

File No. 160565

Committee Item No. \_\_\_\_\_

Board Item No. 39

### COMMITTEE/BOARD OF SUPERVISORS

#### AGENDA PACKET CONTENTS LIST

Committee: \_\_\_\_\_

Date: \_\_\_\_\_

Board of Supervisors Meeting

Date: May 24, 2016

#### Cmte Board

- |                          |                                     |  |
|--------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input type="checkbox"/>            | Motion                                       |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Resolution                                   |
| <input type="checkbox"/> | <input type="checkbox"/>            | Ordinance                                    |
| <input type="checkbox"/> | <input type="checkbox"/>            | Legislative Digest                           |
| <input type="checkbox"/> | <input type="checkbox"/>            | Budget and Legislative Analyst Report        |
| <input type="checkbox"/> | <input type="checkbox"/>            | Youth Commission Report                      |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | Introduction Form                            |
| <input type="checkbox"/> | <input type="checkbox"/>            | Department/Agency Cover Letter and/or Report |
| <input type="checkbox"/> | <input type="checkbox"/>            | MOU  |
| <input type="checkbox"/> | <input type="checkbox"/>            | Grant Information Form                       |
| <input type="checkbox"/> | <input type="checkbox"/>            | Grant Budget                                 |
| <input type="checkbox"/> | <input type="checkbox"/>            | Subcontract Budget                           |
| <input type="checkbox"/> | <input type="checkbox"/>            | Contract/Agreement                           |
| <input type="checkbox"/> | <input type="checkbox"/>            | Form 126 – Ethics Commission                 |
| <input type="checkbox"/> | <input type="checkbox"/>            | Award Letter                                 |
| <input type="checkbox"/> | <input type="checkbox"/>            | Application                                  |
| <input type="checkbox"/> | <input type="checkbox"/>            | Public Correspondence                        |

#### OTHER

- |                          |                                     |  |
|--------------------------|-------------------------------------|--|
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>LWC Budget Request - April 12, 2016</u> |
| <input type="checkbox"/> | <input checked="" type="checkbox"/> | <u>LWC Letter - February 11, 2016</u>      |
| <input type="checkbox"/> | <input type="checkbox"/>            | _____                                      |
| <input type="checkbox"/> | <input type="checkbox"/>            | _____                                      |
| <input type="checkbox"/> | <input type="checkbox"/>            | _____                                      |

Prepared by: Brent Jalipa

Date: May 19, 2016

Prepared by: \_\_\_\_\_

Date: \_\_\_\_\_

1 [Urging Support for the California Legislative Women's Caucus' Request and Priority to Invest  
2 \$800,000,000 in the FY2016-2017 California Budget]

3 **Resolution urging the support of the Legislative Women's Caucus budget request of**  
4 **\$800,000,000 in the FY2016-2017 budget that would enable the state to serve tens of**  
5 **thousands of children from birth to five years-old, and for families to have access to**  
6 **quality affordable child care, prioritize our youngest learners, prevent disruption of**  
7 **care for those children, recognize the important and professional nature of the work**  
8 **providers deliver to our state's working families, and for the California Senate and**  
9 **Assembly to support the Legislative Women's Caucus budget request and priorities.**

10  
11 WHEREAS, The Legislative Women's Caucus recognizes that California is a state  
12 where mothers and families with children are significant contributors in the economy; and

13 WHEREAS, California has cut over \$1,000,000,000 from early child care programs  
14 between 2009 and 2011; and

15 WHEREAS, Only \$500,000,000 of these cuts have been restored despite the growth in  
16 the economy; and

17 WHEREAS, The current level of the Standard Reimbursement Rate (SRR) is set at  
18 \$36.10 per child per full day of enrollment, is less than half of the current market rate in San  
19 Francisco; and

20 WHEREAS, The current Regional Market Rate (RMR) reimbursement ceilings for  
21 voucher-subsidized early care and education services are based on data collected in 2009,  
22 severely suppressing the reimbursement rate, and impacting the quality of care; and

