

Chair McCarty and members of the Committee, thank you for the opportunity to provide testimony for the May 18th Assembly Budget Sub 2 Hearing. I am XXXX on behalf of XXXXX, and I would like to align my comments with the ECE Coalition.

The coronavirus (COVID-19) has affected nearly every facet of daily life for Californians. As Californians grapple with the evolving “new normal,” **it is essential to recognize child care services as a critical component to combat this crisis and our economic recovery.** As a community we realize it may be 12 to 18 months before a vaccine is developed and Californians can return to normal, with that in mind, we would like to provide you with observations from the field and offer several solutions.

The COVID-19 crisis has highlighted the indispensable need for child care in this state. Parents working in low-wage jobs and the essential workforce are especially in need of child care. **The California Budget Center found more than 1 in 5 Californian children have a parent who are defined as essential workers.** The volatility and disruptions caused by COVID-19, from fluctuating attendance, teachers missing work due to illness, and implementing social distancing in child care settings, have put child care providers in a difficult situation.

We want to thank the administration for the following proposals and request their adoption:

- \$125 million one-time stipend for state-subsidized child care providers offering care during the COVID 19;
- \$73 million in one-time funds for increased access for at-risk children and children of essential workers;
- An increase of \$53.3 million in CCDBG ongoing funding for 5600 new AP Spaces;
- Appropriating \$13.4 million federal funds for the Preschool Development Grant; and
- \$8 Million to extend family fee waivers.

*We request the legislature to **reject** the following May Revise proposals:*

- Appropriating \$144 million for costs already expended for family fee waivers and provider payment protection.
 - We request you redirect the \$144 million to additional AP spaces for income-eligible essential workers and children-at-risk. We also support appropriating additional CARES Act funds for additional spaces.
- Sweeping \$363 million one-time GF and \$45 million one-time federal CCDBG for the child care workforce and Infrastructure.
 - We support the sweeping of these funds to support other child care COVID-19 related supports.
- Reducing \$94.6 million of Prop 98 funds and \$67.3 million of GF to reflect a 10% SRR cut.
 - We request CARES Act funding to backfill the cut. If CARES Act funding is available, redirect the swept workforce and infrastructure grants to backfill the rate cut.
- Reducing \$223.8 GF for a 10% decrease in RMR and SRR.
 - We request CARES Act funding to backfill the cut. If CARES Act funding is available, redirect the swept workforce and infrastructure grants to backfill the rate cut.

We are working with the Department of Finance, to determine if additional trail bill language is necessary to:

- Remove the sunset for the \$50 million in spaces and \$50 million in supplies to ensure we are meeting family and provider's needs.

- Extend the child care provider hold harmless provision so providers can keep their doors open.

Child care has always been an essential support for our economy allowing California parents to work. Now more than ever, California needs to sustain access to child care services to help our most vulnerable families, including our grocery store clerks, nurses, delivery workers, lab technicians, janitors, paramedics, and other essential personnel. Child care is an essential part of our economy during a crisis and crucial to enable our economic recovery.