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AB 124 (McCarty) Preschool Facilities Bond Act of 2020

Staff Contact: Suzy Costa, (916) 319-2007

As Introduced: 12/3/18

SUMMARY

AB 124 would place a \$500 million bond on the 2020 ballot for the renovation, repair, or improvement of existing buildings, or construction of new facilities for preschool programs.

ISSUE

In the last couple decades, not one bond initiative to fund child care facilities has appeared on a California ballot. Nearly 30 years ago, Proposition 151 (1990) would have provided \$30 million in bond funds for child care facilities, but it failed. Since 1986, California voters have approved over \$51 billion in bond funding for K-12 and higher education facilities. In these bond initiatives, preschool and early learning facilities were not explicitly listed as eligible for receiving funds.

Early learning is crucial when it comes to closing the achievement gap and ensuring our students are ready for school. Californians need subsidized child care, but currently we do not have the facilities to serve these children. In fact, in 2015–16, 1 million California children qualified for subsidized early childhood education (ECE), but only a third of them received services. Since 2014, the state has added nearly 30,000 California State Preschool Program (CSPP) slots through the budget process – further emphasizing the need for preschool facilities for our youngest learners.

Research demonstrates that the lack of CSPP facilities creates a significant hurdle to providing slots and access for families. Across the state, preschool providers cite difficulty in funding facilities as a top barrier to expanding preschool. This existing preschool facilities need, coupled with the expansion of slots from the Pre-K for All Act,

compels the state to plan for and build or retrofit new preschool classrooms.

The Child Care Facilities Revolving Fund (CCFRF) provides funding through loans to eligible California Department of Education (CDE) child care and development contracting agencies for renovation and repair of existing facilities or the acquisition of relocatable buildings. Re-established as a loan program in 2014, it has not received a budget augmentation since then, and the CDE has only received 16 applications in five years. The abysmal application rate is due to the fact that contractors cannot pay back the expensive loan, as state reimbursement rates are insufficient to cover these costs.

SOLUTION

AB 124, The Preschool Facilities Bond, would place a \$500 million bond on the 2020 ballot for acquisition or construction, of new preschool facilities, or retrofit of existing facilities; and provide funds to local educational agencies and community benefit organizations that hold CSPP contracts.

COMPANION BILLS

AB 123 (McCarty) – Pre-K for All

AB 125 (McCarty) – Early childhood education: reimbursement rates

SUPPORT

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