

Federal and State Policy Updates in Early Childhood Development

Bay Area Early Childhood Funders

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Inflation Reduction Act of 2022

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- August 16, 2022 with \$369 billion for:
 - Targeted climate justice for communities of color & with low incomes who have disproportionately been impacted by environmental and public health harms
 - Lower drug costs and reduced health premiums via the Affordable Care Act exchanges
 - Fairer tax provisions to reduce burdens on families and ensure households with higher incomes and corporations pay their taxes
- No funding for child care, child tax credit, earned income tax credit, and paid family and medical leave.

What's Next

Federal FY 23 Appropriations

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Annual effort to fund Child Care and Development Block Grant, Head Start/Early Head Start, 0-5 Preschool Development Grants

- House and Senate Appropriations Committees said:
 - Child Care and Development Block Grant: an increase of \$1 billion
 - Head Start: an increase of \$1.4 billion (Senate side said \$1 billion)
 - Preschool Development Grants: \$350 million, an increase of \$60 million over current year
- Continuing Resolution (short-term spending bill) - September 30 Deadline Extended to December 16
 - No one wants a government shut-down
 - Election day looms

Child Nutrition Act Reauthorization

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Healthy Meals, Healthy Kids Act (Chairman Scott)

- Includes school breakfast and lunch, summer nutrition, WIC, CACFP
- Expands eligibility so more kids are certified for free school meals
- Grants to upgrade school kitchen equipment, supports farm-to-school programs
- Child Nutrition Act reauthorized every 5 years - but last done in 2010

- House status
 - House Education and Labor Committee passed Healthy Meals Healthy Kids Act in July
 - Next stop: House Floor

- Senate
 - Senate Agriculture Committee to make priority time for this?
 - Then, on to a full vote in the Senate

Forgiving student loans for ECE Providers

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Student debt relief/loan forgiveness announcement

August 24: Biden Administration announces targeted debt relief:

- \$20,000 for Pell Grants
- \$10,000 for non-Pell Grants
- Assorted eligibility details
- Application for relief to open in October

Public Service Loan Forgiveness proposal

- “Public Service Loan Forgiveness” is operated by U.S. Department of Education, approved by Congress
- **Currently:** ECE workforce is eligible if employed by a non-profit organization or government entity
- **Proposal:** expand those who are eligible, including those working in for-profit programs and self-employed family child care

26,982 New APP Vouchers & Spaces

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Approximately

- 24,730 new APP vouchers (\$247.3 million)
- 2,250 new direct contracted spaces (\$22.5 million)



Family Fee Waiver

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- Family fees waiver for all families extended for one more year, July 1, 2022 - June 30, 2023
- Families save on average \$250/month, some up to almost \$600/month
- \$157.3 million total
 - \$136 million for CDSS child care programs
 - \$21.3 million for state preschool programs

Retirement & Benefits for Family Child Care & FFN Providers

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Child Care Providers United Agreement

- Creates a health care benefits trust and contributions after established
- Conducts a retirement needs survey and establishes the retirements trust
- \$100.3 million

Stable Income for Child Care Programs

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- Providers paid based on a family's certified need rather than attendance (aka "hold harmless")
- Policy extended one more year
 - July 1, 2022 - June 30, 2023
- \$113,636,000



Child Care Facility Grants

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- FY 2021-22: \$250 million for the Infrastructure Grant Program
 - \$100 million for minor construction, renovations and repairs. Grants awarded on a rolling basis through September 9, 2022.
 - \$150 million for new construction and major renovations.
 - Major Renovation applications estimated release: December 2022.
- FY 2022-23: \$100.5 added to the Infrastructure Grant Program.



Emergency Child Care Bridge Program

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- \$35 million to support and expand access to the program
- Bridge vouchers can now be used if working from home or if school precludes a family from providing care
- Starting Sep. 1, 2022, vouchers can be extended beyond 12 months for a compelling reason
- \$7.6 million to support county operations for Bridge Program administration



HOPE for Children Act

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HOPE Accounts (Baby Bonds) - Interest-bearing trust accounts

- For children from families with low-income and lost a parent or primary caregiver to COVID-19
- For children in long-term foster care
- \$100 million



More For Families & Providers

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- 16 paid nonoperational days for child care and preschool programs due to COVID-19 until June 30, 2023 (CCPU pushed for this)
- New quality indicators to support “dual language learners”
- \$352 million in child care provider stipends for providers serving children with subsidies



Policy Bills

2020-2022

SB 951 (Durazo) - Passed

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Increases Paid Family Leave and State Disability Insurance to 90% of regular wages for workers making up to 70% of the State Average Weekly Wage, about \$57,000 a year in 2022.



SB 1047 (Limón) - Passed

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- Adds categorical eligibility for “one who has a member of its household who is certified to receive benefits from
 - Medi-Cal
 - CalFresh
 - California Food Assistance Program,
 - California Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)
 - Federal Food Distribution Program on Indian Reservations
 - Head Start or Early Head Start or
 - Any other designated means-tested government program
- Extends 24-month continuous eligibility for all child care programs, except for CalWORKs child care programs which still has 12 months.

AB 321 (Valladares) - Passed

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- Adds a priority category for child care services for a child from a family in which the primary home language is a language other than English if there are no families with a child with exceptional needs.
- Similar priority enrollment changes for preschool programs.



Supports for Families & Children (CalWORKs) - Passed

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AB 2300 (Kalra)

CalWorks and CalFresh

- Workers can take a three-month pause on work requirements if their worker's rights have been violated

CalWORKs

- No sanctions if impossible to comply with WTW requirements because of unpredictable work schedule
- Adds paid family leave benefits to be excluded from income eligibility calculation
- One month of paid family leave does not count toward CalWORKs cash aid time limit

AB 2277 (Gomez Reyes) - Counties must issue a Domestic Violence Waiver for WTW requirements to qualifying CalWORKs clients

AB 2832 (Rivas) - Passed

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Requires CDSS and CDE to develop a "Whole Child Equity Framework" and a "Whole Child Community Equity Screening Tool" to support the equitable distribution of resources and monitor progress on addressing racial and economic disparities



Affordable Child Care Family Fees Act

AB 92 (Gómez Reyes) - VETOED 9/13/2022

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- Implements an equitable family fee schedule starting July 1, 2023
- Ensures child care providers do not absorb the family fees waiver cost
- Ensures no reduction in spaces/vouchers on account of a reduction in family fees collected



Universal Preschool Proposal

SB 976 (Leyva) - Did not pass out of Assembly

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Did not pass out of the legislature

- California State Preschool for all 3 & 4 year olds (regardless of income)
- Family child care homes and Head Start centers could be preschool providers
- Parents pay no fees

