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**Senate Budget and Fiscal Review Committee  
Subcommittee 1 on Education  
Subcommittee 3 on Health and Human Services  
Joint Hearing - February 9, 2005**

**THE CURRENT SYSTEM: WHAT'S WORKING? WHAT'S NOT?**  
Testimony presented by the Child Care Law Center

The Child Care Law Center thanks Chairs Denise Ducheny and Jack Scott and the Committee Members and Staff for their commitment to thoughtfully examine the child care system and for this opportunity to present our perspective.

The Child Care Law Center (CCLC) is a national, nonprofit, legal services program based in California. Our mission is to use legal tools to make high quality, affordable child care available to every child of every age, in every community. The following testimony is rooted in the work of our staff with parents, providers, child care advocates, and legal services advocates throughout the state, and it is enriched by our work with many organizational partners. We also want to recognize the contribution of the Child Care Work Group, a diverse group convened by CCLC, the Children's Roundtable, the California Child Care Resource & Referral Network, the California Child Development Corps, and the California Child Development Coalition which, for the third year, engaged in a rich discussion and developed proposals to improve the child care system in California and respond to the state's budget deficit.

However, this testimony officially represents only the views of the Child Care Law Center.

**Overview: What is the purpose of the child care system?**

The way we define the purpose of the child care system is shaped by our view of our responsibilities to our children, as a state and as a society, as well as our commitment to California's low-income working families.

The basic starting place is an acknowledgement that the state plays a critical role in ensuring the health, safety, nurturance, and equality of opportunity for every young child. Each child, full of promise, has a fundamental right to a childhood in which their basic needs are met, and that provides them with the opportunity and the support to develop to their full potential. Like elementary and secondary education, high quality child care should be a right and social responsibility.

At the same time, it is a vital support for working families, one that enables parents to work to support their children and contribute to California's economy. In California more than half of

women with children under age six are in the workforce.<sup>i</sup> While their parents work, a huge number of children are in out-of-home care and their families depend on state policies and programs to ensure that their children are safe and nurtured. State policy and investment play a critical role in meeting our common objective of supporting working families by ensuring quality and safety for our children in early care and education programs.

Although today we focus on child care, it is just one part of a nexus of supports critical to providing opportunities for every child. We cannot address child care in a vacuum; to flourish and be ready for school, children need caring adults, adequate family income, good nutrition, health care, safe and nurturing environments, and culturally and developmentally appropriate education.

While we will focus our remarks today primarily on those children who face significant barriers to obtaining high quality child care, the system touches all children who are in child care. California's core investment in early care and education is support for a system of licensing and regulation designed to protect the health and safety of children in out-of-home care. In addition, California has made critical investments through the community college and state university system. These entities have been critical in training the child care work force and, through the CARES initiative, in efforts to recruit and retain the professionals needed to teach and nurture our children.

### **I. California's support for early care and education and the need for systemic change**

#### *What's working:*

California has a long history of state involvement in ensuring the safety and education of children.

- The California Department of Social Services began overseeing enforcement of child labor laws in 1908.
- State support for the care and education of California's young children dates back to 1943 when publicly funded child care centers were opened for women working in the war effort.
- In 1973, the Legislature enacted the Community Care Facilities Act which established new regulations for licensing non-medical community care facilities, including child care. In 1978, Community Care Licensing (CCL) and various other programs were combined to form the Department of Social Services.<sup>ii</sup>
- The California Children and Families Act of 1998, passed into law by voters, is designed to provide all children prenatal to five years of age with a comprehensive, integrated system of early childhood development services. The intent of this act is to ensure that communities provide children and their families with the necessary supports from birth to age five so that they begin school ready to learn.
- We continue to have model child care centers, family child care homes, resource and referral programs, and nationally recognized quality standards. We possess the base to build and sustain a high quality early care and education system.

