

April 26, 2021

Senator Steve Glazer
Senator Nancy Skinner
Senator Bob Wieckowski
Assemblymember Buffy Wicks
Assemblymember Rebecca Bauer-Kahan
Assemblymember Rob Bonta
Assemblymember Bill Quirk
Assemblymember Alex Lee

Re: Early childhood priorities and additional investments in FY 2021-2022 state budget

Dear Governor Newsom and Members of the Alameda County Delegation to the State of California Legislature:

First 5 Alameda is committed to advocating for and achieving equity, with a focus on racial and economic justice, to ensure that all children in Alameda County are born healthy and can achieve their full potential. In partnership with the community, we support a countywide continuous prevention and early intervention system that promotes optimal health and development, narrows disparities, and improves the lives of children birth to age 5 and their families. This letter outlines proposed FY 2021-22 budget priorities and additional needs that support the well-being of children and families in Alameda County. Please consider the following data that informs the priorities outlined in this letter:

- There are about 113,700 children under age 6 in Alameda County and approximately 1 in 10 children under age 5 lives below the Federal Poverty Level.
- Families are in economic distress and struggling to meet basic needs, particularly families of color.
 In Alameda County:
 - Since the start of the pandemic, the Alameda County Community Food Bank has seen a
 doubling of residents experiencing food insecurity, with a reported 1.2 million pounds
 of food distributed monthly.¹ National surveys, estimate that 1 in 4 children are
 experiencing hunger.
 - Black households take home roughly 1/3 the income of white households after rent.²
- The small businesses that makes up **Alameda County's child care system have <u>lost an estimated</u> \$18 million per month due to closures and under enrollment.^{3 4}**

Data: http://www.first5alameda.org/files/AC%20Child%20Care%20Data%20Feb%202021.pdf

¹ The Mercury News, *Opinion: Bay Area food bank numbers tell a sobering: story* https://www.mercurynews.com/2020/12/23/opinion-hunger-in-a-tale-of-two-cities/

² Advancement Project Race Counts data. https://www.racecounts.org/county/alameda/

³ Department of Social Services, Facility Closures and New Licenses Between March 2020 and January 2021, and Net Loss or Gain of Facilities by County as of January 31, 2021: https://app.box.com/s/hsgbvggptmjer2u0cdp5nrc5ic4tqat4

⁴ First 5 Alameda County, *Alameda County Child Care*



The Governor's proposed 2021-2022 budget allocates \$55 million one-time, new general fund dollars to child care. However, the current ongoing crisis highlights the need for additional investments to support the recovery of our communities. First 5 Alameda County requests that the Administration and Legislature take action in the budget to prioritize investments that strengthen and expand a comprehensive child care system and support public systems that proactively center the needs of families with young children.

The following recommendations for the 2021-22 budget are grounded on our <u>policy agenda</u> and our shared success in 2020, please <u>click here</u> to read our annual report.

<u>Invest in Family Basic Needs:</u> We advocate for programs and policies that acknowledge the strain low-income/working people are under and guarantee families and caregivers have a right to basic needs regardless of their ability to pay (e.g., health and safety supplies, food, diapers, housing). The COVID-19 pandemic has put unprecedented stress on our communities with families experiencing job loss, health challenges, housing and food insecurity, and uncertainty about reopening of schools and businesses—particularly low-income and communities of color. We are thankful to have the partnership of agencies like Help a Mother Out and SupplyBank.Org to begin to meet some of this need, but more must be done, for example:

- **Economic support:** We encourage you to support additional measures that expands direct funding beyond the \$2.4 billion included for the Golden Stimulus and increase the number of those eligible—including undocumented workers. Direct financial assistance can be used to pay for food, diapers, and other essential needs.
- **Debt forgiveness for utilities:** To mitigate the economic shock that the pandemic has had on working families.
- **Health:** Permanently extend Medi-Cal coverage for children up to age 5 and for women 12-months postpartum.
- **Mental health services:** Support children and families with culturally appropriate services that are accessible in their community.
- Prenatal and 0-3 programming: Fund services such as doulas, peer-to-peer parent groups, navigation support to resources focused on African American and Asian Pacific Islander communities given maternal and child health disparities.
- Parent navigators and promotores: Invest in trusted community leaders to help families connect with an array of social services.

<u>Increase Reimbursement Rates</u>: Child care reimbursement rates need to be increased to support child care providers who want to re-open and sustain those that remained open during the pandemic. Given that the majority of child care providers are women of color, the reimbursement rates are critical to



closing the racial and gender wage gap in our region. The current state Regional Market Rate (RMR) is based on 2015 numbers rather than current day cost of care. We recommend additional ongoing funding to bring the RMR and Standard Reimbursement Rate up to a level that allows for businesses to pay their workers a living wage.

