



## Consent/Action Items Background for the 3/15/2019 Planning Council Meeting

### **Consent Items 3-13:**

Recommended by the Executive Committee and Public Policy Committee

#### **Background:**

The Planning Council takes legislative positions every year based on our Platform and Performance Measures. The legislative positions are then submitted to Alameda County for approval and if approved, are supported by the Alameda County lobbyist in the State Capitol.

**3. AB 1001:** This bill would revise the makeup requirements for local planning councils (LPCs). The bill would:

- provide that some of the requirements imposed on local planning councils, such as five-year needs assessments, and the identification of local priorities apply only if the department adopts a statewide database to collect information about families seeking childcare, families' eligibility for childcare, and enrollment in childcare.
- require a local planning council, at least twice each year, to convene a forum for stakeholders to provide input to and receive updates from the Quality Rating and Improvement System (QRIS) local consortium.
- require a local planning council to work with various specified entities to (1) identify entities or single locations in the county that provide comprehensive information to families about, among other things, eligibility for childcare and early childhood education program and services, (2) create opportunities for transition planning from, and coordinate enrollment from, childcare to transitional kindergarten and kindergarten, (3) facilitate the transition of children with exceptional needs into the K–12 system, and (4) identify existing facilities that could house a childcare program with or without modifications, as provided.
- make operation of these provisions contingent upon an appropriation in the annual Budget Act.

**Pros:** This bill recognizes the importance of local coordination and planning for effective ECE system planning and administration. The bill increases resources for LPC's to take on additional responsibilities. Alameda County already links with QRIS and staff thinks it's important to support this bill on behalf of strengthening LPCs.

**Cons:** It is unclear whether the proposed \$10 million in funding would adequately support LPC's mandates at the level needed to actually to deliver the new mandates. Alameda County currently receives roughly \$60,000 for all LPC work and would not be able to function even at current levels without additional County funds.

**4. AB 124: Facilities Performance Measure(PM) 2** The bill would enable the Preschool Facilities Bond Act of 2020 to go before the voters to authorize the issuance of bonds in the amount of \$500,000,000 to finance preschool facilities.

**Pros:** The bill recognizes the dire need for facilities funding to expand slots. The language currently includes community-based programs and recognizes grants rather than the previous program model of revolving loans. Alameda County has no alternate source of facilities funding despite concerted staff efforts to develop funds and facilities are fundamental to quality and expansion.

**Cons:** The bill does not address a broader vision for a robust facilities program for the California, which may include a diversity of products in the portfolio, a broader range of providers, and improved administration through an intermediary, such as a community development financial institution (CDFI).

### **5. AB 125: Rate Reform (PM 1, 2 and 3)**

This bill states the intent of the Legislature to establish a single regionalized state reimbursement rate system for childcare, preschool, and early learning services that would achieve specified objectives.

**Pros:** Current contract rates are wholly inadequate and fail to reflect regional differences in cost of care. For instance, San Francisco estimated that an adequate rate for preschool would be \$17,000 and our programs receive closer to \$11,000 annually from the state. Standard Reimbursement Rate (SRR) rate adjustments for Title 5 contractors incorporating regional costs has been a long-standing priority for Alameda and other high cost counties. Parity in the rates, benchmarked to a current local survey should support: 1) increased access (providers can afford to add slots without operating at a loss); 2) increased compensation for staff; and 3) better support quality in contracted care. Lorita Riga and other ECE program staff have helped shape this proposal.

**Cons:** Some low-cost counties may need to be held harmless for regional adjustments so their programs don't receive less money.

### **6. AB 220: (PM 1 and 6) Child Care as an Allowable Campaign Expense**

This bill would allow candidates running for political office to use campaign funds to pay for child care provided for a candidate's dependent child if the costs are incurred as a direct result of campaign activity.

**Pro:** Mitigate the barrier of the cost of child care preventing candidates, particularly women from running for office.

**Con:** Some candidates may misuse campaign funds under the change.

### **7. AB 1154: ECE Major added to 4 pilot CSU's (PM 3 and 4)**

This bill would create a pilot program at 4 California State University Campuses to offer a major in early care and education for children zero to five years of age.

**Pro:** Increases access to ECE majors for the field. Increases pipeline of qualified teachers.

**Con:** The need may exceed four campuses and will take time to implement.

### **8. SB 26: Child Care Tax Credit (PM 1)**

The bill would amend the Personal Income Tax Credit Law by restoring the refundable tax credit relating to expenses for household and dependent care services necessary for gainful employment.

**Pro:** Increases affordability for families through an end of year tax credit.

**Con:** Families need to pay up front and the credit remains small in comparison to the actual cost of care.

### **9. SB 174: Regionalization of Reimbursement Rates (PM 1, 2, and 3)**

This bill is intended to mirror AB 125, above.

**Pro:** See #5.

**Con:** See #5.

**10. SB 234: Permit large family child care home (FCCH) as residential use of property for the purposes of all local ordinances. (PM 1 and 2)** Would prohibit a property owner or manager from refusing to sell or rent, or refusing to negotiate for the sale or rental, or otherwise making unavailable or denying, a dwelling to a person because that person is a FCCH provider.

**Pro:** The law prohibits the use of restrictions in local plans and ordinances which, in some locales currently require special permits and processes for FCCH's. Removing these barriers support the increased access to licensed family care options for families. The numbers of licensed FCCH's have been declining. This bill would support increased numbers of FCCH slots. Hayward and Oakland have allowed Large FCC by right for many years.

