

AMENDED IN SENATE JULY 9, 2013  
AMENDED IN ASSEMBLY MAY 24, 2013  
AMENDED IN ASSEMBLY APRIL 24, 2013  
AMENDED IN ASSEMBLY APRIL 10, 2013  
AMENDED IN ASSEMBLY MARCH 19, 2013  
CALIFORNIA LEGISLATURE—2013–14 REGULAR SESSION

**ASSEMBLY BILL**

**No. 274**

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**Introduced by Assembly Member Bonilla  
(Coauthors: Assembly Members Buchanan and Ian Calderon)**

February 11, 2013

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An act to amend Section 8208 of, and to add Sections 8221.5, 8227.3, 8262.1, and 8262.3 to, the Education Code, relating to child care and development services.

LEGISLATIVE COUNSEL'S DIGEST

AB 274, as amended, Bonilla. Child care and development services.

(1) The Child Care and Development Services Act, administered by the State Department of Education, provides that children up to 13 years of age are eligible, with certain requirements, for child care and development services. The act requires the department to contract with local contracting agencies to provide for alternative payment programs, and authorizes alternative payment programs for services provided in licensed centers and family day care homes and for other types of programs that conform to applicable law.

This bill would require child care providers authorized to provide services pursuant to those provisions to submit to the alternative payment

program a monthly attendance record or invoice for each child who received services that, *at a minimum*, documents hours of care provided based on need certified by the alternative payment program. The bill would specify the meaning of “attendance” for purposes of reimbursement to providers through an alternative payment program, *the dates and actual times care was provided each day*. The bill would require the monthly attendance record or invoice to include the dates and times of attendance, and, *at a minimum, be signed by the parent or guardian of the child receiving services and the child care provider once per month to attest that the child’s attendance is accurately reflected*. The bill would require verification of attendance to be made by ~~single signature~~, *signature at the end of each month of care and under penalty of perjury, of perjury by both the parent or guardian of the child receiving services and the child care provider*. By expanding the scope of the crime of perjury, the bill would impose a state-mandated local program. The bill would require *an alternative payment providers program to accept the monthly attendance record or invoice as documentation of the hours of care provided if the attendance record or invoice includes adequate information documented on a daily basis, as specified*. The bill would specify the hours or days and hours that an alternative payment program is required to reimburse.

The bill would also authorize alternative payment programs and providers *and other contractors providing child care development services to maintain records electronically in electronic format if the original documents were created in electronic format*, including, but not limited to, child immunization records.

(2) Existing law authorizes the Superintendent of Public Instruction to enter into and execute local contractual agreements with any public or private entity or agency for the delivery of child care and development services related to the delivery of child care and development services or the furnishing of property, facilities, personnel, supplies, equipment, and administrative services related to the delivery of child care development services.

This bill would require the department, on and after the date on which the Superintendent determines that the Financial Information System for California has been implemented within the department, at the request of a contractor, to request the Controller to make payments via direct deposit by electronic funds transfer, as specified.

(3) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes.

State-mandated local program: yes.

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

1 SECTION 1. ~~Section 8208 of the Education Code is amended~~  
2 ~~to read:~~

3 ~~8208. As used in this chapter:~~

4 (a) ~~“Alternative payments” includes payments that are made by~~  
5 ~~one child care agency to another agency or child care provider for~~  
6 ~~the provision of child care and development services, and payments~~  
7 ~~that are made by an agency to a parent for the parent’s purchase~~  
8 ~~of child care and development services.~~

9 (b) ~~“Alternative payment program” means a local government~~  
10 ~~agency or nonprofit organization that has contracted with the~~  
11 ~~department pursuant to Section 8220.1 to provide alternative~~  
12 ~~payments and to provide support services to parents and providers.~~

13 (c) ~~“Applicant or contracting agency” means a school district,~~  
14 ~~community college district, college or university, county~~  
15 ~~superintendent of schools, county, city, public agency, private~~  
16 ~~nontax-exempt agency, private tax-exempt agency, or other entity~~  
17 ~~that is authorized to establish, maintain, or operate services~~  
18 ~~pursuant to this chapter. Private agencies and parent cooperatives,~~  
19 ~~duly licensed by law, shall receive the same consideration as any~~  
20 ~~other authorized entity with no loss of parental decisionmaking~~  
21 ~~prerogatives as consistent with the provisions of this chapter.~~

