2012-13 BUDGET IMPACTS

IMPACTS OF GOVERNOR’S CHILD CARE BUDGET ON CHILDREN, CHILD CARE WORKERS, AND COMMUNITIES

The Governor’s budget eliminates $517 million in child care funding, compounding the $883 million in cuts to child care since 2008. These cuts and proposals to dismantle and realign California’s child care system will prevent children from receiving a strong educational foundation and parents from reaching self-sufficiency.

62,000 children lose care leaving parents with few options

The family self-sufficiency level in Los Angeles County is $72,240 for a family of three to meet their basic needs. Proposals to reduce income eligibility by 12% to 200% of federal poverty ($37,060); disqualify parents attending school to increase their education and training; and require parents to work a minimum of 30 hours per week will leave thousands of children without vital child care services.

Over 100,000 child care workers’ jobs at risk

The Governor’s budget proposal reduces the Standard Rate of Reimbursement (SRR) by 10% and the Regional Market Rate Ceilings from the 85th Percentile to the 50th Percentile. These reductions create disincentives to serve children receiving subsidies and force the closure of high quality programs dedicated to serving low-income communities. Programs also face up to a 21% reduction for meal reimbursements due to elimination of state funding.

Dismantling California’s Child Care System

Each year about 500,000 children receive child care services through a system of direct contracts to child care programs and vouchers for parents. Realignment of child care services will unravel California’s mixed delivery system that relies on non-profit, private, and county agencies to respond to local child care needs and support parents and children.

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