#### *How we can better support working families' need for quality child care:*

We are far from ensuring safety and opportunity for every child. Our entire infrastructure is both fragile and under-funded. It is thus unable, with current funding, to ensure basic health and safety of children, much less development and nurturance. While we have many strong programs from which we can build, the system has grown and evolved without long-term comprehensive

planning. Crisis is often our catalyst, and we use the lens of funding in making structural changes rather than focusing on the needs of children. Reform should be designed to accomplish agreed-upon objectives that maintain the best interests of children rather than short-term, budget-based initiatives.

- Legislators should work with advocates to ensure that a comprehensive plan is developed for the early care and education system. The goals should be consistent with the California Master Plan for Education developed by the Joint Legislative Committee in 2002 which recognized that early childhood learning experiences influence children's ability to successfully access quality education in the K-12 system. It also maintained that "building a solid foundation for learning requires focused attention to developing the social, emotional, cognitive, and physical competencies of infants and toddlers."<sup>iii</sup>
- We should ensure that preschool initiatives are integrated in the overall system and that the early care and education and K-12 systems are coordinated to meet children's needs so that they are ready for school and schools are ready for them.
- We should recognize the high quality programs and standards we have and the richness of available research, use those models for defining and measuring quality, and invest the resources necessary to support and expand high quality programs.
- The Legislature and stakeholders should review the elements of high quality child care to determine its real cost. The review should include system infrastructure, training, adequate reimbursement rates, and wages. And based on that information, we must provide funding and support to assure the quality and accountability of child care providers and other contractors.
- The statewide system should recognize regional differences and the varying needs of rural and urban areas.

## **II. Ensuring quality in child care**

Experience and research have helped to define the parameters of quality child care. High quality child care means: safe, healthy, age appropriate surroundings; enough well-trained, sensitive teachers and caregivers; stable relationships with peers and others; and culturally and developmentally appropriate learning opportunities. Experiences that enable children to develop reading readiness, critical early math skills, vocabulary expansion and other skills must be provided during the most formative years.

### *What's working:*

- Licensed child care providers must meet certain health and safety standards, and are subject to monitoring by the Community Care Licensing Division of CDSS.
- Our dedicated and competent teachers and providers are a major element of quality and strength in our system.
- The legislative and First 5 California support for Child Care Retention Initiatives (CRI's) Programs, including CARES and AB212, are effective statewide. Teachers and providers are returning to college in record numbers, and colleges are adding new courses to meet the need. First 5 has recently refunded its part of the program through 2010.

*How we can better support working families' need for quality child care:*

- The current licensing system should be regarded as a floor upon which to build a successful incentive-based quality system because current requirements are minimal and the monitoring visits too infrequent to ensure compliance by all child care providers.
- This basic level of regulation needs to be adequately funded and supported. Once the integrity and effectiveness of the existing licensing system is restored, including a monitoring schedule that reaches all providers on a regular basis, additional quality standards can be implemented.
- Legislators should carefully consider the recommendations developed by the statewide Blue Ribbon Committee on Workforce Development sponsored by First 5 California. This committee will be making numerous proposals to ensure the professional preparation of a well-trained, culturally and linguistically diverse workforce for California's early care and education system, including higher education infrastructure development.
- Community college costs are increasing, and it is often difficult for providers and teachers to find enough evening/weekend classes and classes in diverse languages to enable to gain the additional education and training they need.
- Compensation remains extremely low. Even though CARES provides financial bonuses, salaries remain low and health care benefits are difficult for many to obtain and results in frequent staff turnover.
- Improve quality focus on tiered reimbursement rates, with higher reimbursements for providers that meet increased quality standards. Any such system must maintain parental choice and provide support to providers to improve the quality of their programs without lowering the reimbursement rates for current providers. Without such an infrastructure, tiered reimbursement systems are likely to result in significant rate cuts to providers unable to meet new quality standards. This, in turn, undermines the very purpose of efforts to improve quality.

