

AMENDED IN ASSEMBLY AUGUST 4, 2014
AMENDED IN ASSEMBLY JUNE 18, 2014
AMENDED IN ASSEMBLY AUGUST 5, 2013
AMENDED IN ASSEMBLY JUNE 14, 2013
AMENDED IN SENATE MAY 28, 2013
AMENDED IN SENATE APRIL 16, 2013
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AMENDED IN SENATE MARCH 12, 2013

SENATE BILL

No. 192

Introduced by Senator Liu

February 7, 2013

An act to amend Sections 8200, 8201, 8202, 8203, 8203.5, 8204, 8205, 8206, 8208, 8208.1, 8208.5, 8209, 8210, 8211, 8212, 8212.3, 8213, 8214, 8215, 8216, 8220, 8220.1, 8220.5, 8222, 8223, 8225, 8226, 8227, ~~8230~~, 8232, ~~8233~~, 8235, ~~8236~~, 8236.1, ~~8238.4~~, 8239, 8244, 8250, 8250.5, 8251, 8252, 8255, 8257, 8258, 8261, 8261.5, 8262, 8263, 8263.2, 8263.3, 8263.4, 8264, 8264.5, 8264.6, 8264.7, 8265, 8266, 8266.1, 8272, 8275, 8276.7, 8277, 8277.8, 8278.3, 8279.1, 8279.3, 8279.4, 8279.5, 8279.7, 8282, 8320, 8321, 8324, 8327, 8328, 8329, 8335.1, 8335.5, 8347, 8347.2, 8347.3, 8347.4, 8350, 8352, 8353, 8354, 8355, 8356, 8357, 8358, 8358.5, 8359.1, 8360, 8360.2, 8400, 8401, 8402, 8406.7, 8447, 8448, 8450, 8493, 8494, 8495, 8495.1, 8498, 8499, 8499.3, and 8499.5 of, to amend the heading of Chapter 2 (commencing with Section 8200) of Part 6 of Division 1 of Title 1 of, ~~to amend the headings of Article 6 (commencing with Section 8230), Article 7 (commencing with Section 8235), Article 8 (commencing with Section~~

8240); Article 9 (commencing with Section 8250), Article 15.2 (commencing with Section 8335), Article 15.4 (commencing with Section 8347), Article 15.5 (commencing with Section 8350), and Article 16 (commencing with Section 8360), of Chapter 2 of Part 6 of Division 1 of Title 1 of, to amend the heading of Article 2 (commencing with Section 8499.3) of Chapter 2.3 of Part 6 of Division 1 of Title 1 of, to amend, repeal, and add Sections ~~Section 8231 and 8240~~ of, to add Sections ~~8220.3 and~~ *Section 8220.6* to, to add Article 5 (commencing with Section 8228) to Chapter 2 of Part 6 of Division 1 of Title 1 of, and to repeal and add Sections 8264.8 and 8360.1 of, the Education Code, relating to early learning and educational support services.

LEGISLATIVE COUNSEL'S DIGEST

SB 192, as amended, Liu. Early learning and educational support services.

The Child Care and Development Services Act, administered by the Superintendent of Public Instruction, requires the Superintendent to administer child care and development programs that offer a full range of services for eligible children from infancy to 13 years of age and their parents, including a full range of supervision, health, and support services through full- and part-time programs.

This bill would reorganize and recast those provisions as the Early Learning and Educational Support Act, and would require the Superintendent to develop standards for the implementation of high-quality early learning and educational support programs based on certain indicia of quality, including, but not limited to, program activities and services that meet the needs of children with exceptional needs and diverse abilities. The bill would require certain information to be given to parents who receive services from resource and referral programs and alternative payment programs. The bill would delete obsolete provisions, make other related and conforming changes, and make nonsubstantive changes.

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. The heading of Chapter 2 (commencing with
2 Section 8200) of Part 6 of Division 1 of Title 1 of the Education
3 Code is amended to read:

4
5 CHAPTER 2. EARLY LEARNING AND EDUCATIONAL SUPPORT
6 ACT

7
8 SEC. 2. Section 8200 of the Education Code is amended to
9 read:

10 8200. This chapter shall be known and may be cited as the
11 Early Learning and Educational Support Act.

12 SEC. 3. Section 8201 of the Education Code is amended to
13 read:

14 8201. The purpose of this chapter is as follows:

15 (a) To provide a comprehensive, coordinated, and cost-effective
16 system of early learning and educational support services for
17 children from infancy to 13 years of age and their parents, including
18 a full range of supervision, health, and support services through
19 full- and part-time programs.

20 (b) To encourage community-level coordination in support of
21 early learning and educational support services.

22 (c) To provide an environment that is healthy and nurturing for
23 all children in early learning and educational support programs.

24 (d) To provide the opportunity for positive parenting to take
25 place through understanding of human growth and development.

26 (e) To reduce strain between parent and child in order to prevent
27 abuse, neglect, or exploitation.

28 (f) To enhance the cognitive development of children, with
29 particular emphasis upon those children who require special
30 assistance, including bilingual capabilities to attain their full
31 potential.

32 (g) To establish a framework for the expansion of early learning
33 and educational support services.

34 (h) To empower and encourage parents and families of children
35 who require early learning and educational support services to take
36 responsibility to review the safety of the program or facility and
37 to evaluate the ability of the program or facility to meet the needs
38 of the child.

1 SEC. 4. Section 8202 of the Education Code is amended to
2 read:

3 8202. It is the intent of the Legislature that:

4 (a) All families have access to early learning and educational
5 support services, through resource and referral services, where
6 appropriate, regardless of ethnic status, cultural background, or
7 special needs. It is further the intent that subsidized early learning
8 and educational support services be provided to persons meeting
9 the eligibility criteria established under this chapter to the extent
10 funding is made available by the Legislature and Congress.

11 (b) The healthy physical, cognitive, social, and emotional growth
12 and development of children be supported.

13 (c) Families achieve and maintain their personal, social,
14 economic, and emotional stability through an opportunity to attain
15 financial stability through employment, while maximizing growth
16 and development of their children, and enhancing their parenting
17 skills through participation in early learning and educational
18 support programs.

19 (d) Community-level coordination in support of early learning
20 and educational support services be encouraged.

21 (e) Families have a choice of programs that allow for maximum
22 involvement in planning, implementation, operation, and evaluation
23 of early learning and educational support programs.

24 (f) Parents and families be fully informed of their rights and
25 responsibilities to evaluate the quality and safety of care programs,
26 including, but not limited to, their right to inspect care licensing
27 files.

28 (g) Planning for expansion of early learning and educational
29 support programs be based on ongoing local needs assessments.

30 (h) The Superintendent, in providing funding to early learning
31 and educational support agencies, promote a range of services that
32 will allow parents the opportunity to choose the type of care most
33 suited to their needs. The program scope may include the
34 following:

35 (1) Programs located in centers, family care homes, or in the
36 child's own home.

37 (2) Services provided part-day, full-day, and during nonstandard
38 hours including weekend care, night and shift care, before and
39 after school care, and care during holidays and vacation.

1 (3) Services provided for infants and toddlers, and preschool
2 and schoolage children.

3 (i) The Superintendent be responsible for the establishment of
4 a public hearing process or other public input process that ensures
5 the participation of those agencies directly affected by a particular
6 section or sections of this chapter.

7 SEC. 5. Section 8203 of the Education Code is amended to
8 read:

9 8203. The Superintendent shall develop standards for the
10 implementation of high-quality early learning and educational
11 support programs. Indicators of quality shall include, but not be
12 limited to:

13 (a) A physical environment that is safe and appropriate to the
14 ages and developmental needs of the children and that meets
15 applicable licensing standards.

16 (b) Program activities and services that are age appropriate and
17 meet the developmental needs of each child.

18 (c) Program activities and services that meet the cultural and
19 linguistic needs of children and families.

20 (d) Family and community involvement and engagement.

21 (e) Parent education.

22 (f) Efficient and effective local program administration.

23 (g) Staff that possesses the appropriate and required
24 qualifications or experience, or both. The appropriate staff
25 qualifications shall reflect the diverse linguistic and cultural
26 makeup of the children and families in the early learning and
27 educational support program. The use of intergenerational staff
28 shall be encouraged.

29 (h) Program activities and services that meet the needs of
30 children with exceptional needs and diverse abilities, and their
31 families.

32 (i) Support services for children, families, and providers of care.

33 (j) Resource and referral services.

34 (k) Alternative payment services.

35 (l) Provision for nutritional needs of children.

36 (m) Social services that include, but are not limited to,
37 identification of child and family needs and referral to appropriate
38 agencies.

1 (n) Developmental and health services, as defined in subdivision
2 (n) of Section 8208, that include referral of children to appropriate
3 agencies for services.

4 SEC. 6. Section 8203.5 of the Education Code is amended to
5 read:

6 8203.5. (a) The Superintendent shall ensure that each contract
7 entered into under this chapter to provide early learning and
8 educational support services, or to facilitate the provision of those
9 services, promotes children’s school readiness and subsequent
10 school success through the delivery of appropriate high-quality
11 educational services to the children served pursuant to the contract.

12 (b) The Superintendent shall ensure that all contracts for early
13 learning services include a requirement that each provider maintain
14 a developmental profile to appropriately identify the emotional,
15 social, physical, and cognitive growth of each child served in order
16 to promote the child’s success in the public schools. To the extent
17 possible, the department shall provide a developmental profile to
18 all public and private providers using existing profile instruments
19 that are most cost efficient. The provider of any program operated
20 pursuant to a contract under Section 8262 shall be responsible for
21 maintaining developmental profiles upon entry through exit from
22 a program providing early learning services.

23 (c) This section is not subject to Part 34 (commencing with
24 Section 62000) of Division 4 of Title 2.

25 SEC. 7. Section 8204 of the Education Code is amended to
26 read:

27 8204. In recognition of the demonstrated relationship between
28 food and good nutrition and the capacity of children to develop
29 and learn, it is the policy of this state that no child shall be hungry
30 while in attendance in a facility as defined in subdivision (i) of
31 Section 8208 and that these facilities have an obligation to provide
32 for the nutritional needs of children in attendance.

33 SEC. 8. Section 8205 of the Education Code is amended to
34 read:

35 8205. It is the intent of the Legislature that, in providing early
36 learning and educational support programs, the Superintendent
37 give priority to children of families that qualify under applicable
38 federal statutes or regulations as recipients of public assistance
39 and other low-income and disadvantaged families. Federal

1 reimbursement shall be claimed for any child receiving services
2 under this chapter for whom federal funds are available.

3 SEC. 9. Section 8206 of the Education Code is amended to
4 read:

5 8206. (a) The department is hereby designated as the single
6 state agency responsible for the promotion, development, and
7 provision of care of children in the absence of their parents during
8 the workday or while engaged in other activities that require
9 assistance of a third party or parties. The department shall
10 administer the federal Child Care and Development Fund.

11 (b) For purposes of this section, “Child Care and Development
12 Fund” has the same meaning as in Section 98.2 of Title 45 of the
13 Code of Federal Regulations.

14 (c) The department may create a list of high-quality early
15 learning and educational support resources to demonstrate
16 high-quality options available to parents. If the department creates
17 a list of resources, the list shall be posted on the department’s
18 Internet Web site and made available to both resource and referral
19 programs and alternative payment programs.

20 SEC. 10. Section 8208 of the Education Code is amended to
21 read:

22 8208. As used in this chapter:

23 (a) “Alternative payments” includes payments that are made by
24 an alternative payment program to a licensed or license-exempt
25 care provider for the provision of early learning and educational
26 support services, and payments that are made by an alternative
27 payment program to a parent for the parent’s purchase of early
28 learning and educational support services.

29 (b) “Alternative payment program” means a local government
30 agency or nonprofit organization that has contracted with the
31 department pursuant to Section 8220.1 to provide alternative
32 payments and to provide support services to parents and providers.

33 (c) “Applicant or contracting agency” means a school district,
34 community college district, college or university, county
35 superintendent of schools, county, city, public agency, private
36 nontax-exempt agency, private tax-exempt agency, or other entity
37 that is authorized to establish, maintain, or operate services
38 pursuant to this chapter. Private agencies and parent cooperatives,
39 duly licensed by law, shall receive the same consideration as any

1 other authorized entity with no loss of parental decisionmaking
2 prerogatives as consistent with the provisions of this chapter.

3 (d) “Assigned reimbursement rate” is that rate established by
4 the contract with the agency and is derived by dividing the total
5 dollar amount of the contract by the minimum child day of average
6 daily enrollment level of service required.

7 (e) (1) “Attendance” means the number of children present at
8 a facility where early learning and educational support services
9 are provided.

10 (2) For purposes of reimbursement for early learning services,
11 attendance includes excused absences of children because of illness,
12 quarantine, illness or quarantine of their parent, family emergency,
13 or to spend time with a parent or other relative as required by a
14 court of law or that is clearly in the best interest of the child.

15 (3) For purposes of reimbursement to providers through an
16 alternative payment program, attendance includes any of the
17 following:

18 (A) The hours of service provided that are broadly consistent
19 with certified hours of need.

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

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

24 (4) For purposes of reimbursement to providers through an
25 alternative payment program, contractors shall not be required to
26 track absences.

27 (f) “Capital outlay” means the amount paid for the renovation
28 and repair of facilities to comply with state and local health and
29 safety standards, and the amount paid for the state purchase of
30 relocatable facilities for lease to qualifying contracting agencies.

31 (g) “Caregiver” means a person who provides direct care,
32 supervision, and guidance to children in a child care and
33 development facility.

34 (h) “Child care” or “care” means services provided by all
35 licensed or license-exempt providers, including, but not limited
36 to, private for-profit, nonprofit, and publicly funded programs, for
37 all children from birth to 13 years of age, including children with
38 exceptional needs and children from all linguistic and cultural
39 backgrounds.

1 (i) “Child care and development facility” or “facility” means a
2 residence or building or part of a residence or building in which
3 early learning and educational support services are provided.

4 (j) “Children at risk of abuse, neglect, or exploitation” means
5 children who are so identified in a written referral from a legal,
6 medical, or social service agency, or emergency shelter.