22 (d) ~~“Assigned reimbursement rate” is that rate established by~~  
23 ~~the contract with the agency and is derived by dividing the total~~  
24 ~~dollar amount of the contract by the minimum child day of average~~  
25 ~~daily enrollment level of service required.~~

26 (e) (1) ~~“Attendance” means the number of children present at~~  
27 ~~a child care and development facility where services are provided.~~

28 (2) ~~For purposes of reimbursement, attendance includes excused~~  
29 ~~absences of children because of illness, quarantine, illness or~~  
30 ~~quarantine of their parent, family emergency, or to spend time with~~

1 a parent or other relative as required by a court of law or that is  
2 clearly in the best interest of the child.

3 ~~(3) For purposes of reimbursement to providers through an~~  
4 ~~alternative payment program, attendance includes any of the~~  
5 ~~following:~~

6 ~~(A) The hours of service provided that are broadly consistent~~  
7 ~~with certified hours of need.~~

8 ~~(B) For families with variable schedules, the actual days and~~  
9 ~~hours of attendance up to the maximum certified hours.~~

10 ~~(C) In the case of license-exempt providers that provide~~  
11 ~~part-time services, the actual days and hours of attendance.~~

12 ~~(4) For purposes of reimbursement to providers through an~~  
13 ~~alternative payment program, contractors shall not be required to~~  
14 ~~track absences.~~

15 ~~(f) “Capital outlay” means the amount paid for the renovation~~  
16 ~~and repair of child care and development facilities to comply with~~  
17 ~~state and local health and safety standards, and the amount paid~~  
18 ~~for the state purchase of relocatable child care and development~~  
19 ~~facilities for lease to qualifying contracting agencies.~~

20 ~~(g) “Caregiver” means a person who provides direct care,~~  
21 ~~supervision, and guidance to children in a child care and~~  
22 ~~development facility.~~

23 ~~(h) “Child care and development facility” means a residence or~~  
24 ~~building or part of a residence or building in which child care and~~  
25 ~~development services are provided.~~

26 ~~(i) “Child care and development programs” means those~~  
27 ~~programs that offer a full range of services for children from~~  
28 ~~infancy to 13 years of age, for any part of a day, by a public or~~  
29 ~~private agency, in centers and family child care homes. These~~  
30 ~~programs include, but are not limited to, all of the following:~~

31 ~~(1) General child care and development.~~

32 ~~(2) Migrant child care and development.~~

33 ~~(3) Child care provided by the California School Age Families~~  
34 ~~Education Program (Article 7.1 (commencing with Section 54740)~~  
35 ~~of Chapter 9 of Part 29 of Division 4 of Title 2).~~

36 ~~(4) California state preschool program.~~

37 ~~(5) Resource and referral.~~

38 ~~(6) Child care and development services for children with~~  
39 ~~exceptional needs.~~

40 ~~(7) Family child care home education network.~~

1 ~~(8) Alternative payment.~~

2 ~~(9) Schoolage community child care.~~

3 ~~(j) “Child care and development services” means those services~~  
4 ~~designed to meet a wide variety of needs of children and their~~  
5 ~~families, while their parents or guardians are working, in training,~~  
6 ~~seeking employment, incapacitated, or in need of respite. These~~  
7 ~~services may include direct care and supervision, instructional~~  
8 ~~activities, resource and referral programs, and alternative payment~~  
9 ~~arrangements.~~

10 ~~(k) “Children at risk of abuse, neglect, or exploitation” means~~  
11 ~~children who are so identified in a written referral from a legal,~~  
12 ~~medical, or social service agency, or emergency shelter.~~

13 ~~(l) “Children with exceptional needs” means either of the~~  
14 ~~following:~~

15 ~~(1) Infants and toddlers under three years of age who have been~~  
16 ~~determined to be eligible for early intervention services pursuant~~  
17 ~~to the California Early Intervention Services Act (Title 14~~  
18 ~~(commencing with Section 95000) of the Government Code) and~~  
19 ~~its implementing regulations. These children include an infant or~~  
20 ~~toddler with a developmental delay or established risk condition,~~  
21 ~~or who is at high risk of having a substantial developmental~~  
22 ~~disability, as defined in subdivision (a) of Section 95014 of the~~  
23 ~~Government Code. These children shall have active individualized~~  
24 ~~family service plans, shall be receiving early intervention services,~~  
25 ~~and shall be children who require the special attention of adults in~~  
26 ~~a child care setting.~~

