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Analysis of Child Care Provisions in the California State Budget for Fiscal Year (FY) 2015-2016

August 3, 2015

The California Legislature passed the Budget Act of 2015, Assembly Bill ("AB") 93, on June 15, 2015, and amended it the next day through AB 123.[1] The Governor signed the Budget Act of 2015 ("the Budget") on June 24, 2015. The Budget appropriates an additional $423 million to the child care and early education programs for fiscal year 2015-2016. The following analysis addresses key child care and early education items in the Budget, in light of recent child care funding history and alternative proposals offered during the budget process.

I. Overview of Child Care and Early Education Funding in FY 2015-2016

The Budget increases child care and early education funding by 18 percent by adding more than $423 million to California's child care and early education programs for FY 2015-2016.[2] It brings the total child care and early education spending to $2.8 billion in FY 2015-2016, of which, $1.6 billion is for non-CalWORKs child care programs, $1.1 billion is for CalWORKs child care programs, and $150 million is for support programs.

The Budget does not meet the Legislative Women's Caucus's call for $600 million in funding to early education and child care programs this fiscal year. However, it does provide substantial needed reinvestment in these critical programs and is a victory worth celebrating as more parents will be able to work while their children receive the support and nurturing they need for their healthy development. Last year's child care and early education increase of $250 million and this year's increase of $423 million brings the total reinvestment in child care and early education funding to $673 million ($714 million if annualized) since cuts were made from 2008 through 2013. Last year's slot increase in the range of 12,000 to 13,000 and this year's slot increase of approximately 23,000 bring total slot reinvestment to about 35,000.[3] Significant work lies ahead for the child care and early education community considering that the Legislature cut nearly $1 billion from child care funding and 110,000 child care slots from 2008

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[1] Most of the relevant child care and early education budget items discussed in this analysis can be found in Assembly Bill 123.

[2] [2] The $423 million increase for FY 2015-2016 is not annualized because some of the rate and slot increases have effective dates of October 1, 2015 or January 1, 2016. These later effective dates caused the reinvestment in child care and early education to be smaller this fiscal year than it would in following fiscal years. For example, the 7,030 full day California State Preschool Program ("CSPP") slots will commence on January 1, 2016 at a cost of about $31 million in FY 2015-2016, but would increase to $62 million in FY 2016-2017. The child care and early education budget allocations made this year, when annualized for FY 2016-2017, would increase child care and early education spending to about $464 million. This amount excludes the $24 million in one-time Quality Rating and Improvement System allocated in FY 2015-2016.

[3] The figures for slots are provided in ranges because the estimates for them vary, depending on the characteristics of the children using the subsidy, type of placement, and region.

through 2013. The reinvestment in the last two budget years returns 67 percent (71 percent using the annualized amount) of the funding cuts made and approximately 33 percent of slots lost in the past.

A. Snapshot of Overall CalWORKs and Non-CalWORKs Funding Changes in FY 2015-2016

The CalWORKs and non-CalWORKs funding changes are as follows:

- Overall increase in CalWORKs child care funding by a total of $199 million:
  - $81 million in Stage One
  - $60 million in Stage Two
  - $58 million in Stage Three

- Overall increase in non-CalWORKs child care funding by a total of $197 million as follows:
  - $220 million to the California State Preschool Program (“CSPP”)
  - $94 million reduction to General Child Care
  - $68 million to Alternative Payment Programs (“APP”)
  - $2 million to Migrant Child Care

B. Snapshot of Allocation of Funding To Rates and Slots

The FY 2015-2016 non-CalWORKs child care and early education funding is largely allocated in relatively balanced proportions between child care provider reimbursement rates and slots.

1. Snapshot of Child Care Provider Reimbursement Rate Increases

$163 million was allocated to increase child care provider reimbursement rates as follows:

- 5% increase to the Standard Reimbursement Rate (“SRR”) starting on July 1, 2015 ($61 million)
- 4.5% increase to Regional Market Rates (“RMR”) starting on October 1, 2015 ($44 million in FY 2015-2016; $59 million per year thereafter)
- 60% to 65% of the rate for family child care providers for license-exempt providers starting on October 1, 2015 ($18 million in FY 2015-2016; $24 million per year thereafter)
- 1% increase in rate to part-day CSPP while requiring more consumer information and teacher training ($6 million)
- Annualized increases to RMR initiated January 1, 2015 ($34 million)

