

AMENDED IN SENATE JULY 8, 2009

Senate Concurrent Resolution

No. 44

Introduced by Senator Corbett

May 6, 2009

Senate Concurrent Resolution No. 44—Relative to child care.

LEGISLATIVE COUNSEL'S DIGEST

SCR 44, as amended, Corbett. Child Care.

This measure would request the State Department of Education to review California's current regional market rate methodology and implementation guidelines for subsidized child care, and question whether adherence to the current regional market rate system has resulted in sufficient access for working poor families. The measure would also request that the department operate an open and transparent process where all vested stakeholders are fully versed in the methodology used for the regional market rate survey and are included in the planning and implementation process being undertaken by the department to establish new rates or a new rate structure. *The measure would also request that the department, on or before April 1, 2010, submit a report to the Legislature relating to its review of California's current regional market rate methodology and implementation guidelines, and any recommended changes to the current methodology.*

Fiscal committee: yes.

- 1 WHEREAS, In 1990, the federal government began a major
- 2 investment in child care with the passage of the Child Care and
- 3 Development Block Grant (CCDBG) Act (42 U.S.C. Sec. 9858 et
- 4 seq); and

1 WHEREAS, In 1996 CCDBG was expanded as part of federal
2 welfare reform legislation called the Personal Responsibility and
3 Work Opportunity Reconciliation Act (PROWORA). At that time,
4 the child care funding component became known as the Child Care
5 and Development Fund (CCDF); and

6 WHEREAS, A vital cornerstone of CCDF funding is parental
7 choice. Allowing families the ability to choose a child care
8 environment that best meets the needs of the child and the family
9 is an integral part of keeping children learning while parents are
10 earning; and

11 WHEREAS, The intent of both the federal and state child care
12 subsidy programs is to ensure that families have equal access to
13 child care providers who provide child care to nonsubsidized
14 families; and

15 WHEREAS, The subsidized child care reimbursement system
16 should be based on the current regional market rates of child care
17 providers who provide care to private nonsubsidized families; and

18 WHEREAS, California's child care provider reimbursement
19 rate should be updated no less than every two years in accordance
20 with requirements of the United States Department of Health and
21 Human Services and be included as part of California's State Plan;
22 and

23 WHEREAS, The methodology for the California regional market
24 rate survey was last approved in 2005. The methodology approved
25 takes into account 12 different variables including median home
26 values, median gross rent, median real estate taxes, and median
27 household income; and

28 WHEREAS, The California economy has changed dramatically
29 since the methodology for the regional market rate was approved
30 and these changes may have an adverse impact on the upcoming
31 regional market rate survey; and

32 WHEREAS, By the time California conducts and implements
33 the market rate survey, often it is already out-of-date; and

34 WHEREAS, Families are disadvantaged with outdated rates
35 that limit the access to providers who are willing and able to
36 provide quality child care to subsidized children; and

37 WHEREAS, The regulations that govern the implementation
38 of the California regional market rate ceilings can be
39 administratively burdensome and are in need of a more simplified
40 process; and

1 WHEREAS, The regional market rate development process has
2 become inadequate in providing a reasonable rate that affords
3 families access to high quality child care programs and does not
4 always represent the true cost of care; now, therefore, be it

5 *Resolved by the Senate of the State of California, the Assembly*
6 *thereof concurring,* That the Legislature requests the State
7 Department of Education to review California's current regional
8 market rate methodology and implementation guidelines, and
9 question whether adherence to the current regional market rate
10 system has resulted in sufficient access for working poor families;
11 and be it further

12 *Resolved,* That the Legislature requests that the State Department
13 of Education operate an open and transparent process where all
14 vested stakeholders are fully versed in the methodology used for
15 the regional market rate survey and are included in the planning
16 and implementation process being undertaken by the State
17 Department of Education to establish new rates or a new rate
18 structure; and be it further

19 *RESOLVED,* *That the Legislature requests that the State*
20 *Department of Education, on or before April 1, 2010, submit a*
21 *report to the Legislature relating to its review of California's*
22 *current regional market rate methodology and implementation*
23 *guidelines, and any recommended changes to the current*
24 *methodology; and be it further*

25 *Resolved,* That the Secretary of the Senate transmit copies of
26 this resolution to the author for appropriate distribution.