23 WHEREAS, The recent passage of minimum wage ordinances and parental leave has  
24 added increased economic burden on child care programs without an increase in state  
25 subsidies; and

1           WHEREAS, The child care educators' work is not minimum-wage work, and requires  
2 skill, expertise, and consistency to deliver quality, but a typical child care educators' wage in  
3 San Francisco is \$16.85; and

4           WHEREAS, The current level of SRR and RMR increasingly limit low income families'  
5 access to the child care market and, in particular, quality care options; and

6           WHEREAS, The Legislative Women's Caucus recognizes that currently parents have  
7 only five days to report changes within class and/or work schedules and changes to familial  
8 structure, and parents with variable schedules have to report every four months; and

9           WHEREAS, This onerous burden on both parent and employer is causing a revolving  
10 door of eligibility; and

11           WHEREAS, As the Legislative Women's Caucus recognizes, currently, the entry and  
12 exit level for child care eligibility is 70% of the Standard Median Income that was in use  
13 for 2007-2008, and this causes parents to pass up slight raises or job advancement for fear of  
14 losing their wage increase; and

15           WHEREAS, The Legislative Women's Caucus FY2016-2017 budget request includes  
16 increasing the RMR to the 85th percentile of 2014 survey, increasing SRR rates in counties  
17 where SRR is below the 85th percentile of the 2014 RMR survey, ensuring 12-month eligibility  
18 and updating income guidelines, and securing 25,000 slots for zero to three year-olds; now,  
19 therefore, be it

20           RESOLVED, That the Board of Supervisors urges the state to use current data that  
21 recognizes regional differences in high cost of living counties including San Francisco; and, be  
22 it

23           FURTHER RESOLVED, That the Board of Supervisors states their supports the  
24 Legislative Women's Caucus budget request and priorities; and, be it

1           FURTHER RESOLVED, That the San Francisco Board of Supervisors hereby directs  
2 the Clerk of the Board to transmit copies to the California Women's Caucus, Governor Jerry  
3 Brown, the Chairs of the State and Assembly Budget Committees Assembly Member Phil  
4 Ting and Senator Mark Leno with a request to take all action necessary to achieve the  
5 objectives of this Resolution.

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CALIFORNIA  
LEGISLATIVE  
WOMEN'S  
CAUCUS

## LEGISLATIVE WOMEN'S CAUCUS BUDGET REQUEST 2016

"Neglecting what we have built over many years and letting it further deteriorate makes no sense and will just pile up costs in the long run."

*-Governor Jerry Brown*

Understanding the Governor's quote is a reference to roads, it nevertheless aptly represents our child care system as it struggles to serve sufficient numbers of eligible children. Infrastructures are needed to rebuild this system to serve working families, especially low-income families, educate our youngest learners, and adhere to new minimum wage laws.

Members of the Legislative Women's Caucus have agreed upon the following priorities to begin to fill the gaps within the early care and education system that have been created over the past several years and continually gone unrecognized:

FY 2016-17 LWC BUDGET REQUEST
One-time quality and support investment
Increase RMR to 85 <sup>th</sup> percentile of 2014 survey
Increase license-exempt rate to 80% of current RMR
Increase SRR rates in counties where SRR is below 85th percentile of 2014 RMR survey
Ensure 12-month eligibility and update income guidelines
25,000 Slots for 0-3 year olds

**One-time quality and support investment.** A meaningful one-time grant to provide professional development for providers that will improve the quality of developmentally age-appropriate early care and education services. This investment in quality would allow child care providers to obtain training in child development, learning styles, health and safety, nutrition, and best practices. Additional investments are also needed to improve resources for child care consumers and providers.