2. Snapshot of the Child Care Program Slot Increases

$133 million was allocated to increase child care slots as follows:

- 6,800 APP slots starting on July 1, 2015 ($53 million)
- 7,030 full day CSPP slots starting on January 1, 2016 ($35 million FY 2015-2016; $69 million each year thereafter)
- 2,500 part-day CSPP slots with priority for children with disabilities staring July 1, 2015 ($12 million)
- Annualized funding for 4,000 full-day CSPP slots initiated June 15, 2015 ($36 million)

II. Analysis of the Enacted Budget

A. Child Care Provider Reimbursement Rates

The Budget increases reimbursement rates for child care providers across the board, but by lower percentages and using different methodologies than those proposed by the Assembly and Senate budget proposals. The increase in reimbursement rates will offer some assistance to child care providers, who struggle to meet operating costs on current rates.[4] It will also make it somewhat easier for parents who rely on state subsidized child care vouchers to find child providers who can accept their children without having to charge a co-payment the parents cannot afford to pay. However, a significant gap continues to exist between the SRR and the cost of providing high quality care, and the RMR and the rate required to provide access to subsidized child care at 85 percent of the child care market, as envisioned by the Child Care Development Block Grant ("CCDBG"). 42 U.S.C. §658E(c)(N)(i)(I).

1. Standard Reimbursement Rate

The SRR pays a single, adjusted rate, regardless of geographical location, to General Child Care programs, which are child care centers and family child care home education networks that contract with the California Department of Education ("CDE") to provide child care and development services. Effective July 1, 2015, the SRR increased by 5 percent. Together with a 1 percent cost-of-living adjustment for all non-CalWORKs child care providers, the increase raises the SRR from $36.67 to $38.29 per day per child. The SRR increase is scant in comparison to the Assembly's proposed 20 percent increase and is only slightly better than the Senate's proposed 4.4 percent increase. The SRR increase in this year's Budget is also less than the 7.5 percent proposed by the Joint Budget Conference Committee

Notwithstanding concerns raised by child care providers, stakeholders, and policymakers, no action was taken on the longstanding issue of the fairness of a statewide SRR, given the vast disparities in the cost of providing care across California counties. Nor were any changes made to the infant and toddler multipliers to encourage contracted centers and family child care homes to serve this grossly underserved age group. Organizations such as the California Child Care Resource & Referral Network, Advancement Project, Children Now, Early Edge California, First

[4] As the minimum wage increases in various jurisdictions, this will also increase the cost of employing child care providers who are not operating their own businesses.

5 Association of California, First 5 LA, and the Child Care Law Center requested that the infant rate multiplier in the SRR be increased from 1.7 to 2.3 and the toddler rate multiplier be increased from 1.4 to 1.8. This request was made in response to parents reporting difficulties in finding contracted child care providers who are willing to accept infants and toddlers and providers citing the significantly higher cost of serving infants and toddlers as the basis of not accepting these subsidized placements.

2. Regional Market Rates

The Legislature allocated $44 million in FY 2015-2016 to increase the RMR by 4.5 percent, effective October 1, 2015. Every two years, CDE contracts for an RMR Survey to determine the rates charged by child care providers in unsubsidized regional markets, differentiated by category of care, such as part or full time, and child care facility type. However, CDE is not required to adopt the most recent RMR survey rates as the RMR it pays child care providers. The 4.5 percent increase in the Budget is on top of the current RMR. The current RMR is set at the 85th percentile of the RMR survey conducted in 2009, minus a 10.11% deficit factor; in addition, counties that would receive less using this formula than they received under the prior 2005 RMR Survey would instead receive the amount in the 2005 rate schedule. The opacity of this rate setting methodology makes it very difficult to determine what percent of local child care providers parents actually have access to under the new RMR ceilings, and how much additional funding would be required to meet the CCDBG's goal of statewide access to 85 percent of the child care market. What is clear is that the overall rate increase is quite modest. In Sacramento County, for example, the full time daily family child care home rate that CDE will reimburse for a 2 to 5-year-old child under the new RMR will be $39.58, up from the current rate of $37.88.