27 ~~(2) Children 3 to 21 years of age, inclusive, who have been~~  
28 ~~determined to be eligible for special education and related services~~  
29 ~~by an individualized education program team according to the~~  
30 ~~special education requirements contained in Part 30 (commencing~~  
31 ~~with Section 56000) of Division 4 of Title 2, and who meet~~  
32 ~~eligibility criteria described in Section 56026 and, Article 2.5~~  
33 ~~(commencing with Section 56333) of Chapter 4 of Part 30 of~~  
34 ~~Division 4 of Title 2, and Sections 3030 and 3031 of Title 5 of the~~  
35 ~~California Code of Regulations. These children shall have an active~~  
36 ~~individualized education program, shall be receiving early~~  
37 ~~intervention services or appropriate special education and related~~  
38 ~~services, and shall be children who require the special attention of~~  
39 ~~adults in a child care setting. These children include children with~~  
40 ~~intellectual disabilities, hearing impairments (including deafness),~~

1 speech or language impairments, visual impairments (including  
2 blindness), serious emotional disturbance (also referred to as  
3 emotional disturbance), orthopedic impairments, autism, traumatic  
4 brain injury, other health impairments, or specific learning  
5 disabilities, who need special education and related services  
6 consistent with Section 1401(3)(A) of Title 20 of the United States  
7 Code.

8 (m) “Closedown costs” means reimbursements for all approved  
9 activities associated with the closing of operations at the end of  
10 each growing season for migrant child development programs  
11 only.

12 (n) “Cost” includes, but is not limited to, expenditures that are  
13 related to the operation of child care and development programs.  
14 “Cost” may include a reasonable amount for state and local  
15 contributions to employee benefits, including approved retirement  
16 programs, agency administration, and any other reasonable program  
17 operational costs. “Cost” may also include amounts for licensable  
18 facilities in the community served by the program, including lease  
19 payments or depreciation, downpayments, and payments of  
20 principal and interest on loans incurred to acquire, rehabilitate, or  
21 construct licensable facilities, but these costs shall not exceed fair  
22 market rents existing in the community in which the facility is  
23 located. “Reasonable and necessary costs” are costs that, in nature  
24 and amount, do not exceed what an ordinary prudent person would  
25 incur in the conduct of a competitive business.

26 (o) “Elementary school,” as contained in former Section 425 of  
27 Title 20 of the United States Code (the National Defense Education  
28 Act of 1958, Public Law 85-864, as amended), includes early  
29 childhood education programs and all child development programs,  
30 for the purpose of the cancellation provisions of loans to students  
31 in institutions of higher learning.

32 (p) “Family child care home education network” means an entity  
33 organized under law that contracts with the department pursuant  
34 to Section 8245 to make payments to licensed family child care  
35 home providers and to provide educational and support services  
36 to those providers and to children and families eligible for  
37 state-subsidized child care and development services. A family  
38 child care home education network may also be referred to as a  
39 family child care home system.

1 ~~(q) “Health services” include, but are not limited to, all of the~~  
2 ~~following:~~

3 ~~(1) Referral, whenever possible, to appropriate health care~~  
4 ~~providers able to provide continuity of medical care.~~

5 ~~(2) Health screening and health treatment, including a full range~~  
6 ~~of immunization recorded on the appropriate state immunization~~  
7 ~~form to the extent provided by the Medi-Cal Act (Chapter 7~~  
8 ~~(commencing with Section 14000) of Part 3 of Division 9 of the~~  
9 ~~Welfare and Institutions Code) and the Child Health and Disability~~  
10 ~~Prevention Program (Article 6 (commencing with Section 124025)~~  
11 ~~of Chapter 3 of Part 2 of Division 106 of the Health and Safety~~  
12 ~~Code), but only to the extent that ongoing care cannot be obtained~~  
13 ~~utilizing community resources.~~

14 ~~(3) Health education and training for children, parents, staff,~~  
15 ~~and providers.~~

16 ~~(4) Followup treatment through referral to appropriate health~~  
17 ~~care agencies or individual health care professionals.~~

18 ~~(r) “Higher educational institutions” means the Regents of the~~  
19 ~~University of California, the Trustees of the California State~~  
20 ~~University, the Board of Governors of the California Community~~  
21 ~~Colleges, and the governing bodies of any accredited private~~  
22 ~~nonprofit institution of postsecondary education.~~