**Con:** Anticipate some opposition from Real Estate and Home Owners Associations.

**11. SB 321: Cal-WORKs Stage 1 Child Care Changes (PM 1)**

Would increase access to child care supportive services for welfare-to-work participants by requiring that the child care be full-time unless the participant determines that part-time care better meets the parents needs, requiring Stage 1 Child Care be authorized for one year, or until the participant is transferred to the 2<sup>nd</sup> stage of child care, and prohibiting the Stage 1 or the Stage 2 child care services from being discontinued until confirmation is received from the administrator of the subsequent stage of child care services.

**Pro:** This proposal moves CalWORKs from being simply a workforce support and makes the program consistent with the state's goals for low-income children. Current requirements limit access to care options for CalWORKs participants and their children. CalWORKs children, as with all children, need access to quality care options, including full-time care – without interruptions. Guarantees for full-time, 12-month enrollment will make enrollment less volatile, which will increase the number of providers willing to enroll CalWORKs children. It will also increase the success of CalWORKs families who will be better able to secure reliable, quality, child care arrangements and not have to start over each time there are disruptions or changes in welfare-to-work activities.

**Con:** This proposal has significant budget impact.

**12. Support ECE Facilities Trailer Bill Comments (PM 1, 2, and 3)**

**Background:** The Governor's budget proposed \$245 for child care facilities, including changing the state loan program to a grant program and disbursing the funds from CDE to providers. Alameda County used to have a facilities fund administered by a Community Development Financial Institution (LIIF) and worked with a group of Bay Area counties two weeks ago to present recommendations to the Governor's staff to restructure the grants to flow through CDFIs coupled with land use and business technical assistance to leverage other federal and state community development funds, make grants more accessible to all sizes of providers, and increase access to those providers with more limited financing experience.

**Pro:** The Bay Area is a leader in this area and historical experience could be useful to state policy makers in crafting a workable facilities fund.

**Con:** The CDFI structure would be a new mechanism for the state so the proposal will require additional planning time.

**13: Approve Sending No Change to Zip Code Priorities to CDE (PM 1, 2, and 3)**

**Background:** The Early Care and Education Planning Council annually submits updated zip code priorities based on local, state and federal data. The Planning Council is required to develop local funding priorities to the California Department of Education’s Early Education and Support Division for the distribution of any new state general child care (e.g. infant/toddler and school-age) and new preschool funding based on direct impact indicators of Priority 1, 2 or 3.

Identifying annual zip code priorities is a state required deliverable for local planning councils. They may be used by California Department of Education to target which providers can apply for new funds. No significant data indicates changing priorities approved by the Planning Council last year.

**Pros:** Meets the state mandate to set annual zip code priorities in a timely way.

**Cons:** No negative impact identified.

**Next Steps:** ECE Program staff will notify CDE that we will retain last year’s zip code priorities for this year.

**Action Item 14: Support AB 123 (McCarty)** (Expand preschool, require BA for teachers, rate increase)  
Recommended by the Executive Committee

**Background:**

**AB 123 ECE/Universal Pre-School:**

This bill states the intent of the Legislature to enact legislation that would do certain things relating to early childhood education, including expanding the state preschool program and enabling local educational agencies to blend the program with transitional kindergarten. States Intent to have in California:

- Universal Preschool that serves all four-year olds, and includes Head Start, State Preschool, and Transitional Kindergarten (TK) starting in high need communities
- Have preschool for all three -year olds in poverty—including through State Preschool or Head Start
- Allow local education agencies (usually school districts) to blend state preschool and TK
- Increase the Standard Reimbursement Rate (what state preschools and other California Department of Education subsidized contractors are paid to provide care) by 23% in 2019-2020 to increase ECE staff wages
- Give school district run Transitional Kindergarten (TK) programs a supplemental grant of \$3,000 if:
  - They have classrooms of 24 or fewer students with a credentialed teacher and an aide
  - They provide full day TK
- To require ECE teachers to have a BA in the next eight years
- To require TK teachers to have a preschool to 3<sup>rd</sup> credential or certificate and instructional aides to have 24 units of child development course work

**Pros:** The bill is aiming to reform issues raised by key stakeholders. The bill increases the SRR by 23%. Rate increases should allow for improved compensation.

**Cons:** Focusing on increases for CSPP only may create staffing disparities and complications

**Next Steps:** The Council can decide to approve this bill today, thereby asking for Board and County lobbyist support or wait and consider endorsing at a future meeting and support would be given later in the legislative and budget process.

**Action Item 15: Approve AB 212 Plan**

**Background:** (See plan handout.) The current AB 212 Plan was developed with community input and meets state requirements. The plan includes stipends for teachers completing ECE credits to advance their professional development. The Governor's budget trailer bill language includes an increase in the state budget for workforce development by \$245 million. However, the budget proposal will be further refined over the next months in the state budget process. The Executive Committee recommends renewing the current plan pending state budget decisions and guidance from the state. In the meantime, local convening of stakeholders to begin planning for expansion is recommended.

**Pros:** The AB 212 plan requires timely approval in order to receive and expend authorized funds. Also, AB 324 is a vehicle to redesign this program that the Planning Council will be monitoring.

**Cons:** Refinements to the program, such as tiering stipends or adding other components may improve the achievement of program goals. However, program design changes may need a more comprehensive planning process. Waiting for state action on the revisions for the plan, would delay meeting our requirement by the established deadline.