7 (k) “Children with exceptional needs” means either of the
8 following:

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

21 (2) Children 3 to 21 years of age, inclusive, who have been
22 determined to be eligible for special education and related services
23 by an individualized education program team according to the
24 special education requirements contained in Part 30 (commencing
25 with Section 56000) of Division 4 of Title 2, and who meet
26 eligibility criteria described in Section 56026 and, Article 2.5
27 (commencing with Section 56333) of Chapter 4 of Part 30 of
28 Division 4 of Title 2, and Sections 3030 and 3031 of Title 5 of the
29 California Code of Regulations. These children shall have an active
30 individualized education program, shall be receiving early
31 intervention services or appropriate special education and related
32 services, and shall be children who require the special attention of
33 adults in a care setting. These children include children with
34 intellectual disabilities, hearing impairments (including deafness),
35 speech or language impairments, visual impairments (including
36 blindness), serious emotional disturbance (also referred to as
37 emotional disturbance), orthopedic impairments, autism, traumatic
38 brain injury, other health impairments, or specific learning
39 disabilities, who need special education and related services

1 consistent with Section 1401(3)(A) of Title 20 of the United States
2 Code.

3 (l) “Closedown costs” means reimbursements for all approved
4 activities associated with the closing of operations of *migrant child*
5 *care and development programs, as described in Article 9*
6 *(commencing with Section 8230), at the end of each growing season*
7 ~~for early learning programs serving migrant populations pursuant~~
8 ~~to Article 6 (commencing with Section 8230) season.~~

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

23 (n) “Developmental and health services” include, but are not
24 limited to, all of the following:

25 (1) Referral, whenever possible, to appropriate health care
26 providers able to provide continuity of medical care.

27 (2) Developmental and health screening and health treatment,
28 including a full range of immunization recorded on the appropriate
29 state immunization form to the extent provided by the Medi-Cal
30 Act (Chapter 7 (commencing with Section 14000) of Part 3 of
31 Division 9 of the Welfare and Institutions Code) and the Child
32 Health and Disability Prevention Program (Article 6 (commencing
33 with Section 124025) of Chapter 3 of Part 2 of Division 106 of
34 the Health and Safety Code), but only to the extent that ongoing
35 care cannot be obtained utilizing community resources.

36 (3) Health education and training for children, parents, staff,
37 and providers.

38 (4) Followup treatment through referral to appropriate health
39 care agencies or individual health care professionals.

1 ~~(o) “Early learning programs” means early learning and~~
2 ~~educational support programs that serve children from birth to 13~~
3 ~~years of age, including, but not limited to, services for the~~
4 ~~following:~~

5 ~~(1) Infants and toddlers pursuant to Article 8 (commencing with~~
6 ~~Section 8240).~~

7 ~~(2) Preschool age children pursuant to Article 7 (commencing~~
8 ~~with Section 8235).~~

9 ~~(3) Schoolage children pursuant to Article 8 (commencing with~~
10 ~~Section 8240).~~

11 ~~(4) Children of migrant agricultural worker families pursuant~~
12 ~~to Article 6 (commencing with Section 8230).~~

13 ~~(p)~~

14 (o) “Early learning services” means all of the following:

15 (1) *Migrant child care and development programs pursuant to*
16 *Article 6 (commencing with Section 8230).*

17 (2) *California State Preschool Programs pursuant to Article 7*
18 *(commencing with Section 8235).*

19 ~~(1) Early learning~~

20 (3) *General child care and development programs pursuant to*
21 *Article 8 (commencing with Section 8240).*

22 ~~(2)~~

23 (4) *Family child care home education networks pursuant to*
24 *Article 8.5 (commencing with Section 8245).*

25 ~~(3)~~

26 (5) *Programs that serve severely disabled children pursuant to*
27 *subdivision (d) of Section 8250.*

28 ~~(4)~~

29 (6) *Services administered by the Superintendent pursuant to*
30 *Article 5 (commencing with Section 8228).*

31 ~~(q)~~

32 (p) “Early learning and educational support programs” or “early
33 learning and educational support services” means those programs
34 or services that offer a full range of care and support services
35 designed to meet a wide variety of needs of children, from birth
36 to 13 years of age, and their families. Services provided by an
37 applicant or contracting agency, may be for any part of the day
38 that a parent is working, in training, seeking employment,
39 incapacitated, or in need of respite. These services may include,
40 but are not limited to, the following:

- 1 (1) Early learning services pursuant to Article 5 (commencing
 2 with Section 8228).
- 3 (2) Alternative payment programs pursuant to subdivision (b).
 4 ~~(r)~~
- 5 (q) “Elementary school,” as contained in former Section 425 of
 6 Title 20 of the United States Code (the National Defense Education
 7 Act of 1958, Public Law 85-864, as amended), includes early
 8 childhood education programs and all early learning and
 9 educational support programs, for the purpose of the cancellation
 10 provisions of loans to students in institutions of higher learning.
- 11 ~~(s)~~
- 12 (r) “Family child care home education network” means an entity
 13 organized under law that contracts with the department pursuant
 14 to Section 8245 to make payments to licensed family child care
 15 home providers and to provide educational and support services
 16 to those providers and to children and families eligible for
 17 state-subsidized early learning and educational support services.
 18 A family child care home education network may also be referred
 19 to as a family child care home system.
- 20 ~~(t)~~
- 21 (s) “Higher educational institutions” means the Regents of the
 22 University of California, the Trustees of the California State
 23 University, the Board of Governors of the California Community
 24 Colleges, and the governing bodies of any accredited private
 25 nonprofit institution of postsecondary education.
- 26 ~~(u)~~
- 27 (t) “Intergenerational staff” means persons of various
 28 generations.
- 29 ~~(v)~~
- 30 (u) “Limited-English-speaking-proficient and
 31 non-English-speaking-proficient children” means children who
 32 are unable to benefit fully from an English-only early learning and
 33 educational support program as a result of either of the following:
 34 (1) Having used a language other than English when they first
 35 began to speak.
 36 (2) Having a language other than English predominantly or
 37 exclusively spoken at home.
- 38 ~~(w)~~
- 39 (v) “Parent” means a biological parent, stepparent, adoptive
 40 parent, foster parent, caretaker relative, or any other adult living

1 with a child who has responsibility for the care and welfare of the
2 child.

3 ~~(x)~~

4 (w) “Program director” means a person who, pursuant to
5 Sections 8244 and 8360.1, is qualified to serve as a program
6 director.

7 ~~(y)~~

8 (x) “Proprietary agency” means an organization or facility
9 providing early learning and educational support services, which
10 is operated for profit.

11 ~~(z)~~

12 (y) “Resource and referral programs” means programs that
13 provide information to parents, including referrals and coordination
14 of community resources for parents and public or private providers
15 of care. Services frequently include, but are not limited to: technical
16 assistance for providers, toy-lending libraries, equipment-lending
17 libraries, toy- and equipment-lending libraries, staff development
18 programs, health and nutrition education, and referrals to social
19 services.

20 ~~(aa)~~

21 (z) “Severely disabled children” are children with exceptional
22 needs from birth to 21 years of age, inclusive, who require intensive
23 instruction and training in programs serving pupils with the
24 following profound disabilities: autism, blindness, deafness, severe
25 orthopedic impairments, serious emotional disturbances, or severe
26 intellectual disabilities. “Severely disabled children” also include
27 those individuals who would have been eligible for enrollment in
28 a developmental center for handicapped pupils under Chapter 6
29 (commencing with Section 56800) of Part 30 of Division 4 of Title
30 2 as it read on January 1, 1980.

31 ~~(ab)~~

32 (aa) “Short-term respite child care” means care services to assist
33 families whose children have been identified through written
34 referral from a legal, medical, or social service agency, or
35 emergency shelter as being neglected, abused, exploited, or
36 homeless, or at risk of being neglected, abused, exploited, or
37 homeless. Care is provided for less than 24 hours per day in centers,
38 treatment centers for abusive parents, family child care homes, or
39 in the child’s own home.

40 ~~(ae)~~

1 (ab) (1) “Site supervisor” means a person who, regardless of
2 his or her title, has operational program responsibility for an early
3 learning and educational support program at a single site. A site
4 supervisor shall hold a permit or credential issued by the
5 Commission on Teacher Credentialing that authorizes supervision
6 of an early learning and educational support program operating in
7 a single site. The Superintendent may waive the requirements of
8 this subdivision if the Superintendent determines that the existence
9 of compelling need is appropriately documented.

10 (2) For California state preschool programs, a site supervisor
11 may qualify under any of the provisions of this subdivision, or
12 may qualify by holding an administrative credential or an
13 administrative services credential. A person who meets the
14 qualifications of a program director under Sections 8244 and
15 8360.1 is also qualified under this subdivision.

16 ~~(ad)~~

17 (ac) “Standard reimbursement rate” means that rate established
18 by the Superintendent pursuant to Section 8265.

19 ~~(ae)~~

20 (ad) “Startup costs” means those expenses an agency incurs in
21 the process of opening a new or additional facility before the full
22 enrollment of children.

23 ~~(af)~~

24 (ae) “California state preschool ~~program services~~” *program*”
25 means part-day and full-day programs that provide developmentally
26 appropriate educational activities and services designed to facilitate
27 the transition to kindergarten for low-income or otherwise
28 disadvantaged three- and four-year-old children.

29 ~~(ag)~~

30 (af) “Support services” means those services that, when
31 combined with early learning and educational support programs
32 help promote the healthy physical, mental, social, and emotional
33 growth of children. Support services include, but are not limited
34 to: protective services, parent training, provider and staff training,
35 transportation, parent and child counseling, resource and referral
36 services, and child placement counseling.

37 ~~(ah)~~

38 (ag) “Teacher” means a person with the appropriate permit
39 issued by the Commission on Teacher Credentialing who provides

1 program supervision and instruction that includes supervision of
2 a number of aides, volunteers, and groups of children.

3 ~~(ai)~~

4 (ah) “Underserved area” means a county or subcounty area,
5 including, but not limited to, school districts, census tracts, or ZIP
6 Code areas, where the ratio of publicly subsidized early learning
7 and educational support services to the need for these services is
8 low, as determined by the Superintendent.

9 ~~(aj)~~

10 (ai) “Workday” means the time that the parent requires
11 temporary care for a child for any of the following reasons:

- 12 (1) To undertake training in preparation for a job.
- 13 (2) To undertake or retain a job.
- 14 (3) To undertake other activities that are essential to maintaining
15 or improving the social and economic function of the family, are
16 beneficial to the community, or are required because of health
17 problems in the family.

18 ~~(ak)~~

19 (aj) “Three-year-old children” means children who will have
20 their third birthday on or before the date specified of the fiscal
21 year in which they are enrolled in a California state preschool
22 program, as follows:

- 23 (1) November 1 of the 2012–13 fiscal year.
- 24 (2) October 1 of the 2013–14 fiscal year.
- 25 (3) September 1 of the 2014–15 fiscal year and each fiscal year
26 thereafter.

27 ~~(al)~~

28 (ak) “Four-year-old children” means children who will have
29 their fourth birthday on or before the date specified of the fiscal
30 year in which they are enrolled in a California state preschool
31 program, as follows:

- 32 (1) November 1 of the 2012–13 fiscal year.
- 33 (2) October 1 of the 2013–14 fiscal year.
- 34 (3) September 1 of the 2014–15 fiscal year and each fiscal year
35 thereafter.

36 ~~(am)~~

37 (al) “Local educational agency” means a school district, a county
38 office of education, a community college district, or a school
39 district on behalf of one or more schools within the school district.

1 SEC. 11. Section 8208.1 of the Education Code is amended to
2 read:

3 8208.1. Care exempt from licensure is a valid parental choice
4 of care for all programs provided for under this part, and no
5 provision of this part shall be construed to exclude or discourage
6 the exercise of that choice.

7 SEC. 12. Section 8208.5 of the Education Code is amended to
8 read:

9 8208.5. Notwithstanding any other law, early learning and
10 educational support programs, as defined in Section 8208, shall
11 include, but not be limited to, respite care.

12 SEC. 13. Section 8209 of the Education Code is amended to
13 read:

14 8209. (a) If a state of emergency is declared by the Governor,
15 the Superintendent may waive any requirements of this code or
16 regulations adopted pursuant to this code relating to early learning
17 and educational support programs operated pursuant to this chapter
18 only to the extent that enforcement of the regulations or
19 requirements would directly impede disaster relief and recovery
20 efforts or would disrupt the current level of service in early learning
21 and educational support programs.

22 (b) If a state of emergency is declared by the Governor, the
23 Superintendent may waive any requirements of this code or
24 regulations adopted pursuant to this code relating to child nutrition
25 programs in early learning and educational support programs
26 operated pursuant to this chapter only to the extent that enforcement
27 of the regulations or requirements would directly impede disaster
28 relief and recovery efforts or would disrupt the current level of
29 service in early learning and educational support programs.

30 (c) A waiver granted pursuant to subdivision (a) or (b) shall not
31 exceed 45 calendar days.

32 (d) For purposes of this section, “state of emergency” includes
33 fire, flood, earthquake, or a period of civil unrest.

34 (e) If a request for a waiver pursuant to subdivision (a) or (b)
35 is for an early learning and educational support program or child
36 nutrition program that receives federal funds and the waiver may
37 be inconsistent with the state plan or any federal law or regulations
38 governing the program, the Superintendent shall seek and obtain
39 approval of the waiver from the appropriate federal agency before
40 granting the waiver.

1 SEC. 14. Section 8210 of the Education Code is amended to
2 read:

3 8210. Funds appropriated for the purpose of this chapter may
4 be used for resource and referral programs that may be operated
5 by public or private nonprofit entities.

6 SEC. 15. Section 8211 of the Education Code is amended to
7 read:

8 8211. It is the intent of the Legislature that one hundred eighty
9 thousand dollars (\$180,000) be appropriated each fiscal year for
10 allocation to resource and referral agencies operated by local
11 educational agencies for the purpose of the resources and referral
12 program set forth in this article.

13 SEC. 16. Section 8212 of the Education Code is amended to
14 read:

15 8212. For purposes of this article, resource and referral
16 programs, established to serve a defined geographic area, shall
17 provide the following services:

18 (a) Identification of the full range of existing services through
19 information provided by all relevant public and private agencies
20 in the areas of service, and the development of a resource file of
21 those services that shall be maintained and updated at least
22 quarterly. These services shall include, but not be limited to, early
23 learning and educational support programs, family care homes,
24 public and private care programs, full-time and part-time programs,
25 and infant, toddler, preschool, and extended care programs.

26 The resource file shall include, but not be limited to, the
27 following information:

- 28 (1) Type of program.
- 29 (2) Hours of service.
- 30 (3) Ages of children served.
- 31 (4) Fees and eligibility for services.
- 32 (5) Significant program information.