23 ~~(s) “Intergenerational staff” means persons of various~~  
24 ~~generations.~~

25 ~~(t) “Limited-English-speaking-proficient \_\_\_\_\_ and~~  
26 ~~non-English-speaking-proficient children” means children who~~  
27 ~~are unable to benefit fully from an English-only child care and~~  
28 ~~development program as a result of either of the following:~~

29 ~~(1) Having used a language other than English when they first~~  
30 ~~began to speak.~~

31 ~~(2) Having a language other than English predominantly or~~  
32 ~~exclusively spoken at home.~~

33 ~~(u) “Parent” means a biological parent, stepparent, adoptive~~  
34 ~~parent, foster parent, caretaker relative, or any other adult living~~  
35 ~~with a child who has responsibility for the care and welfare of the~~  
36 ~~child.~~

37 ~~(v) “Program director” means a person who, pursuant to Sections~~  
38 ~~8244 and 8360.1, is qualified to serve as a program director.~~

39 ~~(w) “Proprietary child care agency” means an organization or~~  
40 ~~facility providing child care, which is operated for profit.~~

1 ~~(x) “Resource and referral programs” means programs that~~  
2 ~~provide information to parents, including referrals and coordination~~  
3 ~~of community resources for parents and public or private providers~~  
4 ~~of care. Services frequently include, but are not limited to: technical~~  
5 ~~assistance for providers, toy-lending libraries, equipment-lending~~  
6 ~~libraries, toy- and equipment-lending libraries, staff development~~  
7 ~~programs, health and nutrition education, and referrals to social~~  
8 ~~services.~~

9 ~~(y) “Severely disabled children” are children with exceptional~~  
10 ~~needs from birth to 21 years of age, inclusive, who require intensive~~  
11 ~~instruction and training in programs serving pupils with the~~  
12 ~~following profound disabilities: autism, blindness, deafness, severe~~  
13 ~~orthopedic impairments, serious emotional disturbances, or severe~~  
14 ~~intellectual disabilities. “Severely disabled children” also include~~  
15 ~~those individuals who would have been eligible for enrollment in~~  
16 ~~a developmental center for handicapped pupils under former~~  
17 ~~Chapter 6 (commencing with Section 56800) of Part 30 of Division~~  
18 ~~4 of Title 2 as it read on January 1, 1980.~~

19 ~~(z) “Short-term respite child care” means child care service to~~  
20 ~~assist families whose children have been identified through written~~  
21 ~~referral from a legal, medical, or social service agency, or~~  
22 ~~emergency shelter as being neglected, abused, exploited, or~~  
23 ~~homeless, or at risk of being neglected, abused, exploited, or~~  
24 ~~homeless. Child care is provided for less than 24 hours per day in~~  
25 ~~child care centers, treatment centers for abusive parents, family~~  
26 ~~child care homes, or in the child’s own home.~~

27 ~~(aa) (1) “Site supervisor” means a person who, regardless of~~  
28 ~~his or her title, has operational program responsibility for a child~~  
29 ~~care and development program at a single site. A site supervisor~~  
30 ~~shall hold a permit issued by the Commission on Teacher~~  
31 ~~Credentialing that authorizes supervision of a child care and~~  
32 ~~development program operating in a single site. The Superintendent~~  
33 ~~may waive the requirements of this subdivision if the~~  
34 ~~Superintendent determines that the existence of compelling need~~  
35 ~~is appropriately documented.~~

36 ~~(2) For California state preschool programs, a site supervisor~~  
37 ~~may qualify under any of the provisions in this subdivision, or~~  
38 ~~may qualify by holding an administrative credential or an~~  
39 ~~administrative services credential. A person who meets the~~

1 qualifications of a program director under both Sections 8244 and  
2 8360.1 is also qualified under this subdivision.

3 (ab) ~~“Standard reimbursement rate” means that rate established~~  
4 ~~by the Superintendent pursuant to Section 8265.~~

5 (ac) ~~“Startup costs” means those expenses an agency incurs in~~  
6 ~~the process of opening a new or additional facility before the full~~  
7 ~~enrollment of children.~~

8 (ad) ~~“California state preschool program” means part-day and~~  
9 ~~full-day educational programs for low-income or otherwise~~  
10 ~~disadvantaged three- and four-year-old children.~~

11 (ae) ~~“Support services” means those services that, when~~  
12 ~~combined with child care and development services, help promote~~  
13 ~~the healthy physical, mental, social, and emotional growth of~~  
14 ~~children. Support services include, but are not limited to: protective~~  
15 ~~services, parent training, provider and staff training, transportation,~~  
16 ~~parent and child counseling, child development resource and~~  
17 ~~referral services, and child placement counseling.~~

18 (af) ~~“Teacher” means a person with the appropriate permit issued~~  
19 ~~by the Commission on Teacher Credentialing who provides~~  
20 ~~program supervision and instruction that includes supervision of~~  
21 ~~a number of aides, volunteers, and groups of children.~~

22 (ag) ~~“Underserved area” means a county or subcounty area,~~  
23 ~~including, but not limited to, school districts, census tracts, or ZIP~~  
24 ~~Code areas, where the ratio of publicly subsidized child care and~~  
25 ~~development program services to the need for these services is~~  
26 ~~low, as determined by the Superintendent.~~

27 (ah) ~~“Workday” means the time that the parent requires~~  
28 ~~temporary care for a child for any of the following reasons:~~

29 (1) ~~To undertake training in preparation for a job.~~

30 (2) ~~To undertake or retain a job.~~

31 (3) ~~To undertake other activities that are essential to maintaining~~  
32 ~~or improving the social and economic function of the family, are~~  
33 ~~beneficial to the community, or are required because of health~~  
34 ~~problems in the family.~~

35 (ai) ~~“Three-year-old children” means children who will have~~  
36 ~~their third birthday on or before the date specified of the fiscal~~  
37 ~~year in which they are enrolled in a California state preschool~~  
38 ~~program, as follows:~~

39 (1) ~~November 1 of the 2012–13 fiscal year.~~

40 (2) ~~October 1 of the 2013–14 fiscal year.~~

1 ~~(3) September 1 of the 2014–15 fiscal year and each fiscal year~~  
 2 ~~thereafter.~~

3 ~~(aj) “Four-year-old children” means children who will have~~  
 4 ~~their fourth birthday on or before the date specified of the fiscal~~  
 5 ~~year in which they are enrolled in a California state preschool~~  
 6 ~~program, as follows:~~

7 ~~(1) November 1 of the 2012–13 fiscal year.~~

8 ~~(2) October 1 of the 2013–14 fiscal year.~~

9 ~~(3) September 1 of the 2014–15 fiscal year and each fiscal year~~  
 10 ~~thereafter.~~

11 ~~(ak) “Local educational agency” means a school district, a~~  
 12 ~~county office of education, a community college district, or a~~  
 13 ~~school district on behalf of one or more schools within the school~~  
 14 ~~district.~~

15 ~~SEC. 2.~~

16 *SECTION 1.* Section 8221.5 is added to the Education Code,  
 17 to read:

18 8221.5. (a) Child care providers authorized to provide services  
 19 pursuant to this article shall submit to the alternative payment  
 20 program a monthly attendance record or invoice for each child  
 21 who received services that, *at a minimum*, documents ~~hours of~~  
 22 ~~care provided based on need certified by the alternative payment~~  
 23 ~~program~~ *the dates and actual times care was provided each day,*  
 24 *including the time the child entered and the time the child left care*  
 25 *each day. The information shall be documented on a daily basis.*

26 (b) The monthly attendance record or invoice ~~shall include the~~  
 27 ~~dates and times of attendance. Verification of attendance shall be~~  
 28 ~~made at the end of each month by single signature, under penalty~~  
 29 ~~of perjury, of both shall, at a minimum, be signed by the parent or~~  
 30 ~~guardian of the child receiving services and the child care provider.~~  
 31 *provider once per month to attest that the child’s attendance is*  
 32 *accurately reflected. The verification of attendance shall be made*  
 33 *by signature at the end of each month of care and under penalty*  
 34 *of perjury by both the parent or guardian of the child receiving*  
 35 *services and the child care provider.*

36 (c) The monthly attendance record or invoice ~~may shall be~~  
 37 maintained by the child care provider in *the unaltered* original  
 38 format *in which it was created, which may be in paper form or*  
 39 ~~electronically~~ *electronic format.*

1 (d) The alternative payment ~~provider~~ program shall accept the  
 2 monthly attendance record or invoice as documentation of the  
 3 hours of care ~~provided~~. *provided if the attendance record or invoice*  
 4 *includes adequate information documented on a daily basis,*  
 5 *including, at a minimum, the dates and actual times care was*  
 6 *provided each day, including the time the child entered and the*  
 7 *time the child left care each day. The alternative payment program*  
 8 *shall reimburse child care providers based upon the following*  
 9 *criteria:*

10 (1) *The hours of service provided that are broadly consistent*  
 11 *with certified hours of need.*

12 (2) *For families with variable schedules, the actual days and*  
 13 *hours of attendance, up to the maximum certified hours.*

14 (3) *For license-exempt providers that provide part-time services,*  
 15 *the actual days and hours of attendance, up to the maximum*  
 16 *certified hours.*

17 ~~(e) It is the intent of the Legislature, in enacting this section, to~~  
 18 ~~simplify the attendance recording process. Therefore, the adoption~~  
 19 ~~of regulations to implement this section shall not be necessary.~~

20 (e) *For purposes of reimbursement to providers through an*  
 21 *alternative payment program, contractors shall not be required*  
 22 *to track absences.*

23 (f) *For purposes of this section, a monthly attendance record*  
 24 *or invoice is defined as documentation that includes, at a minimum,*  
 25 *the name of the child receiving services, the dates and actual times*  
 26 *care was provided each day, including the time the child entered*  
 27 *and the time the child left care each day, that is signed under*  
 28 *penalty of perjury by both the parent or guardian and the child*  
 29 *care provider, attesting that the information provided is accurate.*

30 ~~SEC. 3.~~

31 ~~SEC. 2.~~ Section 8227.3 is added to the Education Code, to read:

32 8227.3. (a) Alternative payment programs and providers  
 33 operating or providing services pursuant to this article may  
 34 maintain records ~~electronically, subject to compliance with~~  
 35 ~~necessary state and federal auditing requirements in electronic~~  
 36 ~~format only if the original documents were created in electronic~~  
 37 ~~format.~~ Records that may be *created in electronic format and*  
 38 *maintained electronically include, but are not limited to, the*  
 39 *following:*

40 (1) Child immunization records.

- 1 (2) Parental job verification records.
- 2 (3) Parent income verification.
- 3 (4) Parent school or training verifications and attendance
- 4 records.

5 (b) Pursuant to Section 33421, the original records shall be  
 6 retained by each contractor for at least five years, or, where an  
 7 audit has been requested by a state agency, until the date the audit  
 8 is resolved, whichever is longer.

9 ~~(b)~~

10 (c) Nothing in this section requires an alternative payment  
 11 program or provider to ~~maintain~~ create records electronically.

12 SEC. 3. Section 8262.1 is added to the Education Code, to  
 13 read:

14 8262.1. (a) Contractors operating or providing services  
 15 pursuant to this chapter may maintain records in electronic format  
 16 only if the original documents were created in electronic format.  
 17 Records that may be created in electronic format and maintained  
 18 electronically include, but are not limited to, the following:

- 19 (1) Child immunization records.
- 20 (2) Parental job verification records.
- 21 (3) Parent income verification.
- 22 (4) Parent school or training verifications and attendance
- 23 records.

24 (b) Pursuant to Section 33421, the original records shall be  
 25 retained by each contractor for at least five years, or, where an  
 26 audit has been requested by a state agency, until the date the audit  
 27 is resolved, whichever is longer.

28 (c) Nothing in this section requires a contractor to create  
 29 records electronically.

30 SEC. 4. Section 8262.3 is added to the Education Code, to  
 31 read:

32 8262.3. On and after the date on which the Superintendent  
 33 determines that the Financial Information System for California  
 34 (Fi\$Cal Project) has been implemented within the department, at  
 35 the request of a contractor, for a contract executed by the  
 36 department pursuant to Section 8262, the department shall request  
 37 the Controller to make a payment via direct deposit by electronic  
 38 funds transfer through the Fi\$Cal Project into the contractor's  
 39 account at the financial institution of the contractor's choice.

1     SEC. 5. No reimbursement is required by this act pursuant to  
2 Section 6 of Article XIII B of the California Constitution because  
3 the only costs that may be incurred by a local agency or school  
4 district will be incurred because this act creates a new crime or  
5 infraction, eliminates a crime or infraction, or changes the penalty  
6 for a crime or infraction, within the meaning of Section 17556 of  
7 the Government Code, or changes the definition of a crime within  
8 the meaning of Section 6 of Article XIII B of the California  
9 Constitution.

O