

San Mateo County Times

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EDUCATION

Assembly passes child care legislation

■ County-backed law to make use of state funds more flexible to keep child care centers operating

By Jean Whitney

STAFF WRITER

State Assembly lawmakers gave a unanimous thumbs-up Thursday to legislation that would give San Mateo County government the ability to find a better way to spend state dollars on child care.

AB 1326, authored in San Mateo County and carried by Assemblyman Joe Simitian, D-Palo Alto, would give the County five years to tailor its child-care programs — about \$30 million worth a year — to the locally high cost of living.

The bill was approved 78 to 0 by the Assembly and moves next to the Senate.

"We are one big step forward to our goal of making the best possible use of limited public funding to improve the child-care choice available to the families of San Mateo County," said Jan

Stokely, executive director of the County's Coordinated Child Care Council and key advocate of the legislation.

Currently, state spending limits have left child-care centers in the County with no choice but to turn away families who use state subsidies. The subsidies pay only about 65 percent of the cost of care in pricey San Mateo County.

The new legislation would allow the County to rework how the state dollars are spent here and ideally, find a way to make the money go farther.

Parents need nearly \$900 per child per month for child care in the County, while the state pays a maximum of only \$625 per child.

And about 4,000 children in the County are eligible for state subsidies due to family income, according to County officials.

Under the new legislation, the County would have the flexibility to pay child-care providers the going rate for children with subsidies, securing care for the children of low-income working parents, and keep the centers in business.

A survey of half the County's 25 child-care centers accepting state subsidies revealed that, without the new legislation, at least four would shut down, leaving some 415 children without care, for a loss of \$2.7 million in state subsidies to the County.

With the potential adoption of the County's bill, the same survey estimates that the County would lose only about \$736,000 and less than half the number of child-care "slots."

Parents who used the subsidies traveled to the state Capitol earlier this month and told lawmakers that without child care, single parents would likely be forced to leave the workforce, and perhaps be forced to turn to welfare.

The latest version of the proposed state budget showed few cuts to the overall spending on child care for parents getting off welfare, although an earlier version riled local officials by slashing child-care funds to parents in their third year of work after welfare.

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Making child care fit

SOMETHING IS WRONG with a child-care system that has the money to provide services to thousands of needy children, but is prevented from doing so because its own red tape gets in the way.

Such is the state's program, an inflexible, one-size-fits-all plan that is impeding delivery of child-care services in San Mateo County and elsewhere. The problem, simply put, is that the state sets income requirements and reimbursement rates that apply as if all 58 counties had the same cost of living.

For example, a family of three can earn no more than \$35,100 a year — 75 percent of the state median income — to qualify for subsidized child care. It's a workable limit for most counties, but in San Mateo County, \$35,100 is less than half of the "housing wage" needed to afford a two-bedroom apartment. So, many families exceeding the income limit are ineligible for subsidized child care but don't earn enough to pay for child care, either. And, because state reimbursement rates are so low in a place where child-care costs, on average, \$900 a month, many child-care providers are going out of business.

The paradox this year will cause the county to return to the state at least \$1.5 million in unused subsidies, while more than 2,000 of its children are in desperate need of day care.

Proposed legislation, AB1326, embodies a sliding-scale solution crafted by child-care advocates and county officials to better meet the needs, at no additional cost, of San Mateo County residents. The bill, authored by Assemblyman Joe Simitian, D-Palo Alto, would set up a five-year pilot project to rewrite the rules to reflect that it costs more to live in San Mateo County than, say, Imperial County. The pilot would allow families with higher incomes to qualify and also would pay higher reimbursement rates to child-care providers.

Opponents fear the legislation would allow the state to hand off responsibility for child-care programs to the counties without providing adequate resources or setting quality standards. While these are valid concerns, for the sake of struggling families and the chance to bring some sanity to an ill-conceived child care system, AB1326 is a plan the Legislature should consider worth trying.

REDWOOD CITY DAILY NEWS

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Simitian's bill has improved area's day care

BY MARK CHURCH

Like many programs, the state's child-care subsidy system was a "one size fits all" model. Only families earning less than 75 percent of the state median income could qualify for subsidized child care. The system didn't take into account that each county has a different cost of living. The system certainly didn't work for counties like San Mateo, in which many families

GUEST OPINION

make more than the income limit but don't earn enough to pay for child care on their own.

Two years ago, however, the Board of Supervisors turned to former Assembly member Joe Simitian, now a state senator, to introduce a bill to address this problem. Simitian authored Assembly Bill 1326, which was signed into law Oct. 10, 2003, to create the San Mateo County Child Care Subsidy Pilot Project.

No new funding and serving more children

Simitian's measure enabled San Mateo County to improve child care and early education in our community without any new state funding and, even more challenging, doing so while serving even more children than the year before.

Specifically, the measure allows the county to establish a new eligibility and family fee scale for low-income families that takes into consideration regional economic differences. For example, families who would have lost their child-care benefit upon earning their first pay raise can now stay on the program longer by paying a gradually higher portion of the costs. The law allows the county to also provide a higher daily reimbursement rate for fragile state-funded child-development centers serving very low-income families. It further allows programs that otherwise would have faced cuts or elimination because of the growing gap between funding and program costs to stay in business. Under the new law, the county is also able to move funds between programs to better meet the child care and early education needs of our community.

Success stories

In just the first year, success stories abound. When a single mother of two receiving subsidized child care while working a part-time job was offered a full-time job, she was able to accept it. Under the old system, full-time work would have put her over the state income cutoff. But because of Simitian's measure, she was able to keep her children in child care. Working for years at a low-paying job, another single mom received a much deserved pay raise that put her just \$50 over the state income limit. Under the new plan, she was able to take the raise and still keep her child care. With a higher reimbursement rate allowed under AB 1326, one nonprofit child-care provider serving very low-income families was able—for the first time in three years—to offer its teachers a modest raise.

Simply put, the pilot project enabled San Mateo County to develop a child-care plan that more accurately reflects the needs and goals of our community. A recent letter from a parent says it best: "Child care is an important, pivotal step in helping families to rise from the stronghold of poverty. Acknowledging that safe and affordable child care is a dilemma for almost all families in poverty is the first step. Not only will families and particularly their children benefit, but so will the greater community."

San Mateo County families and children are well served when the Legislature is willing to work with counties to design legislation that says "yes" to meeting a community's needs and "no" to cookie-cutter solutions.

Mark Church is a member of the San Mateo County Board of Supervisors and co-chair of the San Mateo County Child Care Partnership Council.