33 (b) (1) Establishment of a referral process that responds to
34 parental need for information and that is provided with full
35 recognition of the confidentiality rights of parents. Resource and
36 referral programs shall make referrals to licensed child day care
37 facilities. Referrals shall be made to unlicensed care facilities only
38 if there is no requirement that the facility be licensed. The referral
39 process shall afford parents maximum access to all referral
40 information. This access shall include, but is not limited to,

1 telephone referrals to be made available for at least 30 hours per
2 week as part of a full week of operation. Every effort shall be made
3 to reach all parents within the defined geographic area, including,
4 but not limited to, any of the following:

- 5 (A) Toll-free telephone lines.
- 6 (B) Office space convenient to parents and providers.
- 7 (C) Referrals in languages which are spoken in the community.

8 Each resource and referral program shall publicize its services
9 through all available media sources, agencies, and other appropriate
10 methods.

11 (2) (A) Provision of information to any person who requests a
12 referral of his or her right to view the licensing information of a
13 licensed child care facility required to be maintained at the facility
14 pursuant to Section 1596.859 of the Health and Safety Code and
15 to access any public files pertaining to the facility that are
16 maintained by the State Department of Social Services Community
17 Care Licensing Division.

18 (B) A written or oral advisement in substantially the following
19 form will comply with the requirements of subparagraph (A):

20 “State law requires licensed child care facilities to make
21 accessible to the public a copy of any licensing report pertaining
22 to the facility that documents a facility visit or a substantiated
23 complaint investigation. In addition, a more complete file regarding
24 a child care licensee may be available at an office of the State
25 Department of Social Services Community Care Licensing
26 Division. You have the right to access any public information in
27 these files.”

28 (c) Maintenance of ongoing documentation of requests for
29 service tabulated through the internal referral process. The
30 following documentation of requests for service shall be maintained
31 by all resource and referral programs:

- 32 (1) Number of calls and contacts to the care information and
33 referral program or component.
- 34 (2) Ages of children served.
- 35 (3) Time category of care request for each child.
- 36 (4) Special time category, such as nights, weekends, and swing
37 shift.
- 38 (5) Reason that the care is needed.

39 This information shall be maintained in a manner that is easily
40 accessible for dissemination purposes.

1 (d) Provision of technical assistance to existing and potential
2 providers of all types of care services. This assistance shall include,
3 but not be limited to:

4 (1) Information on all aspects of initiating new care services
5 including, but not limited to, licensing, zoning, program and budget
6 development, and assistance in finding this information from other
7 sources.

8 (2) Information and resources that help existing providers to
9 maximize their ability to serve the children and parents of their
10 community.

11 (3) Dissemination of information on current public issues
12 affecting the local and state delivery of services.

13 (4) Facilitation of communication between existing child care
14 and child-related services providers in the community served.

15 Services prescribed by this section shall be provided in order to
16 maximize parental choice in the selection of care to facilitate the
17 maintenance and development of care services and resources.

18 (e) (1) A program operating pursuant to this article shall, within
19 two business days of receiving notice, remove a licensed facility
20 with a revocation or a temporary suspension order, or that is on
21 probation from the program’s referral list.

22 (2) A program operating pursuant to this article shall, within
23 two business days of receiving notice, notify all entities, operating
24 a program under Article 3 (commencing with Section 8220) and
25 Article 15.5 (commencing with Section 8350) in the program’s
26 jurisdiction, of a licensed facility with a revocation or a temporary
27 suspension order, or that is on probation.

28 SEC. 17. Section 8212.3 of the Education Code is amended to
29 read:

30 8212.3. (a) In addition to the services described in Section
31 8212, a resource and referral program, established to serve a
32 defined geographic area, may provide short-term respite care.
33 “Short-term respite care,” for purposes of this article, means
34 temporary care services to do any of the following:

35 (1) Provide services to families identified and referred by child
36 protective agencies.

37 (2) Relieve the stress caused by child abuse, neglect, or
38 exploitation, or the risk of abuse, neglect, or exploitation.

39 (3) Assist parents who, because of serious illness or injury,
40 homelessness, or family crisis, including temporary absence from

1 the home because of illness or injury, would be unable without
2 assistance to provide the normal care and nurture expected of
3 parents.

4 (4) Provide temporary relief to parents from the care of children
5 with exceptional needs.

6 (b) Pursuant to the delivery of short-term respite care services,
7 priority shall be given for the provision of services to families
8 identified and referred by child protective agencies, to relieve the
9 stress caused by child abuse, neglect, or exploitation, or the risks
10 thereof, as described in paragraphs (1) and (2) of subdivision (a).
11 Priority shall be given to assist parents and to provide temporary
12 relief to parents, as described in paragraphs (3) and (4) of
13 subdivision (a) to the extent that resources are available.

14 SEC. 18. Section 8213 of the Education Code is amended to
15 read:

16 8213. All resource and referral services shall be provided in a
17 manner that is responsive to the diverse cultural, linguistic, and
18 economic needs of a defined geographic area of service.

19 SEC. 19. Section 8214 of the Education Code is amended to
20 read:

21 8214. (a) Resource and referral services shall be provided to
22 all persons requesting services and to all types of eligible providers,
23 regardless of income level or other eligibility criteria. In addition
24 to the services prescribed by this section, resource and referral
25 may provide a wide variety of parent and provider support and
26 educational services.

27 (b) Information shall be provided to parents in the county of
28 service at the time the family is determined eligible for services,
29 and at recertification, by one of the following:

- 30 (1) An alternative payment program.
- 31 (2) A resource and referral program.
- 32 (3) A partnership between the alternative payment program and
33 the resource and referral program.

34 (c) The information provided by the program or partnership
35 shall be to assist parents in making informed choices about
36 available types of care that would both offer a safe, caring, and
37 age-appropriate early learning and educational support environment
38 for children, as well as support the parents' work activities,
39 including, but not limited to, information about high-quality early
40 learning and educational support options and resources specified

1 in this subdivision. The program or partnership may utilize
2 resources from a list posted on the department's Internet Web site
3 pursuant to subdivision (c) of Section 8206 if this list is available.
4 If the department does not create a list of resources pursuant to
5 subdivision (c) of Section 8206, the program or partnership may
6 develop local resources. These resources shall include, but are not
7 limited to, the following:

8 (1) Information regarding how to select services that meet the
9 needs of the parent and child.

10 (2) Information on licensing requirements and procedures for
11 centers and family care homes.

12 (3) Trustline requirements for homes and providers exempt from
13 licensure.

14 (4) A range of possible early learning and educational support
15 options from which a parent may choose.

16 (5) Information on available care subsidies and eligibility
17 requirements.

18 (6) Quality indicators, including provider or educator training,
19 accreditation, staff stability, group size, ratio of children to staff,
20 environments that support the healthy development of children,
21 parent involvement, and communication between the parent and
22 provider.

23 (7) Information on quality rating and improvement systems,
24 where available.

25 (d) The program or partnership shall also provide parenting
26 information to parents.

27 SEC. 20. Section 8215 of the Education Code is amended to
28 read:

29 8215. (a) There is hereby established a project known as the
30 California Child Care Initiative Project. It is the intent of the
31 Legislature to promote and foster the project in cooperation with
32 private corporations and local governments. The objective of the
33 project is to increase the availability of quality programs in the
34 state.

35 (b) For purposes of this section, the California Child Care
36 Initiative Project means a project to expand the role and functions
37 of selected resource and referral agencies in activities including
38 needs assessment, recruitment and screening of providers, technical
39 assistance, and staff development and training, in order to aid

1 communities in increasing their capability in the number of spaces
2 available and the quality of services offered.

3 (c) The Superintendent shall allocate all state funds appropriated
4 for the California Child Care Initiative Project for the purpose of
5 making grants to those resource and referral agencies that have
6 been selected as pilot sites for the project.

7 (d) The project shall ensure that each dollar of state funds
8 allocated pursuant to subdivision (c) is matched by two dollars
9 (\$2) from other sources, including private corporations, the federal
10 government, or local governments.

11 (e) The grants to the sites made available by the project shall
12 be comprised of a combination of state funds and other funds
13 pursuant to subdivision (d).

14 (f) The Superintendent shall develop a database for the project.

15 SEC. 21. Section 8216 of the Education Code is amended to
16 read:

17 8216. When making referrals, every agency operating a
18 program providing early learning services or an alternative payment
19 program and a resource and referral program shall provide at least
20 four referrals, at least one of which shall be a provider over which
21 the agency has no fiscal or operational control, as well as
22 information to a family on the family’s ability to choose a license
23 exempt provider.

24 SEC. 22. Section 8220 of the Education Code is amended to
25 read:

26 8220. Upon the approval of the department, funds appropriated
27 for the purposes of this chapter may be used for alternative payment
28 programs to allow for maximum parental choice. Various methods
29 of reimbursement for parental costs for care may be utilized. All
30 payment arrangements shall conform to the eligibility criteria and
31 the parent fee schedule established pursuant to Sections 8263 and
32 8265.

33 To provide for maximum parental choice, alternative payment
34 programs may include the following:

35 (a) A subsidy that follows the family from one provider to
36 another within a given alternative payment program.

37 (b) Choices, whenever possible, among hours of service
38 including before and after school, evenings, weekends, and split
39 shifts.

1 (c) Early learning and educational support services according
2 to parental choice, including use of family care homes, center
3 based programs, and other state-funded programs to the extent that
4 those programs exist in the general service area and are in
5 conformity with the purposes and applicable laws for which those
6 programs were established, but excluding California state preschool
7 ~~program services programs.~~

8 SEC. 23. Section 8220.1 of the Education Code is amended to
9 read:

10 8220.1. (a) The department shall contract with local contracting
11 agencies for alternative payment programs so that services will be
12 provided throughout the state. The department shall expand existing
13 alternative payment programs and fund new alternative payment
14 programs to the extent that funds are provided by the Legislature.

15 (b) Funding for the new programs pursuant to this section shall
16 be allocated to programs which meet all of the following
17 requirements:

18 (1) Applicants shall conform to the requirements of this article.

19 (2) Applicants shall demonstrate that an alternative payment
20 program is an appropriate method of delivering services within
21 the county or service area at the level requested in the application
22 by doing either of the following:

23 (A) Demonstrating the availability of sufficient licensed or
24 license-exempt providers.

25 (B) Providing a plan for the development of sufficient licensed
26 providers working in cooperation with the local resource and
27 referral agency.

28 (3) Applicants shall demonstrate the administrative viability of
29 the alternative payment agency and its capacity to meet
30 performance requirements.

31 (4) Existing alternative payment programs receiving funds for
32 expansion into a new service area shall be funded at a documented
33 rate appropriate to that community and may contract separately as
34 appropriate.

35 ~~(e) (1) On and after July 1, 2015, the Superintendent shall
36 streamline the delivery of alternative payment programs through
37 the consolidation of contracts that serve special populations,
38 including, but not limited to, migrant populations. Contractors
39 shall continue to serve the same populations specified in their~~

1 ~~2014-15 contracts, unless they receive prior approval from the~~
2 ~~department.~~

3 ~~(2) This subdivision shall be operative only to the extent that~~
4 ~~an appropriation for its purposes is included in the annual Budget~~
5 ~~Act and is consolidated into a single budget schedule or~~
6 ~~subschedule.~~

7 ~~SEC. 24.~~ Section 8220.3 is added to the Education Code, to
8 read:

9 ~~8220.3.~~ Commencing with the 2015-16 fiscal year and each
10 fiscal year thereafter, alternative payment programs serving only
11 migrant populations pursuant to a 2014-15 contract shall enroll
12 only children of migrant agricultural worker families, as defined
13 in subdivision (a) of Section 8231, that move from place to place
14 for the purpose of agricultural work.

15 ~~SEC. 25.~~

16 *SEC. 24.* Section 8220.5 of the Education Code is amended to
17 read:

18 8220.5. (a) To offer maximum support for parents and
19 providers, alternative payment programs shall have access to
20 resource and referral services. Funding shall be adequate to
21 purchase care at the same rate that a private client is charged for
22 the same service as well as to provide locally designed support
23 services for parents and providers.

24 (b) Alternative payment programs shall provide professional
25 and technical assistance and information to providers.

26 ~~SEC. 26.~~

27 *SEC. 25.* Section 8220.6 is added to the Education Code, to
28 read:

29 8220.6. (a) Information shall be provided to parents in the
30 county of service at the time the family is determined eligible for
31 services, and at recertification, by one of the following:

- 32 (1) An alternative payment program.
- 33 (2) A resource and referral program.
- 34 (3) A partnership between the alternative payment program and
35 the resource and referral program.

36 (b) The information provided by the program or partnership
37 shall be to assist parents in making informed choices about
38 available types of care that would both offer a safe, caring, and
39 age-appropriate early learning and educational support environment
40 for children, as well as support the parents' work activities,

1 including, but not limited to, information about high-quality early
2 learning and educational support options and resources specified
3 in this subdivision. The program or partnership may utilize
4 resources from a list posted on the department's Internet Web site
5 pursuant to subdivision (c) of Section 8206 if this list is available.
6 If the department does not create a list of resources pursuant to
7 subdivision (c) of Section 8206, the program or partnership may
8 develop local resources. These resources shall include, but are not
9 limited to, the following:

10 (1) Information regarding how to select services that meet the
11 needs of the parent and child.

12 (2) Information on licensing requirements and procedures for
13 centers and family care homes.

14 (3) Trustline requirements for homes and providers exempt from
15 licensure.

16 (4) A range of possible early learning and educational support
17 options from which a parent may choose.

18 (5) Information on available care subsidies and eligibility
19 requirements.

20 (6) Quality indicators, including provider or educator training,
21 accreditation, staff stability, group size, ratio of children to staff,
22 environments that support the healthy development of children,
23 parent involvement, and communication between the parent and
24 provider.

25 (7) Information on quality rating and improvement systems,
26 where available.

27 (c) The program or partnership shall also provide parenting
28 information to parents.

29 ~~SEC. 27.~~

30 *SEC. 26.* Section 8222 of the Education Code is amended to
31 read:

32 8222. (a) Payments made by alternative payment programs
33 shall not exceed the applicable market rate ceiling. Alternative
34 payment programs may expend more than the standard
35 reimbursement rate for a particular child. However, the aggregate
36 payments for services purchased by the agency during the contract
37 year shall not exceed the assigned reimbursable amount as
38 established by the contract for the year. An agency shall not make
39 payments in excess of the rate charged to full-cost families. This
40 section does not preclude alternative payment programs from using

1 the average daily enrollment adjustment factor for children with
2 exceptional needs as provided in Section 8265.5.

