

For Immediate Release Contact: Bill Romanelli, <u>Bromanelli@fsbpublicaffairs.com</u>, 916-212-1446

BILL TO PRESERVE CHILDCARE FOR CALIFORNIA'S POOREST WORKERS CLEARS FIRST HURDLE

The Assembly Human Services Committee has passed Assembly Bill 1649 by Sharon Quirk-Silva (D – Fullerton) to ensure California's poorest working families have equitable access to a variety of childcare options for their children, and to help prevent the disenrollment of thousands of California families who rely on subsidized childcare.

AB 1649, passed on consent by the committee, provides these families with a set and stable childcare voucher. For childcare facilities that provide subsidized care, these vouchers provide a guaranteed reimbursement based on the family's need, and not just on the hours care was provided. In so doing it continues a policy already in place, but scheduled to sunset on June 30.

"California's poorest subsidized families that work in industries such as agriculture, fast food, and hospitality—that do not have set or traditional 9-5 work schedules—are facing the disenrollment of their children from stable care this June," said Denyne Micheletti Colburn, CEO of the California Alternative Payment Program Association (CAPPA). "AB 1649 preserves stability in the lives of children in poverty, and guarantees those providing the childcare will be paid for their services. We need the Legislature to pass, and the Governor to sign, this vital legislation."

During the pandemic, Governor Newsom issued Executive Order <u>N-45-20</u>, noting that subsidized family childcare providers and centers must be paid for the cost of reserving a childcare slot for a family regardless of attendance of the child. Just as in the private pay market, parents must pay for childcare even if their child gets sick or cannot show up for any reason.

The Governor's Executive Order is set to expire on June 30 without Legislative intervention. If the policy is allowed to lapse, subsidized family childcare providers and childcare centers will have to absorb the shortfall for any days a child is absent. As small businesses with ongoing costs for rent, staff and operating expenses, these centers cannot take on the financial risk of reserving a childcare slot that will only be reimbursed if the child attends. Tens of thousands of children currently in stable, quality childcare settings face being cast into chaos via mass disenrollment.

According to CAPPA, California's poorest and lowest-income working families have the most to lose. These are mainly single moms and moms of color who are already facing financial burdens in accessing care for their children while they are at work.

"Access to high quality stable childcare should not be denied to a family because they are poor. Without childcare, parents cannot work and the economy will suffer," Colburn says. "At the same time, childcare businesses cannot run the financial risk of providing care that may go unpaid. I'm grateful to Assemblymember Quirk-Silva for leading this effort to support our poorest families and the childcare professionals who serve them."

More information on AB 1649 is available on <u>CAPPA's website</u>. The next hearing on this bill has not been set.

###

About CAPPA: The California Alternative Payment Program Association (CAPPA) is a 40-plus year network of community-based public and private nonprofit agencies that support working families and children. Established in 1977, CAPPA is the lead voice for public and private nonprofit agencies who contract with California Department of Social Services (CDSS) to provide childcare subsidies to families and to ensure children keep learning while parents are earning. CAPPA's funding comes from member agencies, affiliate members and donations.