**III. Assisting CalWORKs families to transition from welfare to work**

*What's working:*

- With the passage of federal welfare reform in 1996, Congress ended the federal entitlement to child care. In California, eligible families retain a right to child care subsidies while on cash aid and for two years after they stop receiving CalWORKs cash assistance.
- Most families receiving CalWORKs cash assistance must participate in Welfare-to-Work activities. A parent who has primary responsibility for the care of an infant between the ages of 3 and 12 months, however, may be exempt from participation in Welfare-to-Work activities<sup>iv</sup>. Counties have the discretion to set the length of the exemption within these guidelines.<sup>v</sup>
- California's welfare reform legislation is designed so that families who comply with the welfare program rules, seek and find employment, and leave cash aid continue to receive assistance for the cost of child care for their children so long as they are working and remain otherwise eligible.

- Families who successfully transition off cash aid continue to be eligible for child care assistance until their income reaches 75 percent of SMI. Families pay gradually increasing fees until their income is sufficient to move them out of the system entirely.
- California can be very proud that we have kept this promise to families as they have kept their promise to move toward self-sufficiency<sup>vi</sup>. Current state policy recognizes that loss of child care subsidies for these low income former CalWORKs recipients could force them back onto cash assistance; or it could force them to leave their young children alone, in the care of siblings, or in child care of such low quality that it is actually harmful to children<sup>vii</sup>.

*How we can better support working families' need for quality child care:*

By and large, the CalWORKs child care subsidy system works well for many current and former CalWORKs families, but many families participating in CalWORKs Welfare-to-Work activities face particular problems with accessing quality child care.

- There should be efforts to better integrate the CalWORKs child care system and to provide information to parents and child care providers. The system is complex, separated into three “stages” administered by two different state departments through multiple agencies on the local level. This complex system is confusing to parents and to child care providers who frequently do not receive clear information about subsidized care. Many parents do not know or understand their child care rights and responsibilities which results in families who are susceptible to sanction, losing their CalWORKs subsidy, or being charged with fraud.
- Efforts should be made to better develop the language capabilities of agencies that provide child care subsidies to CalWORKs and other low-income families.
  - This is a challenge for all social services agencies. Many county welfare offices and Alternative Payment Programs lack bilingual staff; they sometimes “borrow” bilingual staff from other programs but these individuals frequently have limited knowledge of CalWORKs rules and procedures and relay incomplete or inaccurate information about child care subsidies. Non-English speaking child care providers also have difficulty interacting with the system and receiving payment.
- Efforts should be made to better inform parents of children with disabilities of their right to access subsidized child care and the availability of “special needs” rates. Not infrequently, parents who are being sanctioned for nonparticipation in Welfare-to-Work activities are those who have been unable to participate due to problems in finding or retaining care for their child with special needs.
- The appeal and hearing process should be made consistent across all stages of CalWORKs child care and provide genuine “fair hearings” and other procedural protections for families.

#### **IV. Assisting non-CalWORKs families with child care**

*What's working:*

California invests in various programs for low-income families including state preschool, the network of state contracted child care centers, and the subsidized child care system. Eligibility for subsidized vouchers is based on income; eligible families cannot earn more than 75 percent of the

State Median Income (SMI). Families who have a child protective services referral for child care due to risk of abuse or neglect are also eligible for subsidies.

- The non-CalWORKs subsidy system works well for the thousands of eligible families who are fortunate enough to obtain subsidized care; however, many eligible families never actually receive a subsidy due to under-funding of the subsidy system.
- An effective segment of the subsidized care system is the network of high quality contracted child care centers. CDE's Desired Results programs, including these centers, are respected throughout the country for their high quality educational standards<sup>viii</sup>.

*How we can better support working families' need for quality child care:*

- The legislature must invest more resources in funding child care for low-income, non-CalWORKs families.
  - While a growing number of families are working, often full-time, and earning above the federal poverty line, they make far less than what it takes for a family to meet basic needs<sup>ix</sup>, especially when the cost of care at a full-time licensed center is nearly half the annual income of a full-time minimum wage worker.<sup>x</sup>
  - Less than two-thirds of the children in low-income working families receive the child care assistance for which they are eligible, leaving some 280,000 children unserved.<sup>xi</sup> Without help, even the limited child care spaces available are beyond the reach of low-income families<sup>xiii</sup>. Clearly, paying for child care on the private market is not an option for a large number of California families.
- In addition to more funding for subsidy vouchers for families, the legislature should also direct that the SRR, the reimbursement rate for contracted centers, should be increased to reflect the actual cost of care at the local level.
- Many of the barriers discussed above for CalWORKs families also impact all low-income working families including the need for increased language access and care for children with disabilities, and problems with the appeal and hearing process.

