

ASSEMBLY BILL

No. 260

Introduced by Assembly Member Gordon

(Principal coauthor: Senator Hill)

(Coauthors: Assembly Members Ammiano, Mullin, and Ting)

(Coauthor: Senator Leno)

February 7, 2013

An act to amend Sections 8335.5, 8335.7, 8344, and 8346 of, and to add Article 15.4 (commencing with Section 8347) to Chapter 2 of Part 5 of Division 1 of Title 1 of the Education Code, relating to child care and development services.

LEGISLATIVE COUNSEL'S DIGEST

AB 260, as introduced, Gordon. Individualized county child care subsidy plans.

Existing law authorizes the City and County of San Francisco and the County of San Mateo, as a pilot projects, to develop and implement individualized county child care subsidy plans for the purpose of ensuring that child care subsidies received in those counties are used to address local needs, conditions, and priorities of working families. The provisions authorizing those pilot programs are similar, but not identical. Existing law repeals the provisions relating to the City and County of San Francisco pilot project on January 1, 2017, and repeals the provisions relating to the San Mateo pilot program on January 1, 2016.

This bill would make those provisions inoperative on July 1, 2014, and as of that date, would authorize those individualized county child care plans to continue in accordance with specified requirements. The bill would require the Child Development Division of the State

Department of Education to review and approve or disapprove modifications to the plans. The bill would require each county to annually prepare and submit to the Legislature, the State Department of Social Services, and the State Department of Education a report that contains specified information relating to the success of the county’s plan.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 8335.5 of the Education Code is amended
2 to read:

3 8335.5. The City and County of San Francisco may implement
4 an individualized child care subsidy plan *as a pilot program*
5 *pursuant to this article* until July 1, 2014, at which date the city
6 and county ~~shall terminate the plan. Between July 1, 2014, and~~
7 ~~July 1, 2016, the city and county shall phase out the individualized~~
8 ~~county child care subsidy plan and, as of July 1, 2016, shall~~
9 ~~implement the state’s requirements for child care subsidies. A child~~
10 ~~enrolling for the first time for subsidized child care in the city and~~
11 ~~county after July 1, 2014, shall not be enrolled in the pilot program~~
12 ~~established pursuant to this article and is subject to existing state~~
13 ~~laws and regulations regarding child care eligibility and priority.~~
14 *may continue to implement the individualized child care subsidy*
15 *plan in accordance with the requirements of Article 15.4*
16 *(commencing with Section 8347).*

17 SEC. 2. Section 8335.7 of the Education Code is amended to
18 read:

19 8335.7. This article shall become inoperative on July 1, ~~2016~~
20 ~~2014~~, and as of January 1, ~~2017~~ 2015, is repealed, unless a later
21 enacted statute, that is enacted before January 1, ~~2017~~ 2015, deletes
22 or extends the dates on which it becomes inoperative and is
23 repealed.

24 SEC. 3. Section 8344 of the Education Code is amended to
25 read:

26 8344. The County of San Mateo may implement its
27 individualized county child care subsidy plan *as a pilot program*
28 *pursuant to this article* until ~~January~~ July 1, 2014, at which date
29 the County of San Mateo ~~shall terminate the plan. Between January~~

1 1, 2014, and January 1, 2016, the County of San Mateo shall phase
2 out the individualized county child care subsidy plan and, as of
3 January 1, 2016, shall implement the state's requirements for child
4 care subsidies. A child enrolling for the first time for subsidized
5 child care in San Mateo County after January 1, 2014, shall not
6 be enrolled in the pilot program established pursuant to this article
7 and is subject to existing state laws and regulations regarding child
8 care eligibility and priority. *may continue to implement the*
9 *individualized child care subsidy plan in accordance with the*
10 *requirements of Article 15.4 (commencing with Section 8347).*

11 SEC. 4. Section 8346 of the Education Code is amended to
12 read:

13 8346. This article shall ~~remain in effect only until January 1,~~
14 ~~2016; become inoperative on July 1, 2014,~~ and as of ~~that date~~
15 *January 1, 2015*, is repealed, unless a later enacted statute, which
16 is enacted before January 1, ~~2016; 2015~~, deletes or extends ~~that~~
17 ~~date~~ *the dates on which it becomes inoperative and is repealed.*

18 SEC. 5. Article 15.4 (commencing with Section 8347) is added
19 to Chapter 2 of Part 6 of Division 1 of Title 1 of the Education
20 Code, to read:

21
22 Article 15.4. Individualized County Child Care Subsidy Plans
23

24 8347. On and after July 1, 2014, the individualized county
25 child care subsidy plans for the County of San Mateo and the City
26 and County of San Francisco that were developed as pilot projects
27 pursuant to Article 15.2 (commencing with Section 8335) and
28 Article 15.3 (commencing with Section 8340), as those articles
29 read on January 1, 2013, may continue in existence and may be
30 implemented in accordance with the provisions of this article. The
31 plans shall ensure that child care subsidies received by the County
32 of San Mateo and the City and County of San Francisco are used
33 to address local needs, conditions, and priorities of working
34 families in those communities.