3 (b) Alternative payment programs shall reimburse licensed
4 providers in accordance with a biennial market rate survey pursuant
5 to Section 8447, at a rate not to exceed the ceilings established
6 pursuant to Section 8357.

7 (c) An alternative payment program shall reimburse a licensed
8 provider for care of a subsidized child based on the rate charged
9 by the provider to nonsubsidized families, if any, for the same
10 services, or the rates established by the provider for prospective
11 nonsubsidized families. A licensed provider shall submit to the
12 alternative payment program a copy of the provider's rate sheet
13 listing the rates charged, and the provider's discount or scholarship
14 policies, if any, along with a statement signed by the provider
15 confirming that the rates charged for a subsidized child are equal
16 to or less than the rates charged for a nonsubsidized child.

17 (d) An alternative payment program shall maintain a copy of
18 the rate sheet and the confirmation statement.

19 (e) A licensed provider shall submit to the local resource and
20 referral agency a copy of the provider's rate sheet listing rates
21 charged, and the provider's discount or scholarship policies, if
22 any, and shall self-certify that the information is correct.

23 (f) Each licensed provider may alter rate levels for subsidized
24 children once per year and shall provide the alternative payment
25 program and resource and referral agency with the updated
26 information pursuant to subdivisions (c) and (e), to reflect any
27 changes.

28 (g) A licensed provider shall post in a prominent location
29 adjacent to the provider's license at the facility the provider's rates
30 and discounts or scholarship policies, if any.

31 (h) An alternative payment program shall verify provider rates
32 no less frequently than once a year by randomly selecting 10
33 percent of licensed providers serving subsidized families. The
34 purpose of this verification process is to confirm that rates reported
35 to the alternative payment programs reasonably correspond to
36 those reported to the resource and referral agency and the rates
37 actually charged to nonsubsidized families for equivalent levels
38 of services. It is the intent of the Legislature that the privacy of
39 nonsubsidized families shall be protected in implementing this
40 subdivision.

1 (i) The department shall develop regulations for addressing
2 discrepancies in the provider rate levels identified through the rate
3 verification process in subdivision (h).

4 ~~SEC. 28.~~

5 *SEC. 27.* Section 8223 of the Education Code is amended to
6 read:

7 8223. The reimbursement for alternative payment programs
8 shall include the cost of care paid to providers plus the
9 administrative and support services costs of the alternative payment
10 program. The total cost for administration and support services
11 shall not exceed an amount equal to 17.5 percent of the total
12 contract amount. The administrative costs shall not exceed the
13 costs allowable for administration under federal requirements.

14 ~~SEC. 29.~~

15 *SEC. 28.* Section 8225 of the Education Code is amended to
16 read:

17 8225. When making referrals, every agency operating a
18 program providing early learning services or a resource and referral
19 program and an alternative payment program shall provide at least
20 four referrals, at least one of which shall be a provider over which
21 the agency has no fiscal or operational control, as well as
22 information to a family on the family's ability to choose a license
23 exempt provider.

24 ~~SEC. 30.~~

25 *SEC. 29.* Section 8226 of the Education Code is amended to
26 read:

27 8226. (a) When making referrals, every program operating
28 pursuant to this article shall provide information to any person
29 who requests a referral of his or her right to view the licensing
30 information of a licensed facility required to be maintained at the
31 facility pursuant to Section 1596.859 of the Health and Safety
32 Code and to access any public files pertaining to the facility that
33 are maintained by the State Department of Social Services
34 Community Care Licensing Division.

35 (b) A written or oral advisement in substantially the following
36 form will comply with the requirements of subdivision (a):

37 "State law requires licensed facilities to make accessible to the
38 public a copy of any licensing report pertaining to the facility that
39 documents a facility visit or a substantiated complaint investigation.

40 In addition, a more complete file regarding a child care licensee

1 may be available at an office of the State Department of Social
2 Services Community Care Licensing Division. You have the right
3 to access any public information in these files.”

4 (c) Every program operating pursuant to this article shall, within
5 two days of receiving notice, remove from the program’s referral
6 list the name of any licensed facility with a revocation or a
7 temporary suspension order or that is on probation.

8 (d) A program operating pursuant to this article shall, within
9 two business days of being notified of a revocation or a temporary
10 suspension order for a licensed facility, do both of the following:

11 (1) Terminate payment to the facility.

12 (2) Notify each parent and the facility in writing that payment
13 has been terminated and the reason for the termination.

14 (e) A program operating pursuant to this article shall, upon being
15 notified that a licensed facility has been placed on probation,
16 provide written notice to each parent utilizing the facility that the
17 facility has been placed on probation and that the parent has the
18 option of selecting a different care provider or remaining with the
19 facility without risk of subsidy payments to the provider being
20 terminated. The Legislature urges each agency operating pursuant
21 to this section to provide the written notice required by this
22 subdivision in the primary language of the parent, to the extent
23 feasible.

24 ~~SEC. 31.~~

25 *SEC. 30.* Section 8227 of the Education Code is amended to
26 read:

27 8227. (a) To the extent that funding is made available for this
28 purpose through the annual Budget Act, the alternative payment
29 agency in each county shall design, maintain, and administer a
30 system to consolidate local care waiting lists so as to establish a
31 countywide centralized eligibility list. In those counties with more
32 than one alternative payment agency, the agency that also
33 administers the resource and referral program shall have the
34 responsibility of developing, maintaining, and administering the
35 countywide centralized eligibility list. In those counties with more
36 than one alternative payment agency and more than one resource
37 and referral program, the department shall establish a process to
38 select the agency to develop, maintain, and administer the
39 countywide centralized eligibility list.

1 (b) Notwithstanding subdivision (a), in those counties in which
2 a countywide centralized eligibility list exists, as of the date that
3 the act adding this section is enacted, the entity administering that
4 list may receive funding, instead of the entity specified under
5 subdivision (a).

6 (c) Each centralized eligibility list shall include all of the
7 following:

8 (1) Family characteristics, including ZIP Code of residence,
9 ZIP Code of employment, monthly income, and size.

10 (2) Child characteristics, including birth date and whether the
11 child has special needs.

12 (3) Service characteristics, including reason for need, whether
13 full-time or part-time service is requested, and whether after hours
14 or weekend care is requested.

15 (d) Information collected for the centralized eligibility list shall
16 be reported to the Superintendent on an annual basis on the date
17 and in the manner determined by the department.

18 (e) (1) To be eligible to enter into an agreement with the
19 department to provide subsidized care, a contractor shall participate
20 in and use the centralized eligibility list.

21 (2) A contractor with a campus early learning and educational
22 support program operating pursuant to Section 66060, a program
23 operating on a seasonal basis providing services to a migrant
24 population pursuant to Section 8230, or a program serving severely
25 disabled children pursuant to subdivision (d) of Section 8250 and
26 who has a local site waiting list shall submit eligibility list
27 information to the centralized eligibility list administrator for any
28 parent seeking subsidized services for whom these programs are
29 not able to provide early learning and educational support services.
30 A contractor or program described in this paragraph may utilize
31 any waiting lists developed at its local site to fill vacancies for its
32 specific population. Families enrolled from a local site waiting list
33 shall be enrolled pursuant to Section 8263.

34 ~~SEC. 32.~~

35 *SEC. 31.* Article 5 (commencing with Section 8228) is added
36 to Chapter 2 of Part 6 of Division 1 of Title 1 of the Education
37 Code, to read:

Article 5. Early Learning Services

1
2
3 8228. (a) The Superintendent shall administer early learning
4 and educational support programs through early learning services,
5 including, but not limited to, ~~early learning migrant child care and~~
6 ~~development programs pursuant to Article 6 (commencing with~~
7 ~~Section 8230), California state preschool programs pursuant to~~
8 ~~Article 7 (commencing with Section 8235), general child care and~~
9 ~~development programs pursuant to Article 8 (commencing with~~
10 ~~Section 8240), family child care home education networks pursuant~~
11 ~~to Article 8.5 (commencing with Section 8245), and services for~~
12 ~~children pursuant to subdivision (d) of Section 8250.~~

13 (b) Contractors providing early learning services pursuant to
14 this article shall comply with the administrative requirements set
15 forth in Article 10 (commencing with Section 8255).

16 8228.1. The Superintendent, with funds appropriated for this
17 purpose, shall administer programs through early learning services.
18 These programs shall include, but not be limited to, all of the
19 following:

- 20 (a) Age and developmentally appropriate activities for children.
- 21 (b) Supervision.
- 22 (c) Parenting education and parent engagement and involvement.
- 23 (d) Developmental and health services.
- 24 (e) Nutrition.
- 25 (f) Family support services that include, but are not limited to,
26 assessment of child and family needs and referral to appropriate
27 human services organizations.
- 28 (g) Training, professional development, and career advancement
29 opportunities, documentation of which shall be provided to the
30 department.

31 ~~SEC. 33. The heading of Article 6 (commencing with Section~~
32 ~~8230) of Chapter 2 of Part 6 of Division 1 of Title 1 of the~~
33 ~~Education Code is amended to read:~~

34
35 ~~Article 6. Services for Migrant Populations~~

36
37 ~~SEC. 34. Section 8230 of the Education Code is amended to~~
38 ~~read:~~

39 ~~8230. Contractors serving migrant populations shall comply~~
40 ~~with the requirements set forth in this article. In addition, the~~

1 ~~Superintendent shall support and encourage the state-level~~
2 ~~coordination of all agencies that offer services to migrant~~
3 ~~populations and state-level coordination of existing health funds~~
4 ~~for migrants.~~

5 ~~SEC. 35.~~

6 *SEC. 32.* Section 8231 of the Education Code is amended to
7 read:

8 8231. (a) For the purpose of this article, a “migrant agricultural
9 worker family” means a family that has earned at least 50 percent
10 of its total gross income from employment in fishing, agriculture,
11 or agriculturally related work during the 12-month period
12 immediately preceding the date of application for early learning
13 and educational support services.

14 (b) Children of migrant agricultural worker families shall be
15 enrolled in early learning and educational support programs on
16 the basis of the following priorities:

17 (1) The family moves from place to place.

18 (2) The family has qualified under paragraph (1) within the past
19 five years and is currently dependent for its income on agricultural
20 employment, but is currently settled near agricultural areas.

21 (3) The family resides in a rural agricultural area and is
22 dependent upon seasonal agricultural work.

23 (4) Eligibility and priority for services for the federally funded
24 migrant child care and development program shall be in accordance
25 with the applicable federal regulations.

26 (c) This section shall remain in effect only until July 1, 2015,
27 and as of that date is repealed, unless a later enacted statute, that
28 is enacted before July 1, 2015, deletes or extends that date.

29 ~~SEC. 36.~~

30 *SEC. 33.* Section 8231 is added to the Education Code, to read:

31 8231. (a) For the purpose of this chapter, a “migrant
32 agricultural worker family” means a family with at least one parent
33 that has earned at least 50 percent of his or her income from
34 employment in fishing, agriculture, or agriculturally related work
35 during the 12-month period immediately preceding the date of
36 application for early learning and educational support services.

37 (b) For purposes of this article, priority for enrollment shall be
38 given to children of migrant agricultural worker families in the
39 following priority order:

40 (1) The family moves from place to place.

1 (2) The family has qualified under paragraph (1) within the past
2 five years and is currently dependent for its income on agricultural
3 employment, but is currently settled near agricultural areas.

4 (3) The family resides in a rural agricultural area and is
5 dependent upon seasonal agricultural work.

6 (4) Eligibility and priority for services for the federally funded
7 migrant child care and development program shall be in accordance
8 with the applicable federal regulations.

9 ~~(e) (1) If a contractor serving migrant populations, upon
10 prioritizing migrant families for enrollment and complying with
11 this section, is unable to reach the anticipated level of enrollment
12 as provided in the contract for services, the contractor may use
13 any funds remaining to enroll children from otherwise eligible
14 families pursuant to the priorities set forth in Section 8263.~~

15 ~~(2) This subdivision shall be operative only to the extent that
16 an appropriation for its purposes is included in the annual Budget
17 Act and is consolidated into a single budget schedule or
18 subschedule.~~

19 ~~(d)~~

20 (c) This section is operative on July 1, 2015.

21 ~~SEC. 37.~~

22 ~~SEC. 34.~~ Section 8232 of the Education Code is amended to
23 read:

24 8232. The Superintendent shall develop appropriate *migrant*
25 *child care and development programs*, quality indicators ~~for~~
26 ~~contractors that serve migrant populations~~, including those
27 prescribed in Section 8203, and the following:

28 (a) Social services.

29 (1) Bilingual liaison between migrant parents and the center or
30 family child care home, or both.

31 (2) Liaison between the agency and the relevant community
32 agencies and organizations, including health and social services.

33 (3) Identification and documentation of family needs and
34 followup referrals as appropriate.

35 (b) Staffing.

36 (1) Bilingual health personnel shall be available to each program
37 site of an agency that serves migrant populations.

38 (2) Professional and nonprofessional staff shall reflect the
39 linguistic and cultural background of the children being served.

1 (3) Whenever possible, migrants shall be recruited, trained, and
2 hired in early learning *and educational support* programs.
3 Documentation of training and career ladder opportunities and of
4 recruitment and hiring efforts shall be provided to the department.
5 Staff training shall include principles and practices of early learning
6 and educational support for the age groups of children being served.

7 (c) ~~Developmental and health services in agencies that serve~~
8 ~~migrant populations~~ *migrant child care and development programs*
9 shall include health and dental screening and followup treatment.
10 Health records for all migrant children shall follow the child.