## **V. Ensuring equity in access to child care for all working families**

The issue of equity in access to quality child care has ramifications beyond the early years. A child's earliest experiences determine whether the child enters kindergarten ready to succeed in learning during the following twelve years. Research shows, for example, that "young children are biologically primed for language development."<sup>xiii</sup> Nonetheless, many low-income children enter kindergarten lacking the necessary language skills that wealthier children already have.<sup>xiv</sup> Inequity in access to quality early childhood education is felt far into the future.

Some cast the inequity "problem" as CalWORKs families versus non-CalWORKs families, implying that the former group is monopolizing child care assistance at the expense of the latter. They suggest that the reason for long waiting lists for subsidized child care for low-income working families is that funding has been diverted to CalWORKs families. This is simply not true. While federal and state investment in child care subsidies for CalWORKs families has grown dramatically since the creation of the Welfare-to-Work program in 1997, this investment has not been the result of decreased investment in programs for non-CalWORKs families. While the growth of non-CalWORKs programs has been significantly less, there actually has been increased investment in both programs<sup>xv</sup>.

The underlying cause of child care waiting lists for low-income families is the under-funding of the child care system, not some sort of improper receipt of assistance by families leaving CalWORKs. The most fundamental child care inequity, after all, is that nearly all children from families with sufficient economic resources have access to high quality child care, while only a fraction of children in low- and middle-income families have access to licensed child care, much less high quality care. While it may not be possible to overcome this form of inequity in the short term, we must not forget this basic issue in designing reforms of the child care system.

## **VI: Specific issues regarding child care for working families**

### **License-exempt child care**

#### *What's working:*

- Parental choice: Federal law requires that families receiving subsidies have a right to parental choice of the type of child care provider they believe is best for their children. Many types of child care in California must be licensed, but some types are exempt from licensure requirements, for example, providers caring for a relative, or for the children of one family (other than the provider's own children).
- While it is not clear how many parents who have access to real alternatives choose license-exempt care, many families, both CalWORKs and non-CalWORKs, choose license-exempt care for a variety of reasons:
  - Poor families, who often live in areas with limited formal child care options, are frequently under pressure to quickly find a caregiver. They frequently turn to family, friends, and neighbors to provide immediate care for their children, particularly for infants and toddlers.
  - Low-wage workers frequently work nights or rotating shifts, and formal care is not available to meet their schedules. For example, in Sacramento county, one Alternative Payment program found nearly 75 percent of the hours paid for license-exempt providers was for odd-hour care, while only 30 percent of the hours paid to licensed caregivers was for odd-hour care.
  - Geographic isolation is another significant issue for CalWORKs families. Whether in rural areas or inner-city neighborhoods, frequently there are few licensed child care facilities close to home for poor families, and the time and expense involved in transporting children to child care is a significant problem, particularly when they are not reimbursed for those transportation costs.
  - Families of children with disabilities often find that license-exempt care is the best arrangement for the child and the family.
  - Culturally and linguistically diverse families who are unfamiliar with the formal care system often rely on extended family networks for care of young children.

#### *How we can better support working families' need for quality child care:*

- There should be recognition that license-exempt care is a critical resource for low-income parents and the entire subsidized care system, and rates for license-exempt care should be maintained at an adequate level.

- Policy reforms of the licensed-exempt segment of the child care system must respect parental choice, minimize impacts on vulnerable families and treat license-exempt providers fairly. We strongly favor a thoughtful examination of both the role of license-exempt care in the subsidized child care system, and the implementation of practices to help support and improve the quality of license-exempt care<sup>xvi</sup>.

### **Setting rates for providers serving solely subsidized families**

#### *What's working:*

- The early child care and development community, CDE and the Legislature have placed great importance on providing parental choice for families receiving subsidies and integrating the subsidized care system with the larger child care system. However, this integration breaks down in areas of concentrated poverty because the current system requires licensed providers to serve a mix of subsidized and non-subsidized (called private pay) families.