Pause Expansion of Transitional Kindergarten: The budget proposes a one-time \$250 million incentive for school districts to expand TK for all four-year olds. There are serious concerns that this could further destabilize an already fragile child care sector that provides care for families of infants and toddlers. TK expansion will create logistical and financial hurdles for working families that need full-day care. The entire early care and education system needs to be funded appropriately to support this precedent-setting investment in TK expansion. A better understanding of the implications of this change is needed to ensure that it does not exacerbate inequity.

<u>Maintain or Increase Child Care Voucher Slots</u>: According to the California Association of Alternative Payment Programs, the current budget proposal has a reduction of child care slots of between 8,682 to 15,563 for the entire state. We support a maintenance of vouchers from last year at the very minimum.

Expand Facilities: The current proposal includes \$200 million for Local Education Agencies (LEAs) to expand kindergarten and TK facilities. We propose expanding this funding to non-LEA providers, to improve the full range of early childhood facilities in our mixed-delivery system including those for children ages 0-3. Opening this investment to non-LEA providers would provide more equitable support for the full range of early childhood facilities that children and families depend on.

<u>Invest in ECE Professionals:</u> We support efforts to restore professional development funding that was left out of the 2020-21 budget. This is a critical time to support educator well-being and capacity with culturally responsive, trauma informed, anti-racist professional development opportunities.

<u>Support the Child Care Field in COVID-19 Response:</u> We appreciate the urgent response from the Governor to support the child care field by releasing \$400 million federal funds to meet the immediate needs of providers. In April 2020, First 5 Alameda County launched a <u>Community Resilience Fund</u> and to date has administered more than \$10 million to help children, families, and child care providers cope with the heightened challenges of the pandemic. We urge that the state distribute funds immediately to the child care field to support families with young children so that our families and economy can begin to recover. We also recommend that the state:

- Continue to waive family fees through the pandemic;
- Continue the hold harmless reimbursement based on enrollment, not attendance;
- Waive all licensing fees for providers during the pandemic; and
- Provide direct aid to all child care providers.



Support Alameda County's Priority Local Measures

AB 1294 (Quirk): Alameda County Child Care Subsidy Plan. Thank you for supporting permanence of the current child care reimbursement rate pilot. The pilot has proven successful in expanding access to child care for an estimated 2,000 additional children-- serving children from diverse backgrounds, including low-income children and children of color. Permanence of the pilot would allow funds from the Children's Health and Child Care Initiative of 2020 (Measure C) funds to have greater impact in Alameda County—where the child care field is losing more than an estimated \$18 million per month due to COVID-19 closures and under enrollment.

<u>AB 368 (Gomez Reyes): Food prescriptions.</u> This bill would establish a two-year, food prescription pilot program in partnership with the Medi-Cal managed care plans in three counties including Alameda. This pilot would directly address racial and ethnic health disparities, combat chronic disease, and reduce health care costs as well as nutrition and food insecurity among Medi-Cal beneficiaries that impacts our hardest hit communities.

SB 65 (Skinner): Maternal care and services "Momnibus" We are pleased to see the introduction of this bill to improve perinatal outcomes and address racial pregnancy and birthing mortality disparities for parents and infants. Research points to structural racism, as well as socioeconomic factors contributing to the racial and geographic disparities seen in birthing outcomes of people of color. This bill would re-imagine maternal health in order to improve perinatal outcomes, close racial disparities in maternal and infant mortality and morbidity and improve data collection and research on socioeconomic factors that contribute to negative birth outcomes. In particular, we are excited that this legislation proposes to require Medi-Cal to provide full-spectrum doula care to all pregnant and postpartum people on Medi-Cal who would like one, to provide a monthly stipend to low-income pregnant and postpartum people starting at 6 months of pregnancy and continuing through the postpartum period, lasting until the child is two years old, and to expand Medi-Cal postpartum coverage from 60 days to one year.

Thank you for your leadership and allyship in supporting Alameda County's young children and families. These expanded investments are vital to the well-being of our families and the future of our California economy. We are available to provide additional information to support your decision-making process.

Sincerely,

Kristin Spanos

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CEO

First 5 Alameda

Supervisor Wilma Chan

Alameda County Board of Supervisors First 5 Alameda County Commissioner



cc:

Keith Carson, President, Alameda County Bord of Supervisors
Susan S. Muranishi, Alameda County Administrator
Kris Perry, Deputy Secretary, California Health and Human Services Agency and Senior Advisor to the Governor on Implementation of Early Childhood Development Initiatives
Giannina Pérez, Senior Policy Advisor for Early Childhood, Office of the Governor
Margot Gould, Policy Director, First 5 Association
Melissa Stafford Jones, Executive Director, First 5 Association
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