**Increase the Regional Market Rate to reflect the current cost of doing business; 85 percentile of the 2014 Regional Market Survey.** RMRs, used for child care programs paid through vouchers, are based on biennial survey of child care providers based on the rates charged in the private market by region. Currently, the RMR ceilings are based on data from the 2009 RMR Survey - less a deficit factor of 10.11%. This puts the rates just slightly above the 2005 level making them about a decade behind the market. Given the change in the market as it relates to minimum wage and overall increased costs, that rate is unfeasible and unworkable for so many family child care homes. Many infants and toddlers are cared for in subsidy programs reimbursed by the RMR, which is often the highest cost care. Child care

programs that rely on RMR can offer flexible hours, including non-traditional hours for those parents who work swing, overnight, weekend, or early morning shifts.

**Increase license-exempt reimbursement rates to 80% of the 85<sup>th</sup> percentile of the 2014 Regional Market Rate Survey.** Currently license exempt reimbursement rates are capped at 60% of the licensed rate. This is insufficient compensation for someone to care for children full time - especially providing infant care. The reimbursement to license exempt providers for an infant is significantly below minimum wage, usually \$3 - \$4 an hour. Prior to 2011 these providers were compensated at 80% of the current RMR. License-exempt care is crucial for parental choice because parents may need a relative or other close acquaintance to care for their child(ren) due to shared culture, language, or most commonly that licensed child care not available. Many parents who choose license exempt care do so because they work non-traditional hours in the evenings and weekends and have rotating shifts. License exempt care may be the only option available to them and may be the only way that parents can return to the workforce.

**Increase the Center Based Standard Reimbursement Rate in counties where it lags behind the Regional Market Rate.** Contracted centers follow Title 5 standards which require additional training and program standards. Nineteen counties are reimbursed at a lower rate than family child care homes. It is essential that we bring up those counties to at least match the regional reimbursement levels. The SRR is utilized by agencies that directly contract with the CDE.

**Ensure parents have 12 months of eligibility and update income guidelines for subsidized child care based on the most current data available and raise the exit ceiling to continue to qualify for child care to 85% of the SMI.** Currently parents have only 5 days to report changes within class and/or work schedules and changes to familial structure. Parents with variable schedules have to report every 4 months. This onerous burden on both parent and employer is causing a revolving door of eligibility and needs to be changed. Currently, the entry and exit level for child care eligibility is 70% of the SMI that was in use for 2007-2008. This causes parents to pass up slight raises or job advancement for fear of losing their childcare where costs far outweigh their wage increase.

**Additional 25,000 slots for general child care.** Even when California cut over a billion dollars from our early care and education programs in 2009-11, over 200,000 children were eligible and on long waiting lists trying to gain access to quality child care programs. The number of underserved children has been exacerbated by the cuts. Conservative estimates indicate that over 300,000 children are now waiting and eligible for child care subsidies statewide. Even with some additional slots in 2014-15, California is still only meeting 18% of its child care needs. While preschool has rebounded, child care programs for children under age two have seen almost no restoration from cuts during the recession.

Modernizing rates, ensuring the continuity of care, and increasing slots represent the foundation of rebuilding the infrastructure of the early care and education system which was decimated during the great recession.



February 11, 2016

The Honorable Jerry Brown  
Governor of California  
State Capitol, First Floor  
Sacramento, CA 95814

Dear Governor Brown:

In your State of the State address, you reminded us that “neglecting what we have built over many years and letting it further deteriorate makes no sense and will just pile up costs in the long run.” While you may have been referring specifically to roads, this statement represents our child care system, as it struggles to serve sufficient numbers of eligible children.

The Legislative Women’s Caucus is continuing this year with a policy agenda to secure economic opportunity for all women. Central to making California stronger is ensuring access to quality, affordable and accessible child care. We believe there is no better or more effective investment in our future that also makes sense for our economy. When parents cannot find or afford child care, the economy loses valued workers. Parents risk piecing together care that might not meet a child’s needs or being forced out of the job market, causing their children to miss opportunities to learn.

To accurately reflect the reality that California is a state where mothers are significant contributors in the economy, the Legislative Women’s Caucus has made it a priority that to five years all working families have access to quality affordable child care. As an initial investment, we are asking for 800 million dollars in the 2016-17 budget in order to serve tens of thousands of children, prioritize our youngest learners, prevent disruption of care for those children, and recognize the important and professional nature of the work providers deliver to our state’s working families. This down payment will begin to repair the deteriorating foundation upon which our child care system was built.

