruption brought on by the pandemic, it will take another 132 years to reach gender parity.

The 2022 Global Gender Gap Report finds the global gender gap has closed by 68.1%, meaning that as the global economy enters its third year of disruption brought on by the pandemic, it will take another 132 years to reach gender parity.

In fact, in 2022, gender parity in the global workforce stood at 62.9%, the lowest level registered since the index was first compiled.

Inequities in the workforce have been exacerbated during the pandemic, which increased the burden of care work on women and placed certain economic sectors under ongoing duress. healthcare, education and other essential work - which disproportionately employ women. Overwhelming data shows that sectors such as healthcare, education and other essential work - which disproportionately employ women – were the most impacted.

The Gender Gap Report finds that, "only 19% and 16% of leadership roles in manufacturing and infrastructure, respectively, are occupied by women. However, in sectors like non-governmental organizations and education, women hold over 40% of leadership roles. While there has been progress among Fortune 500 companies, only 8.8% of the Chief Executive Officers (CEOs) are women."

Women have faced numerous inequities during the pandemic: persistent wage and opportunity gaps. The growing weight of the cost-of-living crisis. The highest rate of inflation in the U.S. since 1981 coupled with ongoing economic disruption. A limited, faltering caregiving infrastructure. The burdens of an often inadequate, sometimes taxed safety net. All of these layered with an ongoing public health emergency, expectations of regular (annual) infection and illness, and the potential complications of COVID-19.

Consistently, these challenges fall most heavily on women first, increasing their levels of mental and physical stress and creating challenging conditions under which women in California are still, as always, showing up, and attempting to thrive. We owe it to them to do everything in our power to help.

In order to face what comes next, we must take a harder, more informed look at what remains to be improved.

A final, consistent issue throughout the development of this report is the ongoing need for further data, particularly data focused on women. The following are recommendations for further research which the California Commission on the Status of Women and Girls (CCSWG) hopes to partner with various agencies to undertake. A number of questions that are reflected below arose from this work and will continue to have an impact on our efforts to ensure that women are included in a full economic recovery. Some questions to explore are:

- More men died of COVID-19, which might lead to more single-female-headed households – what impact will this have on the economy and families as a whole? What is the overall impact to society and collective mental health?
- What will be the impact of Long COVID on women's labor force participation rate, as well as the take-up of paid family leave? What specific support will businesses require to become more flexible and accommodating for disabled workers?
- What can we expect in terms of longer-term financial outcomes, such as retirement savings patterns or potential wage scarring for younger women workers who entered the workforce during the early stages of the pandemic?
- When linking paid family leave claims to earnings records, are we able to capture who takes up this program, as well as its distributional impact? Are we able to disaggregate by multiple identifiers to see who is falling behind? Can California begin to track disability claims by gender, sexual orientation, race, parental status?
- For some, the pandemic caused a return to traditional gender roles, increased economic precarity, and spawned a renewal of and reliance on informal practices that shore up male dominance. Further, it decreased access to online platforms and decreased visibility for women–a complicated set of circumstances that, when combined, serve to jeopardize and reduce women's political participation. Is this a trend that persists? What happens to women's political participation at local, state, and national levels? Is there an impact on voter turnout?

Women's leadership is in ready supply and glass ceilings are out of style. It is women who have been at the front lines, and who have stepped up to care for our communities. As we move into the next iteration of living with COVID-19, it is women who should be tasked with transitioning us from a state in which women are disproportionately impacted by emergencies, to one in which they are fully considered and included in solution building and crisis prevention efforts for the future.

FINDING 5: Social safety net support during the apex of the pandemic provided a clear path toward alleviating poverty for women and families. As these supports are withdrawn, measures of economic struggle are returning to pre-pandemic levels. Gender is a substantive element of the health of the state's overall workforce and capacity for economic growth and must be considered as an essential element in State resource stewardship.

Recommendation:

The Inflation Reduction Act offers a unique opportunity to support California women in the workforce in industries where they are often overlooked or under-resourced. Additionally, California should take advantage of the current opportunity to enhance social safety net programs proven to alleviate poverty and make those changes permanent. Policy, leadership, budgetary investments and overall workforce concerns must center intersectional approaches that presuppose structural gender bias and compounding challenges for women of color, women with disabilities, members of the LGBTQIA+ community and others, particularly in investments designed to learn from this moment in advance of future crises.

Policy Solutions:

1. Future Research: Commence a study of the population of women who are returning to work at slower rates or left the workforce all together is necessary in order to understand the circumstances and factors including: health status of women as a result of Long COVID impacts, job loss associated with accelerated job automation to increase productivity in low pay sectors in "pink" industries, prolonged caregiving with lack of accessible and affordable childcare, lack of flexible and advanced scheduling among low-wage employment.

