

LEGISLATIVE DIGEST

[Administrative Code - Early Education Economic Recovery Program]

Ordinance amending the Administrative Code to establish the Early Education Economic Recovery Program to provide grants and interest-free loans to early care and education providers to help cover costs associated with the COVID-19 pandemic.

Existing Law

At the June 5, 2018 election, the voters approved Proposition C, which imposed additional taxes on revenue from the lease of certain commercial real property. Revenues raised by this tax must be used primarily to fund quality early care and education for young children. In particular, Proposition C specifies that most of its revenues should be spent on certain “Eligible Programs” related early care and education. The Board of Supervisors and the Office of Early Care and Education have discretion to allocate resources among those programs.

Existing law requires the Office of Early Care and Education (OECE) to establish the Early Care and Education for All Initiative, which provides support for quality early care and education for children in San Francisco families. The Initiative is funded by revenues raised by Proposition C.

Existing law does not specifically require OECE to use Proposition C funds to provide grants or loans to early care and education providers to help cover costs associated with the COVID-19 pandemic

Amendments to Current Law

The proposed ordinance would require OECE to develop and implement an Early Education Economic Recovery Program to provide funding through grants or interest-free loans to early care and education providers impacted by the COVID-19 pandemic. The program would be funded by Proposition C and other appropriations.

The program would offer funding to providers that meet criteria specified in the ordinance or adopted by OECE, including family child care providers, non-profit childcare organizations, non-profit cooperatives, and for-profit licensed childcare centers with no more than two separate locations in the City.

Providers could use funding from the program to cover costs associated with cleaning or sanitation of providers’ facilities to minimize the risk of transmission of COVID-19; costs of purchasing educational materials to reduce the need for children to share materials; costs associated with increasing the size of facilities, changing the arrangement of furniture in facilities, or otherwise making physical changes to facilities, to help keep children physically

distanced; costs of providing financial assistance to providers' employees to assist those employees to pay for childcare for their own dependents during working hours; costs of providing childcare for free or at a reduced cost to children of essential healthcare workers and Disaster Service Workers who are unable to care for their children during the workday; and other costs authorized by OECE to address the impacts of the COVID-19 pandemic.

The ordinance would also require OECE to implement an outreach plan to make providers aware of the program.

The ordinance would not require OECE to provide interest-free loans to providers, but would require OECE to consult with the Treasurer-Tax Collector and the Controller to determine whether providing interest-free loans would be infeasible, impractical, or problematic.

The ordinance would not require a particular funding level for the program, but would express the Board's intent for OECE to award grants and/or loans in Fiscal Year 2020-21 in a total amount of at least \$20 million.

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