11 ~~SEC. 38. Section 8233 of the Education Code is amended to~~
12 ~~read:~~

13 ~~8233. (a) Cost for migrant population services may exceed~~
14 ~~the standard reimbursement rate established by the Superintendent.~~
15 ~~In no case shall the reimbursement exceed the cost of the services.~~
16 ~~State-funded programs may be eligible for Chapter I federal funds~~
17 ~~to supplement state funding. These funds shall not be contingent~~
18 ~~upon the provision of additional child days or enrollment.~~

19 ~~(b) The Superintendent shall annually reimburse agencies that~~
20 ~~provide services for seasonal migrant populations pursuant to this~~
21 ~~article for approvable startup and closedown costs. Reimbursement~~
22 ~~for both startup and closedown costs shall not exceed 15 percent~~
23 ~~of the agency's total contract amount.~~

24 ~~(c) Agencies that provide services for seasonal migrant~~
25 ~~populations shall submit reimbursement claims for startup costs~~
26 ~~with their first monthly reports, and reimbursement claims for~~
27 ~~closedown costs with their final reports.~~

28 ~~SEC. 39. The heading of Article 7 (commencing with Section~~
29 ~~8235) of Chapter 2 of Part 6 of Division 1 of Title 1 of the~~
30 ~~Education Code is amended to read:~~

31

32 ~~Article 7. California State Preschool Program Services~~

33

34 ~~SEC. 40.~~

35 ~~SEC. 35. Section 8235 of the Education Code is amended to~~
36 ~~read:~~

37 ~~8235. (a) Contractors providing~~ *The Superintendent shall*
38 *administer all California state preschool program services*
39 *programs* for three-year-old children described in subdivision ~~(ak)~~
40 ~~(aj)~~ of Section 8208, and four-year-old children, as described in

1 subdivision—~~(a)~~ *(ak)* of Section 8208, shall adhere to the
2 requirements set forth in Article 5 (commencing with Section
3 8228) in educational development, health services, social services,
4 nutritional services, parent education and parent participation,
5 evaluation, and staff development. These programs shall include,
6 but are not limited to, part-day age and developmentally appropriate
7 programs designed to facilitate the transition to kindergarten for
8 three- and four-year-old children.

9 (b) ~~Preschool—services~~ *programs* for which federal
10 reimbursement is not available shall be funded as prescribed by
11 the Legislature in the Budget Act, and unless otherwise specified
12 by the Legislature, shall not use federal funds made available
13 through Title XX of the federal Social Security Act (42 U.S.C.
14 Sec. 1397).

15 (c) Three- and four-year-old children are eligible for part-day
16 California state preschool ~~program—services~~ *programs* if the family
17 meets at least one of the criteria specified in paragraph (1) of
18 subdivision (a) of Section 8263.

19 (d) Notwithstanding any other law, a ~~contractor~~
20 ~~providing~~ part-day California state preschool ~~program—services~~ may
21 provide services to children in families whose income is no more
22 than 15 percent above the income eligibility threshold, as described
23 in Sections 8263 and 8263.1, after all eligible three- and
24 four-year-old children have been enrolled. No more than 10 percent
25 of children enrolled, calculated throughout the participating
26 program's entire contract, may be filled by children in families
27 above the income eligibility threshold.

28 (e) A part-day California state preschool program shall operate
29 for a minimum of (1) three hours per day, excluding time for
30 home-to-school transportation, and (2) a minimum of 175 days
31 per year, unless the contract specifies a lower number of days of
32 operation.

33 (f) Any agency described in subdivision (c) of Section 8208 as
34 an “applicant or contracting agency” is eligible to contract to
35 operate a California state preschool program.

36 (g) Part-day preschool services shall be reimbursed on a per
37 capita basis, as determined by the Superintendent, and contingent
38 on funding being provided for the part-day preschool services in
39 the annual Budget Act.

1 (h) Federal Head Start funds used to provide services to families
2 receiving California state preschool services shall be deemed
3 nonrestricted funds.

4 ~~SEC. 41. Section 8236 of the Education Code is amended to~~
5 ~~read:~~

6 ~~8236. (a) (1) Contractors providing California state preschool~~
7 ~~program services pursuant to this article shall give first priority to~~
8 ~~three- or four-year-old neglected or abused children who are~~
9 ~~recipients of child protective services, or who are at risk of being~~
10 ~~neglected, abused, or exploited upon written referral from a legal,~~
11 ~~medical, or social service agency. If an agency is unable to enroll~~
12 ~~a child in this first priority category, the agency shall refer the~~
13 ~~child's parent or guardian to local resource and referral services~~
14 ~~so that services for the child can be located.~~

15 ~~(2) Notwithstanding Section 8263, after children in the first~~
16 ~~priority category set forth in paragraph (1) are enrolled, each~~
17 ~~agency funded pursuant to Section 8235 shall give priority to~~
18 ~~eligible four-year-old children before enrolling eligible~~
19 ~~three-year-old children. Each agency shall certify to the~~
20 ~~Superintendent that enrollment priority is being given to eligible~~
21 ~~four-year-old children.~~

22 ~~(b) For contractors that provide part-day preschool services that~~
23 ~~are operating with funding that was initially allocated in a prior~~
24 ~~fiscal year, at least one-half of the children enrolled at a preschool~~
25 ~~site shall be four-year-old children. Any exception to this~~
26 ~~requirement shall be approved by the Superintendent. The~~
27 ~~Superintendent shall inform the Department of Finance of any~~
28 ~~exceptions that have been granted and the reasons for granting the~~
29 ~~exceptions.~~

30 ~~(c) The following provisions apply to the award of new funding~~
31 ~~for the expansion of the California state preschool program services~~
32 ~~that is appropriated by the Legislature for that purpose in any fiscal~~
33 ~~year:~~

34 ~~(1) In an application for those expansion funds, an agency shall~~
35 ~~furnish the Superintendent with an estimate of the number of~~
36 ~~four-year-old and three-year-old children that it plans to serve in~~
37 ~~the following fiscal year with those expansion funds. The agency~~
38 ~~also shall furnish documentation that indicates the basis of those~~
39 ~~estimates.~~

1 ~~(2) In awarding contracts for expansion pursuant to this~~
2 ~~subdivision, the Superintendent, after taking into account the~~
3 ~~geographic criteria established pursuant to Section 8279.3, and the~~
4 ~~headquarters preferences and eligibility criteria relating to fiscal~~
5 ~~or programmatic noncompliance established pursuant to Section~~
6 ~~8261, shall give priority to applicant agencies that, in expending~~
7 ~~the expansion funds, will be serving the highest percentage of~~
8 ~~four-year-old children.~~

9 ~~(d) This section does not preclude a local educational agency~~
10 ~~from subcontracting with an appropriate public or private agency~~
11 ~~to operate a California state preschool program and to apply for~~
12 ~~funds made available for the purposes of this section. If a school~~
13 ~~district chooses not to operate or subcontract for a California state~~
14 ~~preschool program, the Superintendent shall work with the county~~
15 ~~office of education and other eligible agencies to explore possible~~
16 ~~opportunities in contracting or alternative subcontracting to provide~~
17 ~~a California state preschool program.~~

18 ~~(e) This section does not prevent eligible children who are~~
19 ~~currently receiving services from continuing to receive those~~
20 ~~services in future years pursuant to this chapter.~~

21 ~~SEC. 42.~~

22 ~~SEC. 36.~~ Section 8236.1 of the Education Code is amended to
23 read:

24 8236.1. The department shall annually monitor funding used
25 ~~in early learning general child care and development~~ programs
26 for infants and toddlers, and hours of service provided in *the*
27 California state preschool program ~~services~~, and shall annually
28 report to the Department of Finance and to the Legislature a
29 statewide summary identifying the estimated funding used for
30 infants and toddlers, and the number of preschool age children
31 receiving part-day preschool and wraparound services, as defined
32 in subdivision (f) of Section 8239. The annual report shall include
33 a comparison to the prior year on a county-by-county basis.

34 ~~SEC. 43.~~ Section 8238.4 of the Education Code is amended to
35 read:

36 ~~8238.4. (a) A family literacy supplemental grant shall be made~~
37 ~~available and distributed to qualifying California state preschool~~
38 ~~classrooms, as determined by the Superintendent, at a rate of two~~
39 ~~thousand five hundred dollars (\$2,500) per class. The~~

1 Superintendent shall distribute the family literacy supplemental
2 grant funds according to the following priorities:

3 (1) First priority shall be assigned to contractors providing
4 California state preschool program services that contract to receive
5 this funding before July 1, 2012. These programs shall receive this
6 funding until their contract is terminated or the California state
7 preschool program no longer provides family literacy services.

8 (2) Second priority shall be assigned to contractors providing
9 California state preschool program services operating classrooms
10 located in the attendance area of elementary schools in deciles 1
11 to 3, inclusive, based on the most recently published Academic
12 Performance Index pursuant to Section 52056. The Superintendent
13 shall use a lottery process in implementing this paragraph.

14 (b) A family literacy supplemental grant distributed pursuant
15 to this section shall be used for purposes specified in Section 8238.

16 (c) Implementation of this section is contingent upon funding
17 being provided for family literacy supplemental grants for
18 California state preschool program services in the annual Budget
19 Act or other statute.

20 SEC. 44. Section 8239 of the Education Code is amended to
21 read:

22 8239. The Superintendent shall encourage state preschool
23 program applicants or contracting agencies to offer full-day
24 services through a combination of part-day preschool slots and
25 wraparound services. In order to facilitate a full day of services,
26 all of the following shall apply:

27 (a) Part-day preschool services provided pursuant to this section
28 shall operate between 175 and 180 days.

29 (b) Wraparound services provided pursuant to this section shall
30 operate a minimum of 246 days per year unless the contract
31 specified a lower minimum days of operation. Wraparound services
32 may operate a full day for the remainder of the year after the
33 completion of the part-day preschool program services. Services
34 shall be provided in accordance with Article 1 (commencing with
35 Section 8200) and Article 5 (commencing with Section 8228).

36 (c) Part-day preschool services combined with wraparound
37 services shall be reimbursed at no more than the full-day standard
38 reimbursement rate, with adjustment factors, pursuant to Section
39 8265 and as determined in the annual Budget Act.

1 ~~(d) Three- and four-year-old children are eligible for wraparound~~
 2 ~~services to supplement the part-day preschool services if the family~~
 3 ~~meets the eligibility criteria specified in paragraph (1) of~~
 4 ~~subdivision (a) of Section 8263, and the parents meet at least one~~
 5 ~~of the criteria specified in paragraph (2) of subdivision (a) of~~
 6 ~~Section 8263.~~

7 ~~(e) Fees shall be assessed and collected for families with children~~
 8 ~~in part-day preschool programs, or families receiving wraparound~~
 9 ~~services, or both, pursuant to Article 11.5 (commencing with~~
 10 ~~Section 8273).~~

11 ~~(f) The Superintendent shall annually report to the Department~~
 12 ~~of Finance, on or before October 1 of each year, the fees collected~~
 13 ~~from families who have children enrolled in the California state~~
 14 ~~preschool program. The report shall distinguish between family~~
 15 ~~fees collected for part-day preschool programs and fees collected~~
 16 ~~for wraparound services.~~

17 ~~(g) For purposes of this section, “wraparound services” means~~
 18 ~~early learning services provided with additional funding that would~~
 19 ~~extend the part-day California state preschool program services~~
 20 ~~provided pursuant to subdivision (a) to meet families’ needs for~~
 21 ~~care while parents participate in an approved work or work-related~~
 22 ~~activity. These services shall be provided consistent with the early~~
 23 ~~learning and educational support programs provided pursuant to~~
 24 ~~Article 1 (commencing with Section 8200) and Article 5~~
 25 ~~(commencing with Section 8228).~~

26 *SEC. 37. Section 8239 of the Education Code is amended to*
 27 *read:*

28 8239. The Superintendent shall encourage state preschool
 29 program applicants or contracting agencies to offer full-day
 30 services through a combination of part-day preschool slots and
 31 ~~wraparound-general child care and development programs services.~~
 32 In order to facilitate a ~~full-day~~ *full day* of services, all of the
 33 following shall apply:

34 (a) Part-day preschool programs provided pursuant to this
 35 section shall operate between 175 and 180 days.

36 (b) ~~Wraparound-general child care and development programs~~
 37 ~~services~~ provided pursuant to this section ~~may~~ *shall* operate a
 38 minimum of 246 days per year unless the ~~child development~~
 39 contract specified a lower minimum *number of* days of operation.
 40 ~~Part-day general child care and development programs~~ *Wraparound*

1 *services may operate a ~~full-day~~ full day for the remainder of the*
 2 *year after the completion of the ~~preschool program~~ part-day*
 3 *preschool program. Services shall be provided in accordance with*
 4 *Article 1 (commencing with Section 8200) and Article 5*
 5 *(commencing with Section 8228).*

6 (c) Part-day preschool services combined with wraparound ~~child~~
 7 ~~care~~ services shall be reimbursed at no more than the full-day
 8 standard reimbursement ~~rate for general child care programs~~ *rate,*
 9 with adjustment factors, pursuant to Section 8265 and as
 10 determined in the annual Budget Act.

11 (d) Three- and four-year-old children are eligible for wraparound
 12 ~~child care~~ services to supplement the part-day California state
 13 preschool program if the family meets ~~at least one of the~~ *eligibility*
 14 *criteria specified in paragraph (1) of subdivision (a) of Section*
 15 *8263, and the parents meet at least one of the criteria specified in*
 16 *paragraph (2) of subdivision (a) of Section 8263.*

17 (e) For purposes of this section, “wraparound ~~child care~~
 18 ~~services~~” and “wraparound ~~general child care and development~~
 19 ~~programs~~” mean services provided for the remaining portion of
 20 the day or remainder of the year following the completion of
 21 part-day preschool services that are necessary to meet the child
 22 ~~care needs of parents eligible services” means early learning~~
 23 *services provided with additional funding that would extend the*
 24 *part-day California state preschool program services provided*
 25 *pursuant to subdivision (a) of Section 8263 to meet families’ needs*
 26 *for care while parents participate in an approved work or*
 27 *work-related activity. These services shall be provided consistent*
 28 *with the ~~general child care and development~~ early learning and*
 29 *educational support programs provided pursuant to Article 8 1*
 30 *(commencing with Section 8240) 8200) and Article 5 (commencing*
 31 *with Section 8228).*

32 ~~SEC. 45. The heading of Article 8 (commencing with Section~~
 33 ~~8240) of Chapter 2 of Part 6 of Division 1 of Title 1 of the~~
 34 ~~Education Code is amended to read:~~

35
 36 ~~Article 8. Early Learning Programs~~

37
 38 ~~SEC. 46.~~

39 ~~SEC. 38. Section 8240 of the Education Code is amended to~~
 40 ~~read:~~

1 8240. ~~(a)~~ The Superintendent, with funds appropriated for this
2 purpose, shall administer general ~~early learning and educational~~
3 ~~support~~ *child care and development* programs.

4 General ~~early learning and educational support~~ *child care and*
5 *development* programs shall include:

- 6 ~~(1)~~
- 7 (a) Age and developmentally appropriate activities for children.
- 8 ~~(2)~~
- 9 (b) Supervision.
- 10 ~~(3)~~
- 11 (c) Parenting education and parent involvement and engagement.
- 12 ~~(4)~~
- 13 (d) Social services that include, but are not limited to,
14 identification of child and family needs and referral to appropriate
15 agencies.
- 16 ~~(5)~~
- 17 (e) Health services.
- 18 ~~(6)~~
- 19 (f) Nutrition.
- 20 ~~(7)~~
- 21 (g) Training and career ladder opportunities, documentation of
22 which shall be provided to the department.

