



CAPPA Board of Directors

June 28, 2017

The Honorable Mike McGuire
Chair, Senate Governance and Finance Committee
State Capitol
Sacramento, CA 95814

**RE: AB 1250 (Jones-Sawyer) Counties: contracts for personal services – as amended on
6/21/17 - OPPOSE**

Dear Senator McGuire:

On behalf of the California Alternative Payment Program Association (CAPPA), a network of mixed community based public and private agencies that support parental choice and access of working poor families to child care and early education in a variety of settings for children from birth on, we would like to communicate our **OPPOSITION** of AB 1250 (Jones- Sawyer). It is our belief that this bill places substantial burdens on local agencies by adding unnecessary requirements that impede on the functions of many community-based local non-profits.

For over 40 years, fragile and working families have been supported by a network of community based public and private non-profit Alternative Payment Programs (APPs) dedicated to keeping families working and breaking the cycle of poverty. These APPs provide a host of supports including but not limited to: subsidized child care services, food programs, immigration services, legal aide, respite care, and referrals to address the entire needs of a family in a holistic way. Currently, 36 of California's 58 counties contract out their California Work Opportunity and Responsibility to Kids (CalWORKs) Stage 1 child care to their community based APPs. This contracting out represents 93- 94% of the total child care caseload for CalWORKs Stage 1. AB 1250 would reject the process by which these 36 counties have determined to be the best way to serve these families via a partnership with an APP. Furthermore, it is these public and private community partnerships that have demonstrated outcomes in not only delivery quality support for working families, but also are instrumental in ameliorating poverty stressors that hinder families from becoming self-sufficient.

In California, services earmarked for our most fragile families are limited and do not even begin to address the need. Every state and federal dollar is stretched. APPs have demonstrated an ability to maximize every penny through a long history of addressing service delivery challenges with creativity, self-reliance and innovation. Unique challenges and limited budgets continue to fuel innovative efforts to obtain expertise and provide high quality services. Many of these agencies are already hindered by inadequate funding, significant workloads, and limited resources. AB 1250 would place even more burden, unnecessarily, on these agencies by adding onerous, over prescriptive and unnecessary requirements that impede on local control and have significant impacts on local governance.

We whole-heartedly believe that private and public partnerships are critical in providing high-quality human services with compassion at the local level. However, the impacts of this bill would create a significant cost and workload requirements, for the transparently sole purpose of discouraging these types of valuable partnerships. The bill would require nonprofit contractors to conduct extensive audits at their own expense and to disclose personal information including the names and hourly pay of their employees, subjecting that information to the California Public Records Act. This raises significant privacy concerns for our member organizations and their employees, and would have a chilling effect on our members' abilities to recruit and retain qualified staff.


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There is no legitimate public policy concern that AB 1250 seeks to address, period. The bill would simply restrict counties' abilities to contract for the efficient, effective delivery of human services, resulting in decreased access to services – or even the outright elimination of some services – for the most vulnerable in our population. The bottom line is that AB 1250 would impose a de facto prohibition on counties' abilities to contract with non-profit organizations, including our member agencies, thus jeopardizing the delivery of vital services that many Californians depend on and its passage would have a devastating effect on local human services.

Today, California's working families are supported by a network of 76 APPs. APPs contract with the California Department of Education to support working families and those on the California Work Opportunity and Responsibility to Kids (CalWORKs) programs with access to a variety of early care and education settings inclusive of high quality Title 5 centers, Family Child Care Home Education Networks (FCCHENs), family child care home providers, and small business child care and early learning providers. ***In 2016-2017 APPs are supporting over 317,000 children and 163,000 families.***

This bill places unnecessary cost and a significant burden on the provision of human services, a burden that would be felt by our most vulnerable populations— low-income children and families. For these reasons, CAPPA **OPPOSES** AB 1250.

Sincerely,



Denyne M. Micheletti, CEO
CAPPA

CC: Assemblymember Reginald Jones-Sawyer (charles.harvey@asm.ca.gov)

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