



CHILD CARE LAW CENTER

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CCLC Response to the 2007-08 Governor's Budget January 11, 2007

The Governor's budget has no dramatic cuts in subsidized child care eligibility or quality, provides a cost-of-living adjustment, and includes a small increase in funding for Community Care Licensing. But the budget fails to meet the pressing needs of thousands of low income children and working families for access to child care, and fails to invest in preserving and expanding California's highest quality programs and child care infrastructure. Most disturbing are the budget's unconscionable cuts to safety net aid for children in the CalWORKs program which will lead to significant human and program costs in coming years.

1. Access to Child Care for Low Income Working Families

The Governor's budget appears to fully fund child care for families related to the CalWORKs system. However, no provision is made for the child care needs that will surely result from the increase in federal Work Participation Rate requirements. The state will need to develop plans to fund care for more families working more hours if we are to responsibly provide for their children.

CCLC is disappointed that the Governor has failed to allocate any new funds to SDE general child care programs to serve the over 200,000 eligible working families waiting to receive help in paying for child care. The Centralized Eligibility List reports will clearly define the unmet need in each county and can be a basis for planning. In this year of looking to the future, California should move toward ensuring sufficient funding to provide every eligible child with subsidized care.

2. Preschool

The Budget includes \$5 million to continue funding for child care that wraps around the new preschool and family literacy program. We urge the Administration to make this ongoing funding. It is essential to monitor this new preschool program's performance to ensure that targeted families are receiving services, and that sufficient resources for full-day preschool and wrap around care are provided. Any unspent funds should be redirected to under-funded child development programs and to reduce the waiting list.

3. Restoring the Community Care Licensing Division

The Budget includes an additional \$4.3 million for 58.5 new CCL staff positions to increase the number of random visits of licensed child care providers from 20 percent to 30 percent annually. The Budget also includes \$1.7 million for improved technology for licensing staff, and \$0.6 million for CCL staff to conduct visits to facilities ordered to close or to exclude certain individuals to ensure these critical actions have been taken. We support the proposals as part of an ongoing effort to strengthen the monitoring of child care facilities but believe CCL funding must be sufficient to visit every licensed child care facility every year.

The Administration also proposes changes to the trigger requirement for increased random visits but no details are available as to what this means. We oppose any modification that has the effect of reducing the number of random visits to facilities and recommend an expansion of the Licensing Advocate program to improve provider compliance.

4. Cutting the Safety Net for Poor Children

The Governor's proposed changes to the CalWORKs Program will have a profoundly negative effect on the well-being of a significant number of low income children and families. Currently, the CalWORKs program penalizes adults who fail to comply with work requirements while protecting children from a life of abject poverty by continuing to provide child-only benefits.

The Governor's CalWORKs proposals abandon those children whose parents have been unable or unwilling to work at the level necessary to be counted in the federal Work Participation Rate. The Governor's proposal to implement "full family sanctions" will completely cut off all assistance to children and their parents if the parent fails to comply with program requirements after 90 days. Similarly, children in families that have used their 60-month lifetime limit of assistance will be cut off from all aid unless their parent works a sufficient number of hours to be counted in the WPR.

In both of these scenarios, there is at least a possibility that the children can receive assistance if the parent works at the required level. That is not true for children receiving "child-only" benefits because the parent is an undocumented non-citizen, a drug felon or a fleeing felon. These adults have no way to "cure" the penalty imposed on their families. So after these low income children receive 60 months of benefits, they will simply be cut off assistance with no possibility of receiving any additional support from the state. All of these children will also lose their connection to state-supported health care benefits. It seems likely that many of the children who will be cut off from "Safety Net" and "Child Only" benefits will suffer extreme poverty and deprivation and perhaps end up in the state's foster care system. The savings the state anticipates from meeting the WPR will be spent many times over on foster care and other services. We believe that in the final budget California will not turn its back on children who have had the misfortune to be born into poor families.

5. Cut in Counties' Single Allocation

The Governor's Budget cuts the county allocation for 2007-08 by \$16 million. The counties are required to fund child care for all the families in CalWORKs programs they administer, so no CalWORKs Stage 1 family will face a cut or reduction in child care. However this cut will impact families and children in the CalWORKs system since many families still struggle to find work and child care, and need a variety of supportive services to move out of poverty. The single allocation can be used flexibly by counties; over the years, counties have allocated the funds to a variety of uses such as employment assistance and transportation.

6. Conclusion

Over the next several months, the Child Care Law Center will be working with other advocates, the Legislature, state agencies and the Governor's office to develop comprehensive proposals to invest in our children. California's new federal state Child Care and Development Fund plan for 2007-09 fiscal years is due July 7, 2007. The state plan covers critical elements of our subsidy system, quality improvement investments and licensing system, and thus offers an opportunity for a comprehensive review to set investment and policy priorities. CCLC's starting point will be our 2007 Work Group Report that will be released January 18. In that report, we outline a shared vision for change based on priorities developed over the past five years by work groups that included hundreds of parents, child care providers, advocates and agency and Legislative staff.