Federal and State Budget and Legislative Highlights

for the Alameda County Child Care Planning Council

Ellen Dektar
Angie Garling

March 16, 2012
1. State of Child Care Budget Negotiations
2. 2012 Initiative Update
3. Federal Update
4. Redistricting
Overview of State Budget Negotiations

- Legislative Budget Committees are meeting and taking positions. Disagreement with Governor’s proposal throws issue into “conference.”
- Legislative Analyst has alternative proposals
- Torlakson takes positions; leads effort to oppose cuts
Overview of State Budget Negotiations: Leg Analyst Position

- Putting child care in Dept. of Social Services: agree with Governor because it makes it simpler except:
  - Keep all Title V preschool funding in Education (i.e. move only AP, I/T & School Age)
  - Protect child care funding (i.e. don’t block grant it with other social services funding)
  - Have more legislative oversight of quality dollars
Overview of State Budget Negotiations: Leg Analyst Position

- Transitional Kindergarten: agree with Governor to not implement program but keep new kindergarten entry dates and
- Consider prioritizing state preschool slots for low income children born between November 1–December 1 and
- Reject $58 million cut to state preschool
Overview of State Budget Negotiations: Leg Analyst Position

- Standard Reimbursement Rate Cut: Reject 10% Reduction
- Regional Market Rate Reduction: Merits consideration
- Work Participation Alignment: may be too harsh, suggests alternatives like two year limit on attending school
### Illustrative Child Care and Development Budget Packages

<table>
<thead>
<tr>
<th>Savings of Approximately $100 Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>Subsidize child care only during nontraditional hours for 12-year olds.</td>
</tr>
<tr>
<td>Reduce income ceilings from 70 percent to 60 percent of state median income (SMI).</td>
</tr>
<tr>
<td>Raise parent fees.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Savings of Approximately $250 Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>All items above.</td>
</tr>
<tr>
<td>Subsidize child care only during nontraditional hours for 11-year olds.</td>
</tr>
<tr>
<td>Reduce income ceilings from 60 percent to 50 percent of SMI.</td>
</tr>
<tr>
<td>Reduce licensed voucher rates to 50th percentile of 2009 regional market rates.</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Savings of Approximately $400 Million</th>
</tr>
</thead>
<tbody>
<tr>
<td>All items above.</td>
</tr>
<tr>
<td>Subsidize child care only during nontraditional hours for 10-year olds.</td>
</tr>
<tr>
<td>Set license-exempt voucher rates at 60 percent of lowered licensed rates.</td>
</tr>
<tr>
<td>Limit eligibility for child care for parents engaged in training or education to a total of two years.</td>
</tr>
<tr>
<td>Limit eligibility for child care to total of six years (achieves saving in future years).</td>
</tr>
</tbody>
</table>
Budget Committees are Rejecting Many Items

- Assembly Human Services Budget Subcommittee rejected most of Governor’s CalWORKs proposal
- On Tuesday Assembly Education Budget Subcommittee rejected Governor’s TK proposal
- On Wednesday, Joint Committee rejected Governor’s realignment proposal
- Proposals to reduce family eligibility, reimbursement rates and align with federal work participation held open until May Revise
Earlier in Month, Transitional K is Allowable: Oakland and Piedmont Pursuing It

California School Districts Implementing Transitional Kindergarten

Save Kindergarten!
Recent polling data showed Advancement Project Initiative with child care in third place behind Millionaires Tax and Governor’s proposal.

One suspected cause of lower support was the Advancement Project’s broader tax.

As of last week, support for Governor’s initiative had dropped from 68% to 52%.
New Initiative Compromise

- Would raise statewide sales tax by quarter-cent not half-cent
- Would retain the governor's three higher tax brackets starting at $250,000 for single filers.
- Last marginal tax hike - $500,000 for singles and $1 million for couples - would increase by 3 percentage points rather than Brown's original 2 percentage points.
- Tax hike would last longer, going for seven years instead of five.
- Puts signature gathering in a time crunch.
Redistricting for federal, state and county electoral boundaries

- California voters took the redistricting powers away from legislators through the ballot process in 2008 and 2010 through Prop 11 and Prop 20.

- Redistricting is the once-a-decade process of redrawing the political boundaries for elective offices after the U.S. Census. For the years 2011 to 2021, the redistricting was completed by the voter-approved California Citizens Redistricting Commission.
Redistricting for federal, state and county electoral boundaries

Congressional level:
- Alameda County adds Mike Honda
- Loses John Garamendi and Jerry McNerney
Barbara Lee, D–Oakland: loses Castro Valley and gains San Leandro

Pete Stark, D–Fremont: absorbs all of the Tri–Valley including Livermore, Dublin and Pleasanton plus San Ramon.
Mark DeSaulnier, D–Concord: loses most of West Contra Costa and portions of Central County in exchange for the Tri–Valley.

Loni Hancock, D–Berkeley: loses the Tri–Valley and Castro Valley

Ellen Corbett, D–San Leandro: She was redrawn into 9, but she terms out in 2014
Assembly

- Nancy Skinner, D–Berkeley: gains Pinole and Hercules and loses Lamorinda.
- Joan Buchanan, D–Alamo: gains the Tri–Valley and Lamorinda but loses San Joaquin and Sacramento counties.
New boundaries take effect August 25.
District 1, represented by Supervisor Scott Haggerty gets all of Dublin and loses Pleasanton (including the unincorporated Castlewood and Happy Valley areas) to District 4.
District 2, represented by Supervisor Nadia Lockyer, remains unchanged.
County Districts

- District 3, Supervisor Wilma Chan:
  -- gains Crocker Highlands and Trestle Glen from District 5,
  -- adds two portions of the Melrose area of East Oakland from District 4.

- District 4, represented by Supervisor Nate Miley:
  -- gives up Dublin to District 1, while
  -- gains all of Pleasanton, Castlewood and Happy Valley. Hillcrest Knolls community and Fairmont area, currently in District 3, move to District 4.
County Districts

- District 5, Supervisor Keith Carson: Crocker Highlands and Trestle Glen neighborhoods transfer to District 3.
Sources

- California Child Care Resource and Referral Network
- State Budget
- Legislative Analyst’s Office
- Ballotpedia
- Public Policy Institute of CA