



June 9, 2022

Jennifer Hernandez, Deputy Director
Family Engagement and Empowerment Division
California Department of Social Services
744 P Street
Sacramento, CA 95814

RE: Advocates Urge State to Seek Extension of USDA's Area Eligibility Waiver

Dear Ms. Hernandez,

On behalf of the [CACFP Roundtable](#) and the thousands of community-based organizations and child care sites we work with across California (and even more nationwide), we are writing to urge the California Department of Social Services to seek an extension of USDA's *Area Eligibility in Afterschool Programs and Family Child Care Homes*, which is set to expire on June 30, 2022.

This waiver's expiration represents an ominous funding cliff that will have severe impacts on children, families, and child care providers, particularly family child care providers. As one [policy commentator](#) put it, "a little-noticed meteorite is about to smash into family child care providers."

Without action, many family child care providers have just 21 more days until the funds they receive for healthy meals through the Child and Adult Care Food Program (CACFP) drops dramatically. For example, a "Tier 2" family child care provider who receives reimbursements for breakfast, lunch, and one snack each school day for the eight children in their care, will see \$100 less each week. A few bleak options will come next: the costs of meals will get passed off to parents (~\$55 a month), there will be a decrease in the quality (and thereby cost) of foods served, or meals and snacks will stop being served to children altogether.

To be explicitly clear, being classified as Tier 2 does not mean the family child care provider is serving families with high incomes. In fact, the cutoff for Tier 1 is at 185% of the federal poverty level, or \$42,600 for a family of three. California's "[living wage](#)" for a family of three is \$99,757 annually; whereas [median income](#) for a family of three in 2020 was just \$88,235.

Similarly, children in afterschool care programs will also feel the impact of this waiver expiring, with many programs losing access to meals. As we've already discussed, the federal definitions of income-based need do not accurately reflect need in our California communities and it is common for afterschool programs to transport kids across neighborhoods, directly impacting their "area eligibility," regardless of their household income. As demonstrated during the pandemic, the *Area Eligibility* waiver is a powerful tool for decreasing childhood hunger.

The timing could not be worse. During the early months of the pandemic in California, [30% of households with children were food insecure](#). Experiencing a disproportionate impact were Hispanic households with children (37%) and Black households with children (34%). [A new report](#) reveals the sustained and disproportionate impact of the pandemic on families and children – 45% of the state's undocumented residents are facing food insecurity, mostly children. Sadly, child care providers experience similar hardship, as [1 in 3 child care workers](#) experienced food insecurity in 2020.

As you know, our child care workforce is essential to fully repairing the harm of the pandemic and downstream effects have caused for our families with young children. As you also know, this workforce continues to be under-resourced. The supply-chain problem and inflation are further burdening the bottom line of the child care workforce with rapidly rising costs of food, sanitation supplies, and other basic expenses. [According to USDA](#), the cost of food-at-home (grocery store or supermarket food purchases) increased 1.3% from March 2022 to April 2022 alone, and was 10.8% higher than April 2021! In 2022, food-at-home prices are predicted to increase again between 7% and 8%. Nonetheless, it is estimated that the current reimbursements for CACFP meals only cover about a quarter of the cost – and far less than that for Tier 2 providers who are about to be reimbursed at a 52% decrease.

Advocates have long argued that tiering in the CACFP is a relic of older era policies that focus on limiting access to social safety net programs. In the wake of the pandemic and the in the midst of a suffering economy still reeling from pandemic hardship, **now is not the time to strip away funding** and resources from child care providers, afterschool programs, and the children and families they serve.

Thank you for your leadership through the CACFP and your willingness to take bold steps to decrease childhood hunger and support our state's child care workforce by seeking an extension of USDA's *Area Eligibility Waiver*. Please do not hesitate to contact the CACFP Roundtable with any questions you may have.

Sincerely,



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