



April 22, 2021

The Honorable Ash Karla
 Chair, Assembly Committee on Labor and Employment
 Legislative Office Building
 1020 N Street, Room 155
 Sacramento, CA 95814

Re: AB 1179 (Carrillo): Employer provided benefit: backup childcare – OPPOSE

Dear Chair Karla:

On behalf of the above business organizations in the Inland Empire, we write to express our opposition to AB 1179, which would mandate employers pay for up to 60 hours of childcare benefits per employee per year.

AB 1179 imposes another California-only employee requirement, by forcing employers to pay for up to 60 hours of childcare for each employee. While the bill is ostensibly applicable only to large employers with 1,000 or more employees, those employees don't necessarily need to be located in California for this law to apply. Employers with a limited workforce in California would still be exposed to this new mandate if they have a larger workforce in other states, further encouraging these employers to leave California. While one more paid benefit may not seem significant in isolation, this mandate must be viewed in the context of all of California's other leaves and paid benefits. California has numerous protected, overlapping leaves and benefits requirements. Despite the economic struggles that businesses have faced in light of COVID-19, the Legislature has only

added more overlapping leaves over the last year, and as this bill demonstrates, continues to propose even more.

A robust, quality and affordable childcare network is not only crucial for the development of young children, but also essential for the millions of working parents with young children. Without viable childcare solutions, and reopened schools, working parents will have a difficult time returning to work, especially as unemployment is concentrated in industries that provide in-person services. The issue is not whether childcare should be robustly available, but who is responsible for paying for this service. Employers cannot be the safety net for this pandemic or for addressing the ills of society generally. It is inappropriate to place this mandate on the shoulders of employers.

The recently-passed federal ARPA provided \$15 billion nationwide for the Child Care and Development Block Grant program for essential workers, and \$24 billion for a childcare stabilization fund, both available through fiscal year 2021. According to the Center for Law and Social Policy, California can expect to receive about \$3.76 billion from these two sources alone. Should this source of funds be inadequate, California State government is enjoying \$22 billion in budget reserves, before an expected \$15 billion revenue windfall in May, with about \$26 billion in expected aid just for the state from the federal American Rescue Plan Act. The past two federal stimulus bills allocated funds to increase the Child Tax Credit and Child and Dependent Care Tax Credits in 2021 to help families offset childcare costs as well as funds to help prevent childcare centers from closing permanently. The Legislature could provide similar relief for its residents and help reduce the costs that childcare centers must charge to break even instead of shifting that cost to private employers and local governments.

For these reasons and others, we urge you to oppose AB 1179. If you have any questions or would like to discuss our position in greater detail, please contact Luis Portillo at 909-944-2201 or by email at lportillo@ieep.com. Thank you.

Sincerely,

Bette Rader Beaumont Chamber of Commerce	Ellen Clarke Big Bear Chamber of Commerce	Zeb Welborn Chino Valley Chamber of Commerce
Bobby Spiegel Corona Chamber of Commerce	Andrea De Leon Fontana Chamber of Commerce	Joshua Bonner Greater Coachella Valley Chamber of Commerce

<p>Mark Creffield Greater High Desert Chamber of Commerce</p>	<p>Peggi Hazlett Greater Ontario Business Council</p>	<p>Cyndi Lemke Hemet San Jacinto Chamber of Commerce</p>
<p>Chris Nielsen Highland Chamber of Commerce</p>	<p>Paul Granillo Inland Empire Economic Partnership</p>	<p>Maneesha Jones Menifee Valley Chamber of Commerce</p>
<p>Oscar Valdepeña Moreno Valley Chamber of Commerce</p>	<p>Patrick Ellis Murrieta/Wildomar Chamber of Commerce</p>	<p>Ignacio Valdivia Perris Valley Chamber of Commerce</p>
<p>Monique Manzanares Pomona Chamber of Commerce</p>	<p>Robert Hufnagel Rancho Cucamonga Chamber of Commerce</p>	<p>John Mills Redlands Chamber of Commerce</p>
<p>Emily Falappino Temecula Valley Chamber of Commerce</p>	<p>Peggy Robertson Upland Chamber of Commerce</p>	

Cc: Assembly Member Wendy Carrillo