#### *How we can better support working families' need for quality child care:*

- The Legislature understands that this situation can prove to be impossible for licensed providers in neighborhoods where all families in need of child care are poor enough to qualify for subsidized care – there simply are not any private pay families.
- The Legislature should recognize that dramatic cuts in their reimbursement rates could lead to a reduction in quality and access to licensed care for the lowest income children and their families.
- The Legislature has demonstrated that it is most interested in developing a thoughtful solution to this complex issue. To make certain that it had the opportunity for reviewing and addressing the issue, the Legislature explicitly suspended the implementation of regulations that would have imposed an onerous approach to establishing rates for providers serving subsidized children.
- The Legislature should take full advantage of its stated intent to address this issue in the statutory process and develop an approach that is equitable, and which avoids the privacy problems of the suspended regulations.

### **Infants and toddlers**

#### *What's working:*

- It is widely recognized that the first three years of life are a time of dramatic social, emotional, and cognitive growth. Indeed, many contend that a child begins to get ready for school at – or even before – birth. Due to economic, social and cultural changes, and the requirements of welfare reform, the majority of parents of infants and toddlers are required to work outside the home while their children are young.

#### *How we can better support working families' need for quality child care:*

- Unfortunately, the quality and accessibility of child care in California tends to be the poorest in these critical early years. Only one out of 20 openings in licensed child care

centers is open to children under age two. Parents in low-income communities have significantly fewer quality child care options than those in more affluent areas.

- As part of the overall comprehensive planning process, the Legislature should create a task force to develop recommendations to improve care and nurturance for our youngest children. The task force should focus on methods to expand access to high quality care and educational programs as well as comprehensive assessment and early intervention services for children from birth to age three, with a focus on low-income areas.
- The Legislature should ensure that initiatives for universal access to preschool lead to increased investment in quality care and education for our entire system, including our youngest children.

### **Children with disabilities and special health care needs**

#### *What's working:*

- California has long been a leader in the inclusion of children with disabilities, and important statewide initiatives have focused on increased access for these children. In 1998, key stakeholders from throughout the state created the Map to Inclusive Child Care Project to ensure that children with disabilities, including low-income children, have access to appropriate, high-quality child care.<sup>xvii</sup>
- The First Five Commission has designated funding to make quality services available to children with disabilities in typical child care environments by offering training for child care providers.
- SB 1703, passed by the Legislature in 2000, makes funding available through the California Department of Education to all counties to increase the capacity of non-state subsidized child care providers to include children with disabilities in their programs.
- Currently SB 1703 funds are being used to provide training and technical assistance to child care and development providers, develop local plans for increasing child care capacity for serving children with disabilities, and conduct awareness and outreach programs for parents and providers. Over 60 California organizations are included in the efforts made available through SB 1703.<sup>xviii</sup>

#### *How we can better support working families' need for quality child care:*

- The Legislature should ensure that in all our child care programs we look at accessibility and inclusion as indicators of quality.
- The Legislature should review the reimbursement rate system and evaluate whether it truly meets our policy goals. The Legislature should also look at the lessons learned at the community and program level from the 1703 and First Five investments and work to replicate them.

### **VII. How Federal action will impact the California child care system**

Public investment in early care and education is made at both the state and national levels. Significant investment nationally in child care is through the Child Care Development Block Grant (CCDBG). In addition, funds from Temporary Assistance to Needy Families (TANF) are either

directly used for early care and education or transferred to the child care block grant. The Federal Head Start program is also a critical piece of our early care and education infrastructure.