We recognize that over the past two years the Women’s Caucus has helped restore more than \$500 million into early care and education programs, reinstating preschool and child care for more than 45,000 children – and we are appreciative of your restorative actions. While preschool programs are rebounding with that additional funding, support for sufficient and quality child care continues to lag. While we are making progress, it is remarkable how far we still have to go to ensure available and quality child care, especially for our youngest children.

We are appreciative of your ideas that seek to streamline and create efficiencies. However, the child care system has been underfunded for years, causing cracks in the service delivery as more small businesses go out of business and women exit the profession because it does not pay enough to support their families. When repairing roads, the cracks in the base need to be fixed before the street can be resurfaced; before we attempt to reform our early care and learning system we need to make sure it is properly funded and serving working families.

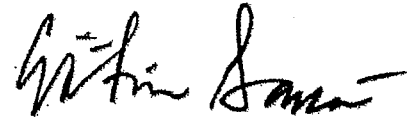
Women in the workforce are an economic reality – not an optional choice women make. In the U.S. 70 percent of mothers work and more than 40 percent of mothers are the sole or primary breadwinners for their families, earning at least half of their family's income.<sup>1</sup> In order for these women to provide for their families, they must have adequate access to childcare and early education. Without it, our economy will suffer, our children will suffer, and our future will suffer.

We look forward to working with you and our legislative leadership to develop a plan that will give every eligible parent accessible and reliable care for their children, and give providers the support to provide that care in a dignified and economically viable manner that reflects the priorities and fiscal realities of the state.

Sincerely,



Hannah-Beth Jackson, Chair  
Legislative Women's Caucus  
Senate District 19



Cristina Garcia, Vice-Chair  
Legislative Women's Caucus  
Assembly District 58

cc: Honorable Toni G. Atkins, Speaker of the Assembly  
Honorable Kevin de León, Senate President pro Tempore of the Senate  
Honorable Anthony Rendon, Speaker-Elect of the Assembly  
Honorable Shirley Weber, Chair – Assembly Budget Committee  
Honorable Mark Leno, Chair – Senate Budget Committee  
Members, Assembly Budget Committee  
Members, Senate Budget Committee

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<sup>1</sup> Cooper, Marianne, *Cut Adrift: Families in Insecure Times* (University of California Press, 2014)



Print Form

Received in Board 5/17/16  
Time stamp or meeting date

# Introduction Form

By a Member of the Board of Supervisors or the Mayor

I hereby submit the following item for introduction (select only one):

- 1. For reference to Committee. (An Ordinance, Resolution, Motion, or Charter Amendment)
- 2. Request for next printed agenda Without Reference to Committee.
- 3. Request for hearing on a subject matter at Committee.
- 4. Request for letter beginning "Supervisor [ ] inquires"
- 5. City Attorney request.
- 6. Call File No. [ ] from Committee.
- 7. Budget Analyst request (attach written motion).
- 8. Substitute Legislation File No. [ ]
- 9. Reactivate File No. [ ]
- 10. Question(s) submitted for Mayoral Appearance before the BOS on [ ]

Please check the appropriate boxes. The proposed legislation should be forwarded to the following:

- Small Business Commission     Youth Commission     Ethics Commission
- Planning Commission     Building Inspection Commission

**Note: For the Imperative Agenda (a resolution not on the printed agenda), use a Imperative Form.**

Sponsor(s):

Yee, Tang

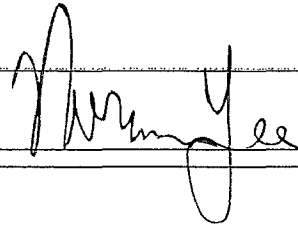
Subject:

Support of California Legislative Women's Caucus priority to invest \$800 million in the 2016-2017 California Budget

The text is listed below or attached:

Attached

Signature of Sponsoring Supervisor:



For Clerk's Use Only:

