

1 [Urging the Governor of California to Reinstate Stage 3 Child Care Funding]

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3 **Resolution urging the Governor of California to reinstate Stage 3 child care funding of**
4 **\$256,000,000 to protect 1,214 children in San Francisco and 81,000 children in**
5 **California and save thousands of jobs and urge the First 5 Commission to provide**
6 **bridge funding until December 2010**

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8 WHEREAS, Funding for CalWORKS was included in the budget voted on by the State
9 Legislature to protect working families who relied on subsidized child care while working
10 towards self-sufficiency; and,

11 WHEREAS, The Governor vetoed funding for Stage 3 child care, a program that has
12 successfully helped families transition from welfare to work since the CalWORKS program
13 went into effect, and provided only two weeks notice to families and with no right to appeal,
14 thus totally eliminating Stage 3 child care effective November 1, 2010; and,

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16 WHEREAS, Stage 3 families have been off welfare for more than 2 years, and Stage 2
17 families are those who recently got off welfare and are in this program for 24 months, while
18 Stage 1 families are those who are currently active on CALWORKS (California Work
19 Opportunity and Responsibility for Kids which is funded by TANF, the Federal Temporary
20 Assistance for Needy Families); and,

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22 WHEREAS, These cuts will impact 1,214 children in San Francisco, and about 400
23 child care providers, with a loss of \$13.02 million; and,

1 WHEREAS, This will also affect Stage 2 families, considering that about 20 children
2 per month will be exiting Stage 2 with nowhere to go except to the Centralized Eligibility List,
3 where more than 4,000 families are already waiting; and,

4 WHEREAS, While state and federal officials have declared the recession "over", San
5 Francisco still struggles with 9.6% unemployment and the state unemployment rate is 12.8%;
6 and,

7 WHEREAS, Working parents contribute towards the cost of their child care through
8 parent fees and most families on Stage 3 child care do not receive welfare assistance
9 anymore because they have transitioned from welfare to the workforce and are low wage
10 workers, earning between \$18,000-\$22,000 annually; and,

11 WHEREAS, Working parents and child care small businesses contribute to the local
12 economy and the total Stage 3 loss of \$13 million dollars in San Francisco have a multiplier
13 effect worth \$45 million (based on 2009 Study on the Economics of Child Care, Cornell
14 University) to our San Francisco economy; and,

15 WHEREAS, The loss of the \$256 million in Stage 3 program means an effect on the
16 state's economy of \$ 896,000,000 - almost **\$1 billion dollars**; and,

17 WHEREAS, Other cuts in child care in the Governor's budget equal \$597 million in
18 the areas of lower pay for child care providers; child care for migrant children, and cuts to
19 programs that guarantee child care quality; and,

20 WHEREAS, Governor Schwarzenegger's decision to blue pencil Stage 3 CalWORKS
21 child care will create unemployment and dependence on cash aid during a recession, and this
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1 loss will exacerbate the erosion of the child care infrastructure caused by the historic 100-
2 days-late budget; and,

3 WHEREAS, Without reliable child care, our citizens will not be able to reenter the
4 workforce, and this causes extreme hardship to families with young children which has a
5 multiplier effect on our economy; now, therefore, be it

6 RESOLVED, That the San Francisco Board of Supervisors strongly urges Governor
7 Schwarzenegger to reinstate Stage 3 child care as soon as possible so that families do not
8 lose their jobs; and, be it

9 FURTHER RESOLVED, That the San Francisco Board of Supervisor supports Parent
10 Voices in their fight to restore this Stage 3 funding, and applauds their efforts to engage all
11 affected families and provide an opportunity for them to voice their concerns; and, be it

12 FURTHER RESOLVED, That the San Francisco Board of Supervisors urges the State
13 First 5 Commission to provide bridge funding while this matter is resolved, so that families will
14 have continuity of care until the legislature has restored the funding during the next legislative
15 session.
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City and County of San Francisco
Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 101328

Date Passed: October 26, 2010

Resolution urging the Governor of California to reinstate Stage 3 child care funding of \$256,000,000 to protect 1,214 children in San Francisco and 81,000 children in California and to save thousands of jobs and urge the First 5 Commission to provide bridge funding until December 2010.

October 26, 2010 Board of Supervisors - ADOPTED

Ayes: 10 - Avalos, Campos, Chiu, Chu, Daly, Dufty, Elsbernd, Mar, Maxwell and Mirkarimi
Excused: 1 - Alioto-Pier

File No. 101328

I hereby certify that the foregoing Resolution was ADOPTED on 10/26/2010 by the Board of Supervisors of the City and County of San Francisco.



Mayor Gavin Newsom



Angela Calvillo
Clerk of the Board

November 5, 2010
Date Approved