23 ~~(b) This section shall become inoperative on July 1, 2015, and,~~
24 ~~as of January 1, 2016, is repealed, unless a later enacted statute~~
25 ~~that is enacted before January 1, 2016, deletes or extends the dates~~
26 ~~on which it becomes inoperative and is repealed.~~

27 SEC. 47. Section 8240 is added to the Education Code, to read:

28 8240. (a) ~~Early learning programs shall serve children from~~
29 ~~birth to 13 years of age, including, but not limited to, services~~
30 ~~pursuant to Article 5 (commencing with Section 8228) for all of~~
31 ~~the following:~~

- 32 ~~(1) Infants and toddlers.~~
- 33 ~~(2) Preschool age children.~~
- 34 ~~(3) Schoolage children.~~
- 35 ~~(4) Migrant children.~~

36 ~~(b) The Superintendent shall streamline the delivery of early~~
37 ~~learning programs through the consolidation of contracts that serve~~
38 ~~children described in subdivision (a). This shall include, but is not~~
39 ~~limited to, services for both of the following special populations:~~

- 40 ~~(1) Preschool age children.~~

1 ~~(2) Migrant children.~~
2 ~~(e) Contractors shall continue to serve the same populations~~
3 ~~specified in their 2014-15 contracts, unless they receive prior~~
4 ~~approval from the department.~~

5 ~~(d) Contractors that provide services to migrant populations~~
6 ~~shall comply with Article 6 (commencing with Section 8230).~~

7 ~~(e) Contractors that provide services to California state preschool~~
8 ~~program populations shall comply with Article 7 (commencing~~
9 ~~with Section 8235).~~

10 ~~(f) Subdivisions (b) and (c) shall be operative only to the extent~~
11 ~~that an appropriation for its purposes is included in the annual~~
12 ~~Budget Act and is consolidated into a single budget schedule or~~
13 ~~subschedule.~~

14 ~~(g) This section shall become operative on July 1, 2015.~~

15 ~~SEC. 48.~~

16 ~~SEC. 39.~~ Section 8244 of the Education Code is amended to
17 read:

18 8244. (a) (1) Any entity operating programs funded pursuant
19 to this chapter that provide early learning services to children at
20 two or more sites, including through more than one contract or
21 subcontract funded pursuant to this chapter, shall employ a program
22 director.

23 (2) Programs providing direct services to children, for the
24 purposes of this section, are early learning services pursuant to
25 Article 5 (commencing with Section 8228), migrant services *child*
26 *care and development* pursuant to Article 6 (commencing with
27 Section 8230), California state preschool programs pursuant to
28 Article 7 (commencing with Section 8235), *general child care and*
29 *development programs pursuant to Article 8 (commencing with*
30 *Section 8240)*, early learning services for children pursuant to
31 subdivision (d) of Section 8250, infant care and development
32 services programs pursuant to Article 17 (commencing with Section
33 8390), and any of these programs operated through family child
34 care homes.

35 (b) (1) For purposes of this section, the following definitions
36 shall apply:

37 (A) “Administrative responsibility” means awareness of the
38 financial and business circumstances of the program, and, in
39 appropriate cases, supervision of administrative and support
40 personnel and the knowledge and authority to direct or modify

1 administrative practices and procedures to ensure compliance to
2 administrative and financial standards imposed by law.

3 (B) “Program director” means a person who, regardless of his
4 or her title, has programmatic and administrative responsibility
5 for an early learning and educational support program that provides
6 direct services to children at two or more sites.

7 (C) “Programmatic responsibility” means overall supervision
8 of curriculum and instructional staff, including instructional aides,
9 and the knowledge and authority to direct or modify program
10 practices and procedures to ensure compliance to applicable quality
11 and health and safety standards imposed by law.

12 (2) Administrative and programmatic responsibility also includes
13 the responsibility to act as the representative for the early learning
14 and educational support program to the department. With respect
15 to programs operated through family care homes, administrative
16 and programmatic responsibility includes ensuring that quality
17 services are provided in the family care homes.

18 (c) The program director also may serve as the site supervisor
19 at one of the sites, provided that he or she both fulfills the duties
20 of a child care center director, as set forth in Section 101215.1 of
21 Title 22 of the California Code of Regulations, and meets the
22 qualifications for a site supervisor as set forth in subdivision ~~(ae)~~
23 *(ab)* of Section 8208.

24 (d) The Superintendent may waive the qualifications for program
25 director described in Sections 8360.1 and 8360.3 upon a finding
26 of one of the following circumstances:

27 (1) The applicant is making satisfactory progress toward
28 securing a permit issued by the Commission on Teacher
29 Credentialing authorizing supervision of an early learning and
30 educational support program operating in two or more sites or
31 fulfilling the qualifications for program directors in programs
32 serving severely disabled children, as specified in Section 8360.3.

33 (2) The place of employment is so remote from institutions
34 offering the necessary coursework as to make continuing education
35 impracticable and the contractor has made a diligent search but
36 has been unable to hire a more qualified applicant.

37 (e) The Superintendent, upon good cause, may by rule identify
38 and apply grounds in addition to those specified in subdivision (d)
39 for granting a waiver of the qualifications for program director.

1 ~~SEC. 49.~~

2 *SEC. 40.* The heading of Article 9 (commencing with Section
3 8250) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
4 Education Code is amended to read:

5

6 Article 9. Services for Children with Special Needs

7

8 ~~SEC. 50.~~

9 *SEC. 41.* Section 8250 of the Education Code is amended to
10 read:

11 8250. (a) The Superintendent shall ensure that eligible children
12 with exceptional needs are given equal access to all early learning
13 and educational support programs. Available federal and state
14 funds for children with exceptional needs above the standard
15 reimbursement amount shall be used to assist agencies in
16 developing and supporting appropriate programs for these children.

17 (b) To provide children with exceptional needs with additional
18 access to early learning and educational support programs, the
19 Superintendent shall establish alternate appropriate placements,
20 such as self-contained programs and innovative programs using
21 the least restrictive environment. These programs shall be started
22 as expansion funds become available and shall be expanded
23 throughout the implementation of the plan. The Superintendent
24 shall utilize existing program models and input from program
25 specialists to develop new program criteria and guidelines for
26 programs serving children with exceptional needs. These programs
27 may serve children with exceptional needs up to 21 years of age.

28 (c) Any child with exceptional needs served in early learning
29 and educational support programs shall be afforded all rights and
30 protections guaranteed in state and federal laws and regulations
31 for individuals with exceptional needs.

32 (d) Notwithstanding any other provision of this chapter, the
33 Superintendent may develop unique reimbursement rates for, and
34 make reimbursements to, early learning and educational support
35 programs that received state funding for the 1980–81 fiscal year
36 and serve severely disabled children, as defined in subdivision ~~(aa)~~
37 (z) of Section 8208, when all of the following conditions exist:

38 (1) Eligibility for enrollment of a severely disabled child in the
39 program is the sole basis of the child’s need for service.

1 (2) Services are provided to severely disabled children from
2 birth to 21 years of age.

3 (3) No fees are charged to the parents of the severely disabled
4 children receiving the services.

5 (e) The Superintendent shall include providers in all personnel
6 development for persons providing services for children with
7 exceptional needs.

8 ~~SEC. 51.~~

9 *SEC. 42.* Section 8250.5 of the Education Code is amended to
10 read:

11 8250.5. A contractor providing services pursuant to an early
12 learning services contract or an alternative payment contract is
13 subject to the requirements of the federal Americans with
14 Disabilities Act (42 U.S.C. Sec. 12101 et seq.).

15 ~~SEC. 52.~~

16 *SEC. 43.* Section 8251 of the Education Code is amended to
17 read:

18 8251. (a) All contractors administering early learning services
19 shall include plans or programs, or both, for the care of the children
20 when they are sick. These plans shall be age appropriate and
21 parents shall be included in the planning and evaluation. The
22 Superintendent shall disseminate information regarding effective
23 sick child care models to all early learning and educational support
24 programs.

25 (b) Nothing in this chapter shall be construed to allow the
26 practice of medicine without a license.

27 ~~SEC. 53.~~

28 *SEC. 44.* Section 8252 of the Education Code is amended to
29 read:

30 8252. (a) The department and the local county welfare
31 department shall enter into contracts that establish the procedures
32 for serving and referring a child in need of care as part of the
33 provision of protective services pursuant to Chapter 5 (commencing
34 with Section 16500) of Part 4 of Division 9 of the Welfare and
35 Institutions Code. The department, in consultation with the State
36 Department of Social Services, may contract with another
37 appropriate community agency that provides services or referrals,
38 or both, for the prevention or intervention of child abuse or neglect
39 if no such contract for care services exists between the department
40 and the county welfare department.

1 (b) The contracts shall specify the resource and referral program
2 or operating agency or agencies providing early learning and
3 educational support pursuant to this chapter in the county that the
4 local contracting agency shall contact to secure care for a child
5 needing protective services. If an operating agency is unable to
6 enroll the child, the local contracting agency described in
7 subdivision (a) with the assistance of the providers of local
8 resources and referral services shall locate services for the family.
9 Payments for these located services in the absence of other funds
10 shall be made by the local contracting agency.

11 (c) The need for services funded pursuant to this section shall
12 be reviewed by the local contracting agency no less than every
13 three months.

14 ~~SEC. 54.~~

15 *SEC. 45.* Section 8255 of the Education Code is amended to
16 read:

17 8255. (a) The Legislature finds and declares that the
18 effectiveness of early learning and educational support programs
19 can be increased through improved state administration, technical
20 assistance to provider agencies, and monitoring.

21 (b) It is the intent of the Legislature:

22 (1) That the department develop clear, consistent, and
23 appropriate regulations for early learning and educational support
24 programs to replace policy guidelines that are not subject to the
25 public hearing process, often inconsistent, and without the force
26 of law.

27 (2) That the department make better use of staff with direct field
28 experience in early learning and educational support programs.

29 (3) That better criteria be developed for the awarding,
30 evaluating, and renewal of early learning and educational support
31 contracts.

32 (4) That improvements be made in the method of reimbursing
33 providers.

34 (5) That increased effort be made to provide program operators
35 with technical assistance in meeting their contractual obligations.

36 ~~SEC. 55.~~

37 *SEC. 46.* Section 8257 of the Education Code is amended to
38 read:

39 8257. The department shall do all of the following in
40 administering the provisions of this chapter:

1 (a) Apply sanctions against contracting agencies that have
2 serious licensing violations, as defined and reported by the State
3 Department of Social Services pursuant to Section 1597.11 of the
4 Health and Safety Code.

5 (b) Except in the case of immediate terminations taken pursuant
6 to ~~Sections~~ *Section* 8406.7 or 8406.9, provide 90 days' written
7 notification to any contractor whose agreement is being terminated.
8 Notwithstanding Article 18 (commencing with Section 8400), the
9 department shall establish procedures for placing a contractor
10 whose agreement is being terminated into receivership. Action to
11 initiate receivership shall be at the discretion of the department,
12 and may be taken against a contractor whose agreement is being
13 terminated either immediately or within 90 days. The receiver shall
14 not be a department employee. The receiver shall have sufficient
15 experience in the administration of early learning and educational
16 support programs to ensure compliance with the terms of the
17 receivership.

18 ~~SEC. 56.~~

19 *SEC. 47.* Section 8258 of the Education Code is amended to
20 read:

21 8258. (a) A person employed by the department in a
22 policymaking position in the area of early learning and educational
23 support programs shall not serve as a member of the board of
24 directors, advisory council, or advisory committee for any agency
25 receiving funds pursuant to this chapter.

26 (b) A retired, dismissed, separated, or formerly employed person
27 of the department employed under the State Civil Service Act or
28 otherwise appointed to serve in the department shall not enter into
29 a contract pursuant to Section 8262 in which he or she engaged in
30 any of the negotiations, transactions, planning, arrangements, or
31 any part of the decisionmaking process relevant to the contract
32 while employed in any capacity by the department. The prohibition
33 contained in this subdivision shall apply to the person only during
34 the two-year period beginning on the date the person left state
35 employment.

36 (c) For a period of 12 months following the date of his or her
37 retirement, dismissal, or separation from state service, a person
38 employed under state civil service or otherwise appointed to serve
39 in the department shall not enter into a contract pursuant to Section
40 8262 if he or she was employed by the department in a

1 policymaking position in the area of early learning and educational
2 support programs within the 12-month period before his or her
3 retirement, dismissal, or separation.

4 (d) For a period of 12 months following the date of his or her
5 retirement, dismissal, or separation from state service, a person
6 employed under state civil service or otherwise appointed to serve
7 in the department shall not be employed by a contractor pursuant
8 to Section 8262 if he or she engaged in any of the negotiations,
9 transactions, planning, arrangements, or any part of the
10 decisionmaking process relevant to the contract while employed
11 in any capacity by the department.

