

May 29, 2019

The Honorable Holly Mitchell, Chair
Budget Conference Committee
State Capitol, Room 5050
Sacramento, CA 95814

The Honorable Phil Ting, Chair
Budget Conference Committee
State Capitol, Room 6026
Sacramento, CA 95814

On behalf of the California Alternative Payment Program Association (CAPPAA), we would like to provide you input on budget proposals that if adopted will have the most impact on working families and children. Every day “we” as community partners come together to support the most vulnerable of working families with access to child care and early learning opportunities. We know that it takes a strong mixed delivery system to be able to create the infrastructure families need to access child care in our 24 hour/seven days per week economy. We also know that it is essential that California continue to invest in our children starting at birth by guaranteeing them continuity of nurturing and enriching learning environments which will lead to greater educational outcomes.

We continue to support the five pillars of the Legislative Women’s Caucus: Workplace equity, family-friendly policies, access to child care, health & safety and protecting vulnerable communities. We also continue to support the vision and action steps presented in the California Assembly Blue Ribbon Commission on Early Childhood Education (BRC). In reflection of our noted supports and of the needs we see every day, we respectfully ask the Budget Conference Committee to support the following proposals:

- **Adopt the Assembly proposal to fund an additional 16,832 flexible child care spaces and 6,172 center based spaces for working families to access.**

Background: California has not funded flexible “voucher” child care spaces in a real way since before the start of the recession. In Fiscal Year (FY) 2007-2008, California funded 39,957 child care spaces. In FY 2018-19, 47,526 voucher spaces were funded. The Governor’s May Revision proposed no new voucher spaces, but did add 8,100 afterschool spaces via use of the Proposition 64 funds. In California, over 1.8 million children¹ from birth on from income eligible families have no access to child care or early learning opportunities.

- **Adopt the Senate proposal to ensure that Family, Friend and Neighbor (FFN) part-time rates are 70 percent of the Family Child Care Home (FCCH) rate.**
- **Adopt the Assembly proposal that moves us closer to the establishment of a single rate reimbursement structure that supports teachers and programs for providing care; recognizes regional differences in diversity of care and cost of care; and moves us toward achieving a more equitable system to support our earliest learners and families while maximizing state investments.**
- **Adopt the Assembly proposal to infuse an additional \$47 million to the Emergency Child Care Bridge program.** As a cosponsor of this effort, we can attest to the value this program brings to immediately stabilize the child care needs of traumatized children placed in the foster care system. This much needed program “bridges” the gap so that loving relatives or resource families are immediately supported with taking on children without facing loss of a job or income.

¹ https://calbudgetcenter.org/wp-content/uploads/2019/02/Kristin-Schumacher_ChildCare-Webinar_02.25.2019.pdf

- **Adopt the Assembly goals to address AB 603² clean-up and variable work schedules.**

Background on AB 603 – This bill that goes into effect July 1, 2019 would require that an advance 14- day notice be given to a child care provider before a family can receive a subsidy for another provider. There are real world situations wherein a parent does not have 14 days to wait before another provider can be approved for reimbursement. These situations may include a parent whose employer changes their work hours, a change in parent fees or reimbursement, or a situation where the child is uncomfortable in the providers environment or at risk. The desired language will reflect the flexibility needed so that parents maintain their continuity of care for their child(ren).

Background on variable work schedules – Working families that have fluctuating or variable work schedules are unable to access many quality child care and early learning environments due to how their child care is reimbursed. The reason? Families have unequitable access to child care when they are approved on a fluctuating or variable work schedule because their child care providers are reimbursed based only on the days and hours in which the actually attend; this creates unpredictability for child care provider’s reimbursement and disproportionate access to care for families—these practices are limiting a parent’s parental choice rights. Centers and family child care homes (FCCH) require specific staffing ratios and costs to be paid regardless of whether a family shows up to care or not, there is resistance to accepting a family with a variable schedule because of the reimbursement practices and, the reality is that, families are being turned away. In the private pay market, a family pays the full amount of the enrollment space in a center or FCCH regardless of actual use. Subsidized families need parity with the private pay in this area to allow them to access all provider type settings.

We know that there are more proposals before you than those referenced above. However, in reflection of our asks above, all are intricately linked to support our commitment to strengthened continuity of care for our earliest learners starting at birth, to valuing our providers and the necessity of keeping them whole, and to increasing access by working families to child care in settings that also support their job demands. We believe that your investments in the above areas will immediately provide some access to care by the poorest of working families and will bring stability to the lives of a number of children.

We look forward to working with you and urge you to adopt the investments above.

Sincerely,

Denyne Micheletti Colburn, CEO

CC: The Honorable Gavin Newsom, Governor
Budget Conference Committee Members
Keely Bosler, Department of Finance
Christian Griffith, Assembly Budget Committee
Katie Hardeman, Assembly Budget Committee
Elisa Wynne, Senate Budget Committee
Mareva Brown, Office of President Pro Tempore Toni Atkins
Steve McCarthy, ASM Republican Office
Bob Becker, ASM Republican Office
Roger Mackensen, Senate Republican Office
Joe Parra, Senate Republican Office
Rochelle Schmidt, Legislative Women’s Caucus
Jessica Holmes, Department of Finance
Sarah Burtner, Department of Finance
Gail Gronert, Office of Assembly Speaker Anthony Rendon
Stacey Reardon, Office of Assembly Speaker Anthony Rendon
Kris Perry, Office of the Governor
Giannina Perez, Office of the Governor

² http://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=201720180AB603