



June 2, 2016

The Honorable Philip Ting, Chair
Conference Committee
State Capitol, Room 3123
Sacramento, CA 95814

The Honorable Mark Leno, Vice Chair
Conference Committee
State Capitol, Room 5100
Sacramento, CA 95814

Re: Quality Early Education Funding in the 2016–2017 Budget

Dear Chair Ting, Vice Chair Leno, and Conference Committee Members:

On behalf of the California Children and Families Commission (First 5 California), I want to urge the Legislature to put young children first in this year's budget and make the investments in early learning the first priority for surplus budget funds. We support the Assembly early learning budget proposal's size, scope, and design as adopted on May 25, 2016, and urge the Budget Conference Committee to adopt this proposal.

In order to strengthen the deteriorating foundation of our state's early learning system for today and for the foreseeable future, we continue to encourage you to prioritize significant investments in the fundamentally linked areas of affordability, access, and quality, as outlined in the Assembly budget.

In line with the Early Childhood Education Coalition, we support the following areas, in this priority order, for investment in a final budget:

- 1. *Increase reimbursement rates so early care and education providers can maintain current services and take up expansion contracts, thereby ensuring low-income families have continued access to affordable child care and preschool.***
 - Invest in both the Standard Reimbursement Rate and the Regional Market Rate systems to ensure progress toward paying early care and education providers a rate that considers the most current cost of providing services to our youngest population, including the impact of the proposed state minimum wage increase.
- 2. *Expand access to quality early learning for low-income young children and their families through increased slots as well as family-friendly policies to ensure eligibility and continuity of services.***

- Update eligibility guidelines to reflect the current State Median Income (SMI), and increase the exit eligibility level to 85 percent of current SMI so families do not unnecessarily lose services.
- Promote 12-month eligibility and reduced administrative burden for families, consistent with AB 2150 (Santiago).

Contingent on securing reimbursement rate increases so providers/programs can actually afford to expand services, we would recommend:

- Building upon of last year's initial restoration of child care for infants and toddlers in both the General Child Care and Alternative Payment programs.
- Fulfilling the preschool promise of ensuring low-income 4-year-olds have access to early learning before kindergarten and expanding the California State Preschool Program (CSPP).

3. Continue to focus on increasing quality in all settings, supporting the professional development of the workforce, and building the infrastructure to ensure a system that works efficiently for children, families, and providers.

- *Ensure expansion and sustainability of quality improvement systems throughout the state:* Increase the CSPP Quality Rating Improvement System block grant by \$25 million dollars and expand the one-time \$25 million infant and toddler block grant into a \$35 million ongoing program.
- *Build out the statewide consumer education database to streamline access to affordable, quality care and move toward an integrated child care data system:* Leverage the 2015–16 investment for the Child Care Resource & Referral Data Efficiency Project to build out the platform for a comprehensive statewide child care data system, which will link consumer education, program eligibility, and provider information. To move toward this goal, we request \$15 million in one-time Proposition 98 and General Funds.

In addition, we applaud the concept of a Blue Ribbon Commission to establish a comprehensive early learning plan for our state's children ages 0 to 5. We stand ready at First 5 California to be of assistance to this Commission's work.

Early care and education are critical to the current and long-term economic and educational viability of our state. In addition to providing critical support to working families, high-quality early learning programs have proven effective in significantly narrowing the readiness gap, reducing the high school dropout rate, and leading to savings from lower costs related to special education, public assistance, and crime. We respectfully ask you to prioritize our youngest children and their families in this

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year's state budget and urge your visionary leadership in addressing the long-term challenges facing the early learning system.

We look forward to working with the Legislature on an early learning vision worthy of our Golden State and all our children. If you have questions regarding First 5 California's position on this proposal, please contact Erin Gabel, Deputy Director of External and Governmental Affairs, at egabel@ccfc.ca.gov or (916) 263-1093.

Sincerely,



Camille Maben
Executive Director

cc: The Honorable Richard Bloom, California State Assembly
The Honorable Lorena Gonzalez, California State Assembly
The Honorable Jay Obernolte, California State Assembly
The Honorable Kristin Olsen, California State Assembly
The Honorable Patricia Bates, California State Senate
The Honorable Loni Hancock, California State Senate
The Honorable Ricardo Lara, California State Senate
The Honorable Jim Nielsen, California State Senate
George Halvorson, Chair, First 5 California
Joyce Iseri, Vice Chair, First 5 California
Conway Collis, Commissioner, First 5 California
Muntu Davis, Commissioner, First 5 California
Shana Hazan, Commissioner, First 5 California
Lupe Jaime, Commissioner, First 5 California
Erin Pak, Commissioner, First 5 California
Jim Suennen, Ex-Officio Member Designee, First 5 California