2. Intersectional Data: Collect disaggregated data by race, gender, disability, and sexual orientation for each major state agency, and present that data publicly in a way that takes into account the multiple identities that women inhabit as well as the compounding effects of those intersections on the health and economic well-being of half of California's population.

3. Gender Advisor: Establish standards for interagency gender advisor positions in state government and for the ongoing consideration of the gendered impacts of COVID-19 on our healthcare system, public health, education and workforce systems and individuals who continue to experience symptoms and effects from the disease.

4. Improved Representation: Commence a study should be undertaken into the efficacy of local women's commissions in California, their needs, and their shortcomings, to ascertain how to build a highly effective local to state network of policies and data that can drive investment of resources and advocacy for women in every corner of the state as we grapple with this ongoing shift in women's lives. This should be coupled with state funding for each county not currently possessing a local Commission on Women to start one and grow representation across all 58 counties. Ongoing funding for the Women's Recovery Response grant program over the next 5 years to ensure an economic recovery that puts women and families front and center of a fully equitable recovery from the pandemic.

Impact

The global crisis caused by the COVID-19 pandemic laid bare persistent, generational and structural inequities, making clear that women have long been locked out of opportunities to prosper. The pandemic has increased those inequities for many women, who have suffered disproportionately from layoffs, job insecurity, food insecurity, mental health stressors, the burden of caregiving and home responsibilities, increased risk to long term health outcomes, and more.

As the world learns to "live with COVID," the systemic inequity that predated the pandemic, will outlast it without immediate, sweeping action. Policymakers should consider returning to a state of forced inequity an unacceptable public policy outcome.

Many women in California were locked out of opportunities to prosper long before the current crisis. A return to that state of forced inequity is unacceptable when we are now presented with an opportunity, embedded within the current crisis, to put things right. The unique needs of women require changes to a system that wasn't built for them, but now cannot function without them.

As women continue to experience economic and health challenges impacted by the pandemic, the urgency to strengthen the state systems of support and elevate the needs of women is unabated. Indeed, this moment provides policymakers with a unique opportunity to challenge decades of marginalization and oppression, repair decades of damage and fix what has long been broken for women in California - by designing and implementing systems that center and consider them.

We will never again return to what was once known as, "normal," especially as vaccine protection against hospitalization and death is steadily eroded by new and more aggressive virus variants. Additional disease outbreaks, from Monkeypox to Meningitis and even Polio, continue to place pressure on a healthcare system that has never fully recovered from the initial acute phase of the COVID-19 pandemic. All the while, inflation and a fractured care infrastructure continue to hammer away at the health and stability of the women and families of California.

In limiting community-focused pandemic response protocols such as masking, testing and tracing, and even basic data collection to stop the spread of a consistently evolving virus that debilitates, sometimes for years or permanently, particularly affecting women, policymakers face the likelihood that the consequences of the pandemic will be far reaching. The net impact will, as a result, last far longer than our workforce, care economy, public health infrastructure, and social safety nets can currently withstand, leaving our most vulnerable populations and half of our workforce at risk.

California must clearly and deliberately represent women's interests in pursuit of new approaches that prioritize women's immediate economic security, health and wellness, full political representation, and with a lens on the intersectional nature of our lives.

In real terms, “living with the virus,” means living with a drastic increase in death and disability, constant reinfections, Long COVID, and disruption to nearly every public system - with women most impacted by deterioration to their stability, security, health, and overall quality of life.

California must clearly and deliberately represent women’s interests in pursuit of new approaches that prioritize women’s immediate economic security, health and wellness, full political representation, and with a lens on the intersectional nature of our lives. The California Commission on the Status of Women and Girls (CCSWG) encourages an approach that combines the introduction of focused and impactful policy and adequate investment to sustain women who face long term challenges brought on by this pandemic, many of which have yet to be fully understood. The time to act to evade the exponential expansion of an ongoing crisis is immediately. Women simply cannot wait.

California is the beacon that shows the nation and the world that it can, in fact, be done. Change is difficult, but it starts with vision. California’s leaders must lead the way.

Thank you

Thank you to all of the CCSWG Commissioners serving the women and girls of California for your investment in this project. Thank you to the CCSWG Executive Committee for your leadership at this critical time. A special thanks as well to Governor Gavin Newsom, First Partner Jennifer Siebel Newsom, California Senate President Pro Tempore Senator Toni Atkins, Assembly Speaker Anthony Rendon, and the California Legislative Women's Caucus, and Caucus Chair Senator Nancy Skinner and Vice Chair Assemblymember Cecilia Aguiar-Curry and former Chair Assemblymember Cristina Garcia for your continued partnership and support.

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