License-exempt, family, friend, and neighbor care received 60 percent of what licensed family child care providers were paid under the prior RMR rates. In addition to the 4.5 percent increase to all RMR rates, the Budget also allocates $18 million to increase the license-exempt provider rate from 60 percent to 65 percent of family child care home rates, which is currently calculated at 80 percent of the mean regional market rate. This is an improvement to the egregiously low rates for license-exempt care that have been in place since the passage of AB 1497 in June 2012, when the reimbursement rate was reduced to 60 percent of the licensed family child care rate. At their height, license-exempt care rates were 90 percent of a licensed family child care rate.

3. State Preschool Program Rate

The Legislature allocated $6 million to increase the part-day CSPP rate by 1 percent, effective July 1, 2015. With this rate increase, part-day CSPPs are required to expand professional development activities for teachers and increase consumer information for parents. Full-day CSPPs that are funded with a combination of funds by part-day CSPP rate and a "wrap" rate, will also receive this 1 percent rate increase.[5] This 1 percent increase appears to be in addition to the 1 percent cost of living increase and the 5 percent SRR increase the CSPP will receive. When the increases are combined, the reimbursement rate for part-day State Preschool will be $23.87 per child per day.

4. Cost-of-Living Adjustment to non-CalWORKs Child Care Programs

Cost of living adjustments were statutorily suspended in all child care and development programs from FY 2008-2009 through FY 2014-2015. The Budget allocates $19 million to give a 1 percent cost-of-living-adjustment to non-CalWORKs child care programs. Of the $19 million, $8 million comes from Proposition 98 funding and $11 million comes from other funding sources. The 1 percent increase applies differently to programs that use the RMR and those that use the SRR. The current SRR received the 1 percent increase, and then a 5 percent increase on top of that increased amount. The COLA was applied to the total amount of funds appropriated for RMR programs in FY 2014-2015, and a 4.5 percent increase to each RMR ceiling was made using those funds on a county by county adjusted basis.

B. Child Care Program Slots

1. CalWORKs Child Care Program Slots

Parents have a right to receive CalWORKs child care as a supportive service while they participate in CalWORKs welfare-to-work activities and after they leave the CalWORKs grant program, so long as they remain otherwise eligible for state child care programs. The Legislature determines CalWORKs child care slots based on caseload. The three stages of CalWORKs child care received an increase of $199 million in FY 2015-2016 to pay for an additional 5,600 child care slots and increased rates to child care providers. With the additional appropriation, total Stage One funding is at $411 million, Stage Two funding is at $414 million, and Stage Three funding is at $278 million. This $1.1 billion pays for child care for approximately 140,000 children of current and former CalWORKs program participants. Rate increases mean that families receiving CalWORKs child care will be able to choose from a marginally wider range of child care providers and face less risk of having to pay co-payments from the limited cash aid they receive for basic necessities to pay for high quality child care.

2. Non-CalWORKs Child Care Program Slots

Non-CalWORKs child care and early education funding includes full-day and part-day CSPP, General Child Care and Development Program, Alternative Payment Programs, Migrant Child Care and Development Program, and the Severely Handicapped Program. The Budget allocates $197 million across the board from the previous fiscal year to these programs, increasing capacity by approximately 15,000 to 17,400 more child care slots, with most of the

[5] Wrap around child care services and programs mean services provided to children for the remaining portion of the day or remainder of the year following the completion of part-day preschool services that are necessary to meet the child care needs of parents eligible for child care under Education Code 8263(a). Education Code 8239(b).

increase appropriated for the full-day and part-day CSPP and the APP. With increased funding, the total children served in FY 2015-2016 under these Non-CalWORKs programs will be about 221,710 or an increase of 9 percent compared to FY 2014-2015.[6] While this increase is significant, it only covers 6 to 7 percent of the 251,000 families who need child care as estimated by the Legislative Analyst's Office.

General Child Care fared the worst in comparison to other programs. Although the Senate proposed to increase General Child Care slots by 4,300, the Budget cuts General Child Care funding by $94 million, from $544 million in FY 2014-2015 to $450 million in FY 2015-2016. The Budget appears to reflect a policy choice to replace investment in General Child Care with investment in CSPP and APP.

APP child care voucher slots offer more options for parents who have nonconventional or unpredictable schedules that fewer child care providers can serve. The Budget increased the APP funding by $68 million to create about 6,800 slots, bringing the total APP spending to $251 million. This is fewer than either the 10,000 slots proposed by the Assembly, or the 13,200 proposed by the Senate.

