

Agenda Report

TO: City Council

Date: January 10, 2000

THROUGH: Legislative Policy Committee

FROM: City Manager

SUBJECT: Support of State and Federal Legislation to Expand, Increase, and Improve the Availability of Childcare Subsidies for Low and Moderate-Income Families

RECOMMENDATION:

It is recommended that the City Council support State and federal legislation that will expand, increase or otherwise improve the availability of and access to childcare subsidies for low and moderate-income families.

BACKGROUND:

The working poor families and welfare recipients of Los Angeles are facing a shortfall of state funding to address their childcare cost. Over the past few years, unprecedented changes in the welfare system forced families to transition from welfare to work and caused a surge in the demand for affordable, quality childcare. As California began to face a greater demand for childcare, larger investments in the childcare subsidies became necessary to enable parents to find and keep jobs without worrying about the health and safety of their children. Unfortunately, many of those parents who have successfully moved from welfare into the workplace will lose those childcare subsidies over the next six months, as they face a two-year cutoff deadline. Most of these families are not yet earning wages that will support the full cost of childcare assistance if they leave their jobs and return to the welfare system. In some cases, problems with long waiting lists for spaces in licensed child care programs, complications with the voucher system, and other paperwork requirements appear to have created problems both for parents and for caregivers in accessing and utilizing available childcare subsidies.

According to the City of Pasadena's – Quality of Life in Pasadena 1998, it is difficult to establish the actual shortfall between supply and demand today. The most recent assessment of unmet need for child-care spaces (1992) suggested a shortfall of over 15,000 spaces, nearly 10,000 of which were for school-aged children. Even with the increased capacity of over 4,000 spaces at commercial child-care centers in the past ten years, it is likely that a shortfall remains. In addition, the caregivers and families of

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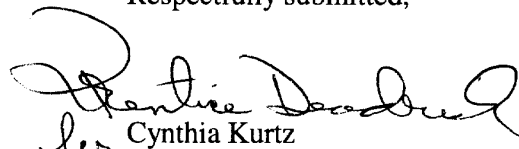
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approximately 7,000 children currently receiving CalWORKS public assistance will need some form of child care in order to participate in job training, rejoin the workforce, or perform community services 32 hours per week, as mandated by Welfare Reform. The issue of childcare affordability, particularly for single-parent households earning minimum or near-minimum wages with infants, toddlers and preschool-age children, is of particular concern to low-and moderate-income working families.

FISCAL IMPACT:

This recommendation has no fiscal impact on the City General Fund.

Respectfully submitted,


for Cynthia Kurtz
City Manager

Prepared by:



Lisa Jeffery,
Citywide Recreation and Human Services Administrator

Approved by:



Patsy Lane,
Director Human Services, Recreation and Neighborhoods Department

Attachment