12 ~~SEC. 57. Section 8261 of the Education Code is amended to~~
13 ~~read:~~

14 ~~8261. (a) The Superintendent shall adopt rules and regulations~~
15 ~~pursuant to this chapter. The rules and regulations shall include,~~
16 ~~but not be limited to, provisions which do all of the following:~~

17 ~~(1) Provide clear guidelines for the selection of agencies when~~
18 ~~early learning and educational support contracts are let.~~

19 ~~(2) Provide for a contract monitoring system to ensure that~~
20 ~~agencies expend funds received pursuant to this chapter in~~
21 ~~accordance with the provisions of their contracts.~~

22 ~~(3) Specify adequate standards of agency performance.~~

23 ~~(4) Establish reporting requirements for service reports,~~
24 ~~including provisions for varying the frequency with which these~~
25 ~~reports are to be submitted on the basis of agency performance.~~

26 ~~(5) Specify standards for withholding payments to agencies that~~
27 ~~fail to submit required fiscal reports.~~

28 ~~(6) Set forth standards for department site visits to contracting~~
29 ~~agencies, including, but not limited to, specification as to the~~
30 ~~purpose of the visits, the personnel that will perform these visits,~~
31 ~~and the frequency of these visits that shall be as frequently as staff~~
32 ~~and budget resources permit. By September 1 of each year, the~~
33 ~~department shall report to the Senate Education, Senate Health~~
34 ~~and Human Services, Assembly Education, and Assembly Human~~
35 ~~Services Committees on the number of visits conducted during~~
36 ~~the previous fiscal year pursuant to this paragraph.~~

37 ~~(b) The Superintendent shall consult with the State Department~~
38 ~~of Social Services with respect to rules and regulations adopted~~
39 ~~relative to the disbursement of federal funds under Title XX of the~~
40 ~~federal Social Security Act.~~

1 ~~(e) For purposes of expediting the implementation of state or~~
 2 ~~federal legislation to expand early learning and educational support~~
 3 ~~services, the Superintendent may waive (1) the regulations~~
 4 ~~regarding the point qualifications for, and the process and scoring~~
 5 ~~of, interviews of contract applicants pursuant to Section 18002 of~~
 6 ~~Title 5 of the California Code of Regulations, or (2) the time~~
 7 ~~limitations for scheduling and notification of appeal hearings and~~
 8 ~~their results pursuant to Section 18003 of Title 5 of the California~~
 9 ~~Code of Regulations. The Superintendent shall ensure that the~~
 10 ~~appeal hearings provided for in Section 18003 of Title 5 of the~~
 11 ~~California Code of Regulations are conducted in a timely manner.~~

12 ~~(d) (1) Early learning and educational support programs~~
 13 ~~operated under contract from funds made available pursuant to the~~
 14 ~~federal Child Care and Development Fund, shall be administered~~
 15 ~~according to Division 19 (commencing with Section 17906) of~~
 16 ~~Chapter 1 of Title 5 of the California Code of Regulations, unless~~
 17 ~~provisions of these regulations conflict with federal regulations.~~
 18 ~~If state and federal regulations conflict, the federal regulations~~
 19 ~~shall apply unless a waiver of federal regulations is authorized.~~

20 ~~(2) For purposes of this section, “Child Care and Development~~
 21 ~~Fund” has the same meaning as in Section 98.2 of Title 45 of the~~
 22 ~~Code of Federal Regulations.~~

23 *SEC. 48. Section 8261 of the Education Code is amended to*
 24 *read:*

25 8261. (a) The Superintendent shall adopt rules and regulations
 26 pursuant to this chapter. The rules and regulations shall include,
 27 but not be limited to, provisions which do all of the following:

28 (1) Provide clear guidelines for the selection of agencies when
 29 child development contracts are let, including, but not limited to,
 30 specification that any agency headquartered in the proposed service
 31 area on January 1, 1985, will be given priority for a new contract
 32 in that area, unless the department makes a written determination
 33 that (A) the agency is not able to deliver the level of services
 34 specified in the request for proposal, or (B) the department has
 35 notified the agency that it is not in compliance with the terms of
 36 its contract *early learning and educational support contracts are*
 37 *let.*

38 (2) Provide for a contract monitoring system to ensure that
 39 agencies expend funds received pursuant to this chapter in
 40 accordance with the provisions of their contracts.

1 (3) Specify adequate standards of agency performance.

2 (4) Establish reporting requirements for service reports,
3 including provisions for varying the frequency with which these
4 reports are to be submitted on the basis of agency performance.

5 (5) Specify standards for withholding payments to agencies that
6 fail to submit required fiscal reports.

7 (6) Set forth standards for department site visits to contracting
8 agencies, including, but not limited to, specification as to the
9 purpose of the visits, the personnel that will perform these visits,
10 and the frequency of these ~~visits~~ *visits*, which shall be as ~~frequently~~
11 *frequent* as staff and budget resources permit. By September 1 of
12 each year, the department shall report to the Senate Education,
13 Senate Health and Human Services, Assembly Education, and
14 Assembly Human Services Committees on the number of visits
15 conducted during the previous fiscal year pursuant to this
16 paragraph.

17 (7) Authorize the department to develop a process that requires
18 every contracting agency to recompete for continued funding no
19 less frequently than every five years.

20 (b) The Superintendent shall consult with the State Department
21 of Social Services with respect to rules and regulations adopted
22 relative to the disbursement of federal funds under Title XX of the
23 federal Social Security Act.

24 (c) For purposes of expediting the implementation of state or
25 federal legislation to expand ~~child care~~ *early learning and*
26 *educational support* services, the Superintendent may waive (1)
27 the regulations regarding the point qualifications for, and the
28 process and scoring of, interviews of contract applicants pursuant
29 to Section 18002 of Title 5 of the California Code of Regulations,
30 or (2) the time limitations for scheduling and notification of appeal
31 hearings and their results pursuant to Section 18003 of Title 5 of
32 the California Code of Regulations. The Superintendent shall
33 ensure that the appeal hearings provided for in Section 18003 of
34 Title 5 of the California Code of Regulations are conducted in a
35 timely manner.

36 (d) (1) ~~Child care and development~~ *Early learning and*
37 *educational support* programs operated under contract from funds
38 made available pursuant to the federal Child Care and Development
39 Fund, shall be administered according to Division 19 (commencing
40 with Section 17906) of Chapter 1 of Title 5 of the California Code

1 of Regulations, unless provisions of these regulations conflict with
2 federal regulations. If state and federal regulations conflict, the
3 federal regulations shall apply unless a waiver of federal regulations
4 is authorized.

5 (2) For purposes of this section, “Child Care and Development
6 Fund” has the same meaning as in Section 98.2 of Title 45 of the
7 Code of Federal Regulations.

8 ~~SEC. 58:~~

9 *SEC. 49.* Section 8261.5 of the Education Code is amended to
10 read:

11 8261.5. For purposes of meeting state and federal reporting
12 requirements and for the effective administration of early learning
13 and educational support programs, the Superintendent is authorized
14 to require the collection and submission of social security numbers
15 of heads of households, and other information as required, from
16 public and private agencies contracting with the department
17 pursuant to this chapter, including local educational agencies.

18 ~~SEC. 59:~~

19 *SEC. 50.* Section 8262 of the Education Code is amended to
20 read:

21 8262. Notwithstanding Sections 14616 and 14780 of the
22 Government Code, the Superintendent may enter into and execute
23 local contractual agreements with any public or private entity or
24 agency for the delivery of early learning and educational support
25 services or the furnishing of property, facilities, personnel, supplies,
26 equipment, and administrative services related to the delivery of
27 early learning and educational support services. Before entering
28 into or executing a local agreement, the department shall obtain
29 annual approval from the Department of General Services and the
30 Department of Finance as to the form and general content thereof.
31 The agreements may only be made for the delivery of early learning
32 and educational support services, or the furnishing of property,
33 facilities, personnel, supplies, equipment, or administrative services
34 related thereto, which conform with the provisions of this chapter.

35 ~~SEC. 60:~~

36 *SEC. 51.* Section 8263 of the Education Code is amended to
37 read:

38 8263. (a) The Superintendent shall adopt rules and regulations
39 on eligibility, enrollment, and priority of services needed to
40 implement this chapter. In order to be eligible for federal and state

1 subsidized early learning and educational support services, families
2 shall meet at least one requirement in each of the following areas:

3 (1) A family is (A) a current aid recipient, (B) income eligible,
4 (C) homeless, or (D) one whose children are recipients of protective
5 services, or whose children have been identified as being abused,
6 neglected, or exploited, or at risk of being abused, neglected, or
7 exploited.

8 (2) A family needs the care services (A) because the child is
9 identified by a legal, medical, or social services agency, or
10 emergency shelter as (i) a recipient of protective services or (ii)
11 being neglected, abused, or exploited, or at risk of neglect, abuse,
12 or exploitation, or (B) because the parents are (i) engaged in
13 vocational training leading directly to a recognized trade,
14 paraprofession, or profession, (ii) employed or seeking
15 employment, (iii) seeking permanent housing for family stability,
16 or (iv) incapacitated.

17 (b) Except as provided in Article 15.5 (commencing with Section
18 8350), priority for federal and state subsidized early learning and
19 educational support services is as follows:

20 (1) (A) First priority shall be given to neglected or abused
21 children who are recipients of child protective services, or children
22 who are at risk of being neglected or abused, upon written referral
23 from a legal, medical, or social services agency. If an agency is
24 unable to enroll a child in the first priority category, the agency
25 shall refer the family to local resource and referral services to
26 locate services for the child.

27 (B) A family ~~who~~ *that* is receiving care on the basis of ~~being~~ a
28 child at risk of abuse, neglect, or exploitation, as defined in
29 subdivision (j) of Section 8208, is eligible to receive services
30 pursuant to subparagraph (A) for up to three months, unless the
31 family becomes eligible pursuant to subparagraph (C).

32 (C) A family may receive care services for up to 12 months on
33 the basis of a certification by the county child welfare agency that
34 child care services continue to be necessary or, if the child is
35 receiving child protective services during that period of time, and
36 the family requires care and remains otherwise eligible. This time
37 limit does not apply if the family's care referral is recertified by
38 the county child welfare agency.

39 (2) Second priority shall be given equally to eligible families,
40 regardless of the number of parents in the home, who are income

1 eligible. Within this priority, families with the lowest gross monthly
2 income in relation to family size, as determined by a schedule
3 adopted by the Superintendent, shall be admitted first. If two or
4 more families are in the same priority in relation to income, the
5 family that has a child with exceptional needs shall be admitted
6 first. If there is no family of the same priority with a child with
7 exceptional needs, the same priority family that has been on the
8 waiting list for the longest time shall be admitted first. For purposes
9 of determining order of admission, the grants of public assistance
10 recipients shall be counted as income.

11 (3) The Superintendent shall set criteria for, and may grant
12 specific waivers of, the priorities established in this subdivision
13 for agencies that wish to serve specific populations, including
14 children with exceptional needs or children of prisoners. These
15 new waivers shall not include proposals to avoid appropriate fee
16 schedules or admit ineligible families, but may include proposals
17 to accept members of special populations in other than strict income
18 order, as long as appropriate fees are paid.

19 (c) Notwithstanding any other law, in order to promote
20 continuity of services, a family enrolled in a state or federally
21 funded early learning and educational support program whose
22 services would otherwise be terminated because the family no
23 longer meets the program income, eligibility, or need criteria may
24 continue to receive services in another state or federally funded
25 early learning and educational support program if the contractor
26 is able to transfer the family's enrollment to another program for
27 which the family is eligible before the date of termination of
28 services or to exchange the family's existing enrollment with the
29 enrollment of a family in another program, provided that both
30 families satisfy the eligibility requirements for the program in
31 which they are being enrolled. The transfer of enrollment may be
32 to another program within the same administrative agency or to
33 another agency that administers state or federally funded early
34 learning and educational support programs.

35 (d) In order to promote continuity of services, the Superintendent
36 may extend the 60-working-day period specified in subdivision
37 (a) of Section 18086.5 of Title 5 of the California Code of
38 Regulations for an additional 60 working days if he or she
39 determines that opportunities for employment have diminished to
40 the degree that one or both parents cannot reasonably be expected

1 to find employment within 60 working days and granting the
2 extension is in the public interest. The scope of extensions granted
3 pursuant to this subdivision shall be limited to the necessary
4 geographic areas and affected persons, which shall be described
5 in the Superintendent's order granting the extension. It is the intent
6 of the Legislature that extensions granted pursuant to this
7 subdivision improve services in areas with high unemployment
8 rates and areas with disproportionately high numbers of seasonal
9 agricultural jobs.

10 (e) A physical examination and evaluation, including
11 age-appropriate immunization, shall be required before, or within
12 six weeks of, enrollment. A standard, rule, or regulation shall not
13 require medical examination or immunization for admission to an
14 early learning and educational support program of a child whose
15 parent or guardian files a letter with the governing board of the
16 program stating that the medical examination or immunization is
17 contrary to his or her religious beliefs, or provide for the exclusion
18 of a child from the program because of a parent or guardian having
19 filed the letter. However, if there is good cause to believe that a
20 child is suffering from a recognized contagious or infectious
21 disease, the child shall be temporarily excluded from the program
22 until the governing board of the program is satisfied that the child
23 is not suffering from that contagious or infectious disease.

24 (f) Regulations formulated and promulgated pursuant to this
25 section shall include the recommendations of the State Department
26 of Health Care Services relative to health care screening and the
27 provision of health care services. The Superintendent shall seek
28 the advice and assistance of these health authorities in situations
29 where service under this chapter includes or requires care of
30 children who are ill or children with exceptional needs.

31 (g) The Superintendent shall establish guidelines for the
32 collection of employer-sponsored care benefit payments from a
33 parent whose child receives subsidized early learning and
34 educational support services. These guidelines shall provide for
35 the collection of the full amount of the benefit payment, but not
36 to exceed the actual cost of early learning and educational support
37 services provided, notwithstanding the applicable fee based on the
38 fee schedule.

39 (h) The Superintendent shall establish guidelines according to
40 which the director or a duly authorized representative of the early

1 learning and educational support program will certify children as
2 eligible for state reimbursement pursuant to this section.

3 (i) Public funds shall not be paid directly or indirectly to an
4 agency that does not pay at least the minimum wage to each of its
5 employees.

6 ~~SEC. 61.~~

7 *SEC. 52.* Section 8263.2 of the Education Code is amended to
8 read:

9 8263.2. (a) Notwithstanding any other law, effective July 1,
10 2011, the department shall reduce the maximum reimbursable
11 amounts of the contracts for the Preschool Education Program, the
12 General Child Care Program, the Migrant Day Care Program, the
13 Alternative Payment Program, the CalWORKs Stage 3 Program,
14 and the Allowance for Handicapped Program by 11 percent or by
15 whatever proportion is necessary to ensure that expenditures for
16 these programs do not exceed the amounts appropriated for them,
17 including any reductions made subsequent to the adoption of the
18 annual Budget Act. The department may consider the contractor's
19 performance or whether the contractor serves children in an
20 underserved area, as defined in subdivision ~~(ai)~~ (ah) of Section
21 8208, when determining contract reductions, provided that the
22 aggregate reduction to each program specified in this subdivision
23 is 11 percent or by whatever proportion is necessary to ensure that
24 expenditures for these programs do not exceed the amounts
25 appropriated for them, including any reductions made subsequent
26 to the adoption of the annual Budget Act.

27 (b) Notwithstanding any other law, effective July 1, 2011,
28 families shall be disenrolled from subsidized services, consistent
29 with the priorities for services specified in subdivision (b) of
30 Section 8263. Families shall be disenrolled in the following order:

31 (1) Families whose income exceeds 70 percent of the state
32 median income (SMI) adjusted for family size, except for families
33 whose children are receiving child protective services or are at
34 risk of being neglected or abused.

35 (2) Families with the highest income below 70 percent of the
36 SMI, in relation to family size.

37 (3) Families that have the same income and have been enrolled
38 in services the longest.

39 (4) Families that have the same income and have a child with
40 exceptional needs.