*How we can better support working families' need for quality child care:*

- Our Governor and legislators should oppose the increased work requirements in the TANF reauthorization legislation being proposed by the Bush Administration. These will be extremely difficult for low-income parents to meet. Increasing the number of hours needed by families for child care with no additional federal investment will place new pressure on an already overburdened system. It will also require that the state increase its investment for families in Welfare-to-Work programs. The Legislature, Governor and congressional delegation should take all appropriate actions to maintain current work requirements and increase funding for child care.
- Our Governor and legislators should support the federal Head Start program, and encourage Congress to adequately fund and strengthen Head Start so that low-income children will receive the high quality comprehensive supports they need to succeed. Based upon recent positive outcomes documented in the Early Head Start Research and Evaluation Project, our Governor and legislators should support a significant expansion of Early Head Start which provides services to pregnant women and children to age three, our most vulnerable population.<sup>xix</sup> Given the significant cost of living for even the poorest residents in our state, the Governor and legislators should support national review of the Federal Poverty Level and increase California's Head Start programs to an eligibility of 125 percent of FPL.
- Our Governor and legislators should work with California's congressional caucus to oppose the Budget just released by President Bush on February 7, 2005. It would freeze child care funding for 2006—and projects that child care funding would remain frozen for the next five years, through 2010. According to the Administration's own calculations, an estimated 300,000 fewer low income children nationwide will receive child care assistance by 2010. According to analyses by the Center for Law and Social Policy (CLASP), the Administration's projection likely underestimates the number of children who would lose care. Yet, as discussed throughout this testimony, child care assistance is critical to the success of low-income working families.
- The President's budget shrinks federal funding for health care, job training, nutrition, child care, child welfare, and many other services. As the CLASP analysis notes, these cuts will all harm children; California and other state governments will be forced to provide more services with fewer dollars at a time when the state is already struggling to serve constituents.<sup>xx</sup>

### **Conclusion**

Child care is a strategic investment. It supports the success of welfare families' move to self-sufficiency. It supports all low-income working parents in helping to meet the cost of out-of-home care. It supports our school readiness goals.

Child care is a high-growth, low-risk government investment. The licensed child care industry in California, including both center-based and family child care programs, generates some \$5 billion in gross receipts. It employs over 123,000 people, creating and sustaining three times more jobs than the advertising industry, more than twice as many as the lumber industry, and thousands more than the accounting and legal services industries.

A child's lifelong ability to learn and to make contributions to society is significantly affected by the experiences the child has in the first years of life. Each of us should take steps to ensure that children have access to the highest quality programs.

Even though the funding for the entire subsidy system has grown significantly since 1998, given the dramatically increased need, early care and education remains a dangerously under-funded system. Families for whom English is not their first language, families whose children have disabilities, who have babies and toddlers, parents who work odd hours, or who have low incomes but do not receive a subsidy, face overwhelming challenges in obtaining high quality early care and education.

We recognize that California is in a budget crisis. We also recognize that the nation is facing severe budget issues exacerbated by tax cuts and military expenditures. 2005 must be a time of new resolve. Labor, the faith community, women's organizations, civil rights organizations, community-based organizations, and many others are critical allies in seeking sound policy and demanding adequate investment. California's Legislative Women's Caucus and Legislative leadership have made early care and education a priority each year in the budget. The First Five State Commission and the county commissions are developing innovative programs for children. We also see exciting new initiatives to move toward Preschool for All in California that may be a bridge to expanded access to quality early care and education.

The question is how we best use the resources of our society, our state, our local governments and each family to ensure that we provide what children need in order to grow and flourish in safe, culturally and developmentally appropriate environments.

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#### ENDNOTES

<sup>i</sup> Institute for Women's Policy Research, *The Status of Care and Education in the States*, October 2004, p 4.

<sup>ii</sup> Department of Social Services website at [http://cclid.ca.gov/HistoryofC\\_1810.htm](http://cclid.ca.gov/HistoryofC_1810.htm).

<sup>iii</sup> Joint Committee to Develop a Master Plan for Education, *The California Master Plan for Education*, 2002, at 56, available at [www.sen.ca.gov/masterplan/020909THEMASTERPLANLINKS.HTML](http://www.sen.ca.gov/masterplan/020909THEMASTERPLANLINKS.HTML).

<sup>iv</sup> They have the right to be exempted from this requirement if child care is not reasonably available during their hours of work or training or if their child care arrangements break down, among other reasons.