The CSPP received the highest proportion of slot increases, with an additional $220 million investment in the Budget, to fund approximately 7,030 full-day CSPP slots starting on January 1, 2016, and 2,500 part-day CSPP slots with priority enrollment for children with exceptional needs. The investment in CSPP is close to the 10,500 CSPP slots that the Assembly proposed in its budget plan and is a continuation of last year's legislative promise to offer preschool to all low-income children in the state. The funding allows more 3 and 4-year olds to be served. However, CDE contractors have reported that even the increases in CSPP funding from FY 2014-2015 have not always translated to an ability to serve the maximum 3 and 4-year-olds in these slots, given difficulties in rapidly and fully enrolling children because of continuing low staff pay and start-up challenges, and resulting facility shortages. Child care for infants and toddlers represents the most requested, most expensive, and most unavailable form of child care. The heavy weight in favor of CSPP can only exacerbate and not address the problem of obtaining subsidized child care for infants and toddlers. It remains to be seen the extent to which the focus on CSPP funding will translate into greater access to early care and education for children, overall.

The influx of additional general fund revenue designated for Proposition 98 appears to have heavily influenced the decision to invest in the CSPP. As detailed below, the Senate tried but was unsuccessful in restoring all child care programs back within the Proposition 98 funding guarantee. Success in this endeavor would have helped avoid having the State's funding structure distort policy choices.

[6] The 221,710 slots do not include the roughly 1,300 to 1,800 community college child care slots.

Despite the approximately 22,000 to 23,000 additional CalWORKs and Non-CalWORKs slots authorized by the Budget, the demand for subsidized child care remains steep, and the wait for child care remains long. This year, the Legislative Analyst's Office estimates that 251,000 children are currently on waiting lists for subsidized child care in California. These low-income families are eligible for subsidized child care, but simply do not get it due to funding shortages. The child care slots allocated in FY 2015-2016, including CalWORKs child care, meet 9 percent of the need of working families on waiting lists. Sustained advocacy is needed to reach the 91 percent of families who will remain on child care waiting lists for child care.

C. Child Care Quality Investment

1. Quality Improvement Funding and Enhancement Provisions

The Budget provides a $27 million increase for support of quality improvement from the previous fiscal year. The federal Child Care Development Block Grant ("CCDBG") requires that 4 percent of its funds (7 percent beginning October 1, 2015) be set aside to improve the quality of child care services provided in the state, and makes development of a quality rating system and infant and toddler component within the rating system an appropriate use of quality funds. 42 U.S.C. §§9858(b) (3) and (b) (4) (D). The Budget sets aside $24 million of one-time funding for a Quality Rating and Improvement System ("QRIS") block grant for infants and toddlers. No more than 20 percent of this funding can be paid directly to child care providers; instead, most of the money must be used to fund professional development, technical assistance, and other resources for child care providers. Such professional development activities can help child care providers meet new quality requirements in the CCDBG Act of 2014. In FY 2014-2015, $50 million of ongoing funding was provided for preschool QRIS, directing millions of dollars for quality improvements toward 3 and 4 year old children. The Child Care Law Center applauds the expansion of those efforts to infants and toddlers. The expansion also effectively leverages federal funds for California's child care and early education goals. By applying funds toward purposes that meet federal quality set asides, the Legislature will ensure maximum flexibility for remaining funds to meet other important child care and early education needs.

2. Resource and Referral Network Statewide Database

The Resource and Referral Network will receive $300,000 in one-time federal funds to operate a statewide database that will allow parents greater ease in locating and assessing child care options. The CCDBG mandates the creation of a national website for consumer education, hosted by childcare.gov. 48 U.S.C. 9858(j)(b)(2)(A). The new website will enable parents to enter a zip code and obtain a referral to local child care providers, information on quality indicators, compliance with licensing and health and safety requirements, and other resources.

3. Eliminating Sunset Date of San Francisco Pilot Program

The Budget eliminates the sunset date from the San Francisco Pilot, which allows the County and City of San Francisco to be exempted from state eligibility rules in Title 5 programs and instead set their own eligibility standards. The eligibility problem arose because very high child care and other living expenses, combined with relatively higher salaries, meant that families in the City and County of San Francisco who were unable to afford child care were nonetheless too high income to qualify for child care subsidies. In addition, the low statewide SRR made it difficult for contracted child care centers and family child care home education networks to cover the high cost of operations in San Francisco. This meant that child care money designated for San Francisco was left unspent, because programs could not afford to contract to provide services at the SRR. Under the pilot, San Francisco has flexibility to revise their eligibility and need determination and adjust their reimbursement rates and family fees based upon local evaluations and assessments. The San Francisco Pilot is part of AB 104, a budget trailer bill. The sunset date of the similar San Mateo Pilot Program is under consideration in SB 94, also a budget trailer bill, which is still being deliberated.

