



CHILDREN LEARNING, PARENTS EARNING 1540 River Park Drive, Suite 209, Sacramento, CA 95815 Phone: (916) 567-6797 FAX: (916) 567-6790

September 6, 2011

Honorable John A. Pérez  
Speaker, California State Assembly  
State Capitol  
P.O. Box 942849  
Sacramento, CA 94249-0046

Dear Speaker Pérez,

On behalf of the California Alternative Payment Program Association (CAPPAA), I must communicate strong member concerns regarding AB 101 (Pérez), child care: family child care providers. The issue of whether or not to unionize child care providers is not CAPPAA's issue, however the significant fiscal implications to the Alternative Payment Program's (APPs) is. Specifically, in our reading of the language we see that no real funding is guaranteed to the public and private entities (APPs, County Offices of Education, Counties, etc.) to cover the costs associated with implementation of this bill and the on-going costs of complying with information requests, developing operational procedures and collecting dues.

Due to the late nature of the printing of the amendments to AB 101, CAPPAA has not been able to meet with you, your staff, nor the sponsors of this bill to discuss the fiscal issues associated with possible enactment of this bill and language that could be added to remedy some of these concerns. As of this writing, CAPPAA has not taken a formal position but wants to go on record with strong concerns that further amendments are needed to address the funding that agencies would need in order to comply with the demands of this legislation.

Over the past 18-months, the Child Care and Development programs in this state have realized double-digit budget reductions, depending on program type. Due to these devastating cuts agencies have shortages of staff to operate the programs, large caseloads per caseworker, longer wait times for families meeting need and eligibility criteria, and a reduction or downright elimination of vital supportive services that many low-income families desperately need during this turbulent economy. Unfortunately, these same community based contractors will lose an additional 4 percent in contract funding if the budget "trigger" cuts agreed to in the July budget package are pulled due to lagging revenues.

In addition to the severe budget cuts, APPs are being choked by the dozens of unfunded mandates foisted upon them within the last two years. These unfunded mandates are crippling many agencies to the point of insolvency. In regards to AB 101, CAPPAA is concerned that the provisions included will become one more mandate.

It is our desire that this letter will help you to understand our strong concerns. We look forward to working with you and the sponsors as this bill moves through the process. We hope that language regarding funding challenges and issues that we have raised in this letter are addressed.

Warm regards,

A handwritten signature in black ink, appearing to read "D. Kowalewski".

Denyne M. Kowalewski  
Executive Director, CAPPAA

Cc: Dion Aroner, AFSCME  
Joe Wilson, AFSCME