35 8347.1. For purposes of this article, "county" means the County
36 of San Mateo or the City and County of San Francisco.

37 8347.2. For purposes of this article, "plan" means an
38 individualized county child care subsidy plan developed and
39 approved under the pilot projects described in Section 8347, which
40 includes all of the following:

1 (a) An assessment to identify the county's goal for its subsidized
2 child care system. The assessment shall examine whether the
3 current structure of subsidized child care funding adequately
4 supports working families in the county and whether the county's
5 child care goals coincide with the state's requirements for funding,
6 eligibility, priority, and reimbursement. The assessment shall also
7 identify barriers in the state's child care subsidy system that inhibit
8 the county from meeting its child care goals. In conducting the
9 assessment, the county shall consider all of the following:

10 (1) The general demographics of families who are in need of
11 child care, including employment, income, language, ethnic, and
12 family composition.

13 (2) The current supply of available subsidized child care.

14 (3) The level of need for various types of subsidized child care
15 services, including, but not limited to, infant care, after-hours care,
16 and care for children with exceptional needs.

17 (4) The county's self-sufficiency income level.

18 (5) Income eligibility levels for subsidized child care.

19 (6) Family fees.

20 (7) The cost of providing child care.

21 (8) The regional market rates, as established by the department,
22 for different types of child care.

23 (9) The standard reimbursement rate or state per diem for centers
24 operating under contracts with the department.

25 (10) Trends in the county's unemployment rate and housing
26 affordability index.

27 (b) (1) Development of a local policy to eliminate state-imposed
28 regulatory barriers to the county's achievement of its desired
29 outcomes for subsidized child care.

30 (2) The local policy shall do all of the following:

31 (A) Prioritize lowest income families first.

32 (B) Follow the family fee schedule established pursuant to
33 subdivision (g) of Section 8263 for those families that are income
34 eligible, as defined by Section 8263.1.

35 (C) Meet local goals that are consistent with the state's child
36 care goals.

37 (D) Identify existing policies that would be affected by the
38 county's plan.

39 (E) (i) Authorize any agency that provides child care and
40 development services in the county through a contract with the

1 department to apply to the department to amend existing contracts
2 in order to benefit from the local policy.

3 (ii) The department shall approve an application to amend an
4 existing contract if the plan is modified pursuant to Section 8347.3.

5 (iii) The contract of a department contractor who does not elect
6 to request an amendment to its contract remains operative and
7 enforceable.

8 (3) The local policy may supersede state law concerning child
9 care subsidy programs with regard only to the following factors:

10 (A) Eligibility criteria, including, but not limited to, age, family
11 size, time limits, income level, inclusion of former and current
12 CalWORKs participants, and special needs considerations, except
13 that the local policy may not deny or reduce eligibility of a family
14 that qualifies for child care pursuant to Section 8353. Under the
15 local policy, a family that qualifies for child care pursuant to
16 Section 8354 shall be treated for purposes of eligibility and fees
17 in the same manner as a family that qualifies for subsidized child
18 care on another basis pursuant to the local policy.

19 (B) Fees, including, but not limited to, family fees, sliding scale
20 fees, and copayments for those families that are not income eligible,
21 as defined by Section 8263.1.

22 (C) Reimbursement rates.

23 (D) Methods of maximizing the efficient use of subsidy funds,
24 including, but not limited to, multiyear contracting with the
25 department for center-based child care, and interagency agreements
26 that allow for flexible and temporary transfer of funds among
27 agencies.

28 (c) Recognition that all funding sources utilized by direct service
29 contractors that provide child care and development services in
30 the county are eligible to be included in the county's plan.

31 (d) Establishment of measurable outcomes to evaluate the
32 success of the plan to achieve the county's child care goals, and
33 to overcome any barriers identified in the state's child care subsidy
34 system.

35 8347.3. (a) Within 30 days of receiving any modification to
36 the plan, the Child Development Division shall review and either
37 approve or disapprove that modification to the plan.

38 (b) The Child Development Division may disapprove only those
39 portions of modifications to the plan that are not in conformance
40 with this article or that are in conflict with federal law.

1 8347.4. (a) The county shall annually prepare and submit to
2 the Legislature, the State Department of Social Services, and the
3 department a report that summarizes the success of the county's
4 plan, and the county's ability to maximize the use of funds and to
5 improve and stabilize child care in the county.

6 (b) (1) The requirement for submitting a report imposed under
7 subdivision (a) is inoperative on January 1, 2018, pursuant to
8 Section 10231.5 of the Government Code.

9 (2) A report to be submitted pursuant to subdivision (a) shall
10 be submitted in compliance with Section 9795 of the Government
11 Code.

12 8347.5. A participating contractor shall receive any increase
13 or decrease in funding that the contractor would have received if
14 the contractor had not participated in the plan.