III. Proposals Not Incorporated in the Final Budget

While child care programs fared much better than other human services programs in the Budget, many worthwhile child care budget items discussed during the budget hearing process were not include in the final budget.

A. Return of All Child Care Programs to the Proposition 98 Funding Guarantee

The Budget did not return child care programs back under the umbrella of the Proposition ("Prop") 98 funding guarantee. Child care and early education under the "Child Care and Development Services Act" received money from the Prop 98 guarantee funding from 1989 until 2011. The Great Recession caused financial instability and state budget deficits for numerous years, resulting in an extraordinary measure in 2011 to remove all child care programs except part day CSPP and the After School and Education and Safety Programs from Prop 98, for the purpose of drastically cutting child care programs. With the return of financial stability, the Senate Budget and Fiscal Review Committee voted to return child care back within the Prop 98 umbrella this year. Unfortunately, the proposal was not a part of the Assembly's budget proposal, the Governor was not supportive of it, and it did not make it out of the Budget Conference Committee.

Although the Legislature ultimately did not return the early education and child care programs back to Prop 98 funding guarantee, $220 million of Prop 98 money was allocated to part-time CSPPs and After School Education and Safety Programs. In contrast, $169 million of the additional child care investment came from the non-Prop 98 General Fund, $31 million came from the Temporary Assistance for Needy Families ("TANF") program, and $3 million came from Child Care and Development Fund. This brought non-Prop 98 General Fund spending for early education and child care to a total of $977 million and Prop 98 General Fund spending to a total of $885 million. The Legislature increased Prop 98 funding in part by shifting wrap funding for CSPP from non-Prop 98 to Prop 98, when the CSPP is provided by local education agencies (LEA). Previously, for all CSPP contractors, Prop 98 funded the part-day preschool program and non-Prop 98 General Fund supported the wrap (full day-full year) portion of the program.

B. 12-Month Eligibility

The CCDBG Act of 2014, which reauthorized the Child Care and Development Fund ("CCDF"), pays for state child care programs except CalWORKs Stage 1 child care. CCDBG includes protections for working parents including a minimum 12-month eligibility period. The new law requires California to demonstrate that every child in CCDF funded programs is considered to meet all eligibility requirements and receives program assistance for not less than 12 months before the state predetermines eligibility, regardless of a temporary change in the ongoing status of the child's parent as working or attending a job training or educational program or a change in family income for the child's family, if that family income does not exceed 85 percent of the state median income. 42 U.S.C. §658E(c)(N)(i)(I).

In violation of the federal law, CDE regulations require contractors to inform families of their responsibility to notify the contractor within five calendar days of any changes in family income, size, or the need for services. 5 Cal. Code Reg. §§18087(c) and 18102. The Legislature considered but did not include using Budget trailer bill language to bring the State into compliance with the new 12-month CCDBG requirements. In addition, AB 233, now being held in the Assembly Appropriations Committee as a two year bill, would have deemed a child eligible for services for a period of 12 months subsequent to enrollment. It is uncertain how the State will handle compliance with the 12-month eligibility requirement.

C. Update of Income Eligibility Threshold

The State Median Income ("SMI") data used to calculate income eligibility was not updated. Parents, child care providers, and other stakeholders and policymakers have proposed increasing the income eligibility threshold for child care. Since 2011, income eligibility has been frozen at 70 percent of the SMI in use in FY2007-2008. Education Code §8263.1. Increasing this income eligibility threshold would allow a greater range of moderate income families to become eligible for subsidized child care and would allow families to continue to maintain their child care until they were at an income at which they could better afford to pay on their own. Families report refusing salary increases because it would put them over the income threshold to maintain their subsidized child care eligibility, and they cannot afford to continue to work pay for child care without assistance.