<sup>v</sup> Welf. & Inst. Code § 11320.3(b)(6)(A)(iii); MPP § 42-7122.47(B).

<sup>vi</sup> The program's power in helping to support working families who have left cash assistance is demonstrated by the number of children served by the CalWORKs child care program. In state FY2003-04, the monthly average for children served was 81,045 in CalWORKs Stage 2 and 45,674 in CalWORKs Stage 3.

<sup>vii</sup> Most families who transition off CalWORKs cash assistance have very low incomes and limited prospects for rapidly increasing their incomes. Statistics prepared by the Department of Social Services (DSS) indicate that third quarter 1999 earnings of former CalWORKs recipients averaged only \$1222 per month; 50 percent of SMI for a family of three is \$1950 per month, and more than three-quarters of families receiving child care subsidies have incomes under that level.

<sup>viii</sup> A recent study of child care centers by Policy Analysis for California Education (PACE) found that "[t]he average level of quality — gauged by several indicators — for the 170 participating centers is quite high. Thus, despite the fact

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that sampled centers were in low-income communities, quality levels are on par with, or higher than, centers included in earlier national studies in middle class neighborhoods.”

<sup>ix</sup> Wider Opportunities for Women and Californians for Family Economic Self-Sufficiency, *Overlooked and Undercounted: A New Perspective on the Struggle to Make Ends Meet in California*, June 2003.

<sup>x</sup> California Child Care Resource and Referral Network, *2003 Child Care Portfolio*, March 2004.

<sup>xi</sup> *Lasting Returns: Strengthening California's Child Care and Development System* (California Budget Project, May 2001) at 25 and Table 4.

<sup>xii</sup> The average cost of care for a single infant at a licensed child care center was more than \$700 per month in 2001, an amount that is *nearly three-fourths* (71%) of the income of a single parent working full time at a minimum wage job. A parent with both an infant *and* a preschooler would have to pay more than \$200 per month over her entire gross income to meet the average cost for center-based care. Even a family earning the state median income would have to pay *34% of its income* for center-based child care.

<sup>xiii</sup> The California Master Plan for Education (date?) at 20, citing Universal Preschool Task Force, *Ready To Learn: Quality Preschools for California in the 21<sup>st</sup> Century*, Calif. Dep't of Education (1998).

<sup>xiv</sup> By first grade, children in low-income families have vocabularies consisting of 5,000 words, while children from more affluent families enter school with vocabularies of 20,000 words. Betty Hart and Todd R. Risley, *Meaningful Differences in the Everyday Experience of Young American Children* (1995).

<sup>xv</sup> A summary prepared by CDE in December 2004 indicated that center-based programs grew from \$504,672 in FY96-97 to \$1,017,045 in FY 04-05, and non-CalWORKs APP programs grew from \$162,927 in FY96-97 to \$207,812 in FY 04-05. Total CDD direct service programs grew from \$667,599 in FY96-97 to \$2,127,771 in FY 04-05.

<sup>xvi</sup> CCLC believes this complex issue can be addressed only through the collaborative efforts of key stakeholders. We have initiated discussion and developed consensus on certain points regarding state subsidy of license-exempt care in our annual Child Care Policy Workgroup process, testified before the Assembly Human Services Committee, participated in hearings called by the Legislative Women's Caucus and presented to the Working Family Summit in 2004 and 2005.

<sup>xvii</sup> The Map to Inclusive Child Care Project is administered by the California Child Care Health Program, which is funded by the California Department of Education Child Development Division.

<sup>xviii</sup> For further details on current work under SB 1703, please see <http://www.sonoma.edu/cihs/camap/sb1703.html>.

<sup>xix</sup> See [http://www.acf.dhhs.gov/programs/core/ongoing\\_research/ehs/ehs\\_intro.html](http://www.acf.dhhs.gov/programs/core/ongoing_research/ehs/ehs_intro.html)

<sup>xx</sup> Matthews, Hannah and Danielle, Ewen, Center for Law and Social Policy, “President’s Budget Projects 300,000 Low-Income Children to Lose Child Care by 2010”, February 7, 2005.