D. Refundable Child Care Tax Credit

The Budget does not adopt the Assembly's budget proposal to initiate a study about a refundable dependent care credit for middle class families. However, the Legislative Analyst's Office, in its Supplemental Report of the 2015-2016 Budget Package, indicates that it will work with the Franchise Tax Board to produce a report to the Legislature by April 1, 2016, which will address eligibility, tax credit value, credit structure, and estimates of the fiscal impact under each option.[7] The report undertaking recognizes that child care is a challenge faced by many families and not just low-income families. The California Budget Project has reported that a single parent of two children in California must earn $6,206 a month ($74,472 a year) to meet basic necessities such as housing, utilities, child care, transportation, food, health care, and taxes. However, this family of three will not qualify for subsidized child care unless they make less than $3,908 a month or $46,896 a year. There is a vast and growing income gap between those who are eligible to obtain subsidized child care and the amount families must make to cover child care and other basic needs. CCLC supports a study that would analyze the cost and method of implementing a dependent care credit for middle class families.

E. Community College Early Care and Education Consortium

The Assembly's budget proposal included a one-time $30 million allocation to create a community college early care and education professional study and training center. The intent was to enhance the quality of education and care provided to children birth through five in the community college laboratory schools. Community college laboratory schools offer the state a triple return on investment as they 1) support the training and quality of early childhood education workforce; 2) address the child care needs of community college students and staff; and 3) meet the developmental needs of the children they serve. This proposal was not recommended by the Senate and was not adopted in the Budget.

F. Alternative Payment Program Administrative Support

Alternative Payment Programs ("APPs") administer vouchers and provide case management to families in subsidized child care. APPs sought, but did not receive, an increased rate for administrative support in the Budget. In 2011, the Legislature reduced the APP program administration rate from 19.5 percent to 17.5 percent of contract amounts, at a time when cuts to child care slots also meant that APPs issued fewer vouchers and generated less funding for their programs. Some APPs closed their doors and other consolidated or minimized operations, in part because of these cuts. Families receive fewer and poorer services when reduced staffing forces APPs to provide only basic eligibility and contracting services at the expense of additional family supportive services. The APPs asked for the administration support rate to return to 19.5 percent. At the rate's historic peak in the 1990s, the APPs were reimbursed for program administration at 25 percent of child care subsidies. The Assembly Budget proposal included reinstating APP administration support to 19.5 percent, and the item was a part of the Joint

[7] http://www.lao.ca.gov/reports/2015/supplemental/2015-16-supplemental-report.pdf, Legislative Analyst's Office, Supplemental Report on the 2015-2016 Budget Package, Item 7730-001-001 at p. 31.

Budget Conference Committee proposal. However, once the budget compromises were made, the APPs were not provided with an increase rate for administration of the child care subsidies.

G. Collective Bargaining for Family Child Care Providers

The Assembly, the Senate, and the Joint Budget Conference Committee included language in their budget proposals to allow child care providers the option of being part of a union so that they can collectively bargain with the State. However, the Budget and subsequent trailer bills did not contain this provision. Unionizing child care providers remains an issue this year as SB 548 would authorize family and license exempt child care providers to collectively bargain with the State. SB 548 has moved out of the Senate, passed out of the Assembly Labor and Employment Committee, and will next be voted in the Assembly Appropriations Committee. In 2011, Governor Brown vetoed AB 101, a similar bill to SB 548; in his veto message, he stated that he was "reluctant to embark on a program of this magnitude and potential cost." Legislation similar to SB 548 has been introduced since 2004 and either vetoed or held in various committees.

Family child care providers in California earn on average roughly $24,000 a year. Approximately 40 percent of providers leave the profession each year, in part because of low pay, which in turn is driven by low state reimbursement rates. There has been a longstanding effort to unionize family and license exempt child care providers in state-funded child care programs in the hope of creating a more stable work force and allowing child care providers a more effective collective voice on matters that affect their profession. Child Care Law Center supports the right of child care providers to decide, if they wish, that their best chance for greater income and professional stability lies in collective bargaining.

IV. Conclusion

The reinvestment in child care and early education of $426 million this year, annualized to $464 million in subsequent years, will help hard working parents obtain the child care they need while offering much needed increases in payment rates for child care providers. The final budget allocation for child care and early education is short of the amount the Women's Legislative Caucus sought - and much less than the amount needed to eliminate the wait lists and keep child care providers and early educators in the profession. However, the significant financial reinvestment is a step in the right direction and demonstrates the ongoing Legislative support for child care and early education. The Child Care Law Center strongly urges further financial support for child care and early education to increase access to child care and improve child care quality.