1 (5) Families whose children are receiving child protective
2 services or are at risk of being neglected or abused, regardless of
3 family income.

4 ~~SEC. 62.~~

5 *SEC. 53.* Section 8263.3 of the Education Code is amended to
6 read:

7 8263.3. (a) Notwithstanding any other law, and in addition to
8 any reductions applied pursuant to Section 8263.2, effective July
9 1, 2012, the department shall reduce the maximum reimbursable
10 amounts of the contracts for the General Child Care Program, the
11 Migrant Day Care Program, the Alternative Payment Program, the
12 CalWORKs Stage 3 Program, and the Allowance for Handicapped
13 Program by 8.7 percent or by whatever proportion is necessary to
14 ensure that expenditures for these programs do not exceed the
15 amounts appropriated for them, as adjusted for any reductions in
16 appropriations made subsequent to the adoption of the annual
17 Budget Act. The department may consider the contractor's
18 performance or whether the contractor serves children in an
19 underserved area, as defined in subdivision ~~(ai)~~ (ah) of Section
20 8208, when determining contract reductions, provided that the
21 aggregate reduction to each program specified in this subdivision
22 is 8.7 percent or whatever proportion is necessary to ensure that
23 expenditures for these programs do not exceed the amounts
24 appropriated for them, as adjusted for any reductions in
25 appropriations made subsequent to the adoption of the annual
26 Budget Act.

27 (b) Notwithstanding any other law, effective July 1, 2012,
28 families shall be disenrolled from subsidized services, consistent
29 with the priorities for services specified in subdivision (b) of
30 Section 8263. Families shall be disenrolled in the following order:

31 (1) Families with the highest income in relation to family size.

32 (2) Families that have the same income and have been enrolled
33 in services the longest.

34 (3) Families that have the same income and have a child with
35 exceptional needs.

36 (4) Families whose children are receiving child protective
37 services or are at risk of being neglected or abused, regardless of
38 family income.

1 ~~SEC. 63.~~

2 *SEC. 54.* Section 8263.4 of the Education Code is amended to
3 read:

4 8263.4. (a) The preferred placement for children who are 11
5 or 12 years of age and who are otherwise eligible for subsidized
6 early learning and educational support services shall be in a before
7 or after school program.

8 (b) Children who are 11 or 12 years of age shall be eligible for
9 subsidized early learning and educational support services only
10 for the portion of care needed that is not available in a before or
11 after school program provided pursuant to Article 22.5
12 (commencing with Section 8482) or Article 22.6 (commencing
13 with Section 8484.7). Contractors shall provide each family of an
14 eligible 11- or 12-year-old child with the option of combining care
15 provided in a before or after school program with subsidized care
16 in another setting, for those hours within a day when the before or
17 after school program does not operate, in order to meet the needs
18 of the family.

19 (c) Children who are 11 or 12 years of age, who are eligible for
20 and who are receiving subsidized early learning and educational
21 support services, and for whom a before or after school program
22 is not available, shall continue to receive subsidized early learning
23 and educational support services.

24 (d) A before or after school program shall be considered not
25 available when a parent certifies in writing, on a form provided
26 by the department that is translated into the parent's primary
27 language pursuant to Sections 7295.4 and 7296.2 of the
28 Government Code, the reason or reasons why the program would
29 not meet the needs of the family. The reasons why a before or after
30 school program shall be considered not available shall include,
31 but not be limited to, any of the following:

32 (1) The program does not provide services when needed during
33 the year, such as during the summer, school breaks, or intersession.

34 (2) The program does not provide services when needed during
35 the day, such as in the early morning, evening, or weekend hours.

36 (3) The program is too geographically distant from the child's
37 school of attendance.

38 (4) The program is too geographically distant from the parents'
39 residence.

1 (5) Use of the program would create substantial transportation
2 obstacles for the family.

3 (6) Any other reason that makes the use of before or after school
4 care inappropriate for the child or burdensome on the family.

5 (e) If an 11- or 12-year-old child who is enrolled in a subsidized
6 early learning and educational support program becomes ineligible
7 for subsidized early learning and educational support programs
8 under subdivision (b) and is disenrolled from the before or after
9 school program, or if the before or after school program no longer
10 meets the needs of the family, the child shall be given priority to
11 return to the subsidized early learning and educational support
12 program upon the parent's notification of the contractor of the
13 need for care.

14 (f) This section does not apply to an 11- or 12-year-old child
15 with a disability, including a child with exceptional needs who has
16 an individualized education program as required by the federal
17 Individuals with Disabilities Education Act (20 U.S.C. Sec. 1400
18 et seq.), Section 504 of the federal Rehabilitation Act of 1973 (29
19 U.S.C. Sec. 794), or Part 30 (commencing with Section 56000) of
20 Division 4 of Title 2.

21 (g) The savings generated each contract year by the
22 implementation of the changes made to this section by Chapter 78
23 of the Statutes of 2005 shall remain with each early learning and
24 educational support program contractor for the provision of
25 services, except for care provided by programs pursuant to Article
26 15.5 (commencing with Section 8350). Each contractor shall report
27 annually to the department the amount of savings resulting from
28 this implementation, and the department shall report annually to
29 the Legislature the amount of savings statewide resulting from that
30 implementation.

31 ~~SEC. 64.~~

32 *SEC. 55.* Section 8264 of the Education Code is amended to
33 read:

34 8264. By July 1, 1981, and annually thereafter, the State
35 Department of Health Care Services shall provide a mechanism
36 for the delivery of health screening and followup services for
37 children enrolled in early learning and educational support
38 programs for whom there are no appropriate health services
39 accessible by referral.

1 ~~SEC. 65.~~

2 *SEC. 56.* Section 8264.5 of the Education Code is amended to
3 read:

4 8264.5. The Superintendent may waive or modify requirements
5 in order to enable contractors administering early learning services
6 to serve combinations of eligible children in areas of low
7 population. The programs for which the Superintendent may grant
8 waivers shall include, but need not be limited to, California state
9 preschool full-day ~~program services~~ *programs*, services provided
10 by the California School Age Families Education Program (Article
11 7.1 (commencing with Section 54740) of Chapter 9 of Part 29 of
12 Division 4 of Title 2), infant and toddler services, migrant ~~services~~
13 *child care and development programs (Article 6 (commencing*
14 *with Section 8230))*, and ~~early learning~~ *general child care and*
15 *development* programs operating pursuant to Article 8
16 (commencing with Section 8240).

17 ~~SEC. 66.~~

18 *SEC. 57.* Section 8264.6 of the Education Code is amended to
19 read:

20 8264.6. The Superintendent may provide outreach services and
21 technical assistance to new applicants or contracting agencies and
22 to those providing services during nontraditional times, in
23 underserved geographic areas, and for children with specific service
24 needs, including infants and toddlers under three years of age.

25 ~~SEC. 67.~~

26 *SEC. 58.* Section 8264.7 of the Education Code is amended to
27 read:

28 8264.7. (a) The Superintendent shall establish rules and
29 regulations for the staffing of all early learning services under
30 contract with the department.

31 (b) Priority shall be given by the department to the employment
32 of persons in early learning services with ethnic backgrounds that
33 are similar to those of the child for whom services are provided.

34 (c) For purposes of staffing early learning services, the role of
35 a teacher in child supervision means direct supervision of the
36 children as well as supervision of aides and groups of children.

37 (d) Family child care homes shall operate pursuant to
38 adult-to-child ratios prescribed in Chapter 7 (commencing with
39 Section 86001) of Division 6 of Title 22 of the California Code of
40 Regulations.

1 (e) Approval by the Superintendent of any ongoing or new
2 programs seeking to operate under the ratios and standards
3 established by the Superintendent under this chapter shall be based
4 upon the following considerations:

5 (1) The type of facility in which care is being or is to be
6 provided.

7 (2) The ability of the Superintendent to implement a funding
8 source change.

9 (3) The proportion of nonsubsidized children enrolled or to be
10 enrolled by the agency.

11 (4) The most cost-effective ratios possible for the type of
12 services provided or to be provided by the agency.

13 (f) The Superintendent shall apply for waivers of federal
14 requirements as are necessary to carry out this section.

15 ~~SEC. 68.~~

16 *SEC. 59.* Section 8264.8 of the Education Code is repealed.

17 ~~SEC. 69.~~

18 *SEC. 60.* Section 8264.8 is added to the Education Code, to
19 read:

20 8264.8. (a) Early learning and educational support programs
21 shall maintain at least the following minimum ratios in all early
22 learning services except for family child care home education
23 networks operating pursuant to Article 8.5 (commencing with
24 Section 8245):

25 (1) Infants, birth to 18 months old—1:3 adult-to-child ratio,
26 1:18 teacher-to-child ratio.

27 (2) Toddlers, 18 months up to their third birthday—1:4
28 adult-to-child ratio, 1:16 teacher-to-child ratio.

29 (3) Preschool, at least 30 months to kindergarten eligibility—1:8
30 adult-to-child ratio, 1:24 teacher-to-child ratio.

31 (4) Schoolage, enrolled in kindergarten to their 13th
32 birthday—1:14 adult-to-child ratio, 1:28 teacher-to-child ratio.

33 (b) Compliance with the ratios established by subdivision (a)
34 shall be determined based on actual attendance.

35 ~~SEC. 70.~~ Section 8265 of the Education Code is amended to
36 read:

37 ~~8265.~~ (a) ~~The Superintendent shall implement a plan that~~
38 ~~establishes reasonable standards and assigned reimbursement rates,~~
39 ~~which vary with the length of the program year and the hours of~~
40 ~~service.~~

- 1 ~~(1) Parent fees shall be used to pay reasonable and necessary~~
2 ~~costs for providing additional services.~~
- 3 ~~(2) When establishing standards and assigned reimbursement~~
4 ~~rates, the Superintendent shall confer with applicant agencies.~~
- 5 ~~(3) The reimbursement system, including standards and rates,~~
6 ~~shall be submitted to the Joint Legislative Budget Committee.~~
- 7 ~~(4) The Superintendent may establish any regulations he or she~~
8 ~~deems advisable concerning conditions of service and hours of~~
9 ~~enrollment for children in the programs.~~
- 10 ~~(b) The standard reimbursement rate shall be three thousand~~
11 ~~five hundred twenty-three dollars (\$3,523) per unit of average~~
12 ~~daily enrollment for a 250-day year, increased by the cost-of-living~~
13 ~~adjustment granted by the Legislature beginning July 1, 1980.~~
- 14 ~~(c) The plan shall require agencies having an assigned~~
15 ~~reimbursement rate above the current year standard reimbursement~~
16 ~~rate to reduce costs on an incremental basis to achieve the standard~~
17 ~~reimbursement rate.~~
- 18 ~~(d) The plan shall provide for adjusting reimbursement on a~~
19 ~~case-by-case basis, in order to maintain service levels for agencies~~
20 ~~currently at a rate less than the standard reimbursement rate.~~
21 ~~Assigned reimbursement rates shall be increased only on the basis~~
22 ~~of one or more of the following:~~
- 23 ~~(1) Loss of program resources from other sources.~~
- 24 ~~(2) Need of an agency to pay the same rates as those prevailing~~
25 ~~in the local community.~~
- 26 ~~(3) Increased costs directly attributable to new or different~~
27 ~~regulations.~~
- 28 ~~(4) Documented increased costs necessary to maintain the prior~~
29 ~~year's level of service and ensure the continuation of threatened~~
30 ~~programs. Agencies funded at the lowest rates shall be given first~~
31 ~~priority for increases.~~
- 32 ~~(e) The plan shall provide for expansion of early learning~~
33 ~~services at no more than the standard reimbursement rate for that~~
34 ~~fiscal year.~~
- 35 ~~(f) The Superintendent may reduce the percentage of reduction~~
36 ~~for a public agency that satisfies any of the following:~~
- 37 ~~(1) Serves more than 400 children.~~
- 38 ~~(2) Has in effect a collective bargaining agreement.~~
- 39 ~~(3) Has other extenuating circumstances that apply, as~~
40 ~~determined by the Superintendent.~~

1 *SEC. 61. Section 8265 of the Education Code is amended to*
2 *read:*

3 8265. (a) The Superintendent shall implement a plan that
4 establishes reasonable standards and assigned reimbursement rates,
5 which vary with the length of the program year and the hours of
6 service.

7 (1) Parent fees shall be used to pay reasonable and necessary
8 costs for providing additional services.

9 (2) When establishing standards and assigned reimbursement
10 rates, the Superintendent shall confer with applicant agencies.

11 (3) The reimbursement system, including standards and rates,
12 shall be submitted to the Joint Legislative Budget Committee.

13 (4) The Superintendent may establish any regulations he or she
14 deems advisable concerning conditions of service and hours of
15 enrollment for children in the programs.

16 (b) The standard reimbursement rate shall be nine thousand
17 twenty-four dollars and seventy-five cents (\$9,024.75) per unit of
18 average daily enrollment for a 250-day year, and commencing
19 with the 2015–16 fiscal year, shall be increased by the
20 cost-of-living adjustment granted by the Legislature annually
21 pursuant to Section 42238.15.

22 (c) The plan shall require agencies having an assigned
23 reimbursement rate above the current year standard reimbursement
24 rate to reduce costs on an incremental basis to achieve the standard
25 reimbursement rate.

26 (d) The plan shall provide for adjusting reimbursement on a
27 case-by-case basis, in order to maintain service levels for agencies
28 currently at a rate less than the standard reimbursement rate.
29 Assigned reimbursement rates shall be increased only on the basis
30 of one or more of the following:

31 (1) Loss of program resources from other sources.

32 (2) Need of an agency to pay the same ~~child care~~ rates as those
33 prevailing in the local community.

34 (3) Increased costs directly attributable to new or different
35 regulations.

36 (4) Documented increased costs necessary to maintain the prior
37 year's level of service and ensure the continuation of threatened
38 programs. *Agencies funded at the lowest rates shall be given first*
39 *priority for increases.*

1 ~~Child care agencies funded at the lowest rates shall be given first~~
 2 ~~priority for increases.~~

3 (e) The plan shall provide for expansion of ~~child development~~
 4 ~~programs~~ *early learning services* at no more than the standard
 5 reimbursement rate for that fiscal year.

6 (f) The Superintendent may reduce the percentage of reduction
 7 for a public agency that satisfies any of the following:

- 8 (1) Serves more than 400 children.
- 9 (2) Has in effect a collective bargaining agreement.
- 10 (3) Has other extenuating circumstances that apply, as
- 11 determined by the Superintendent.

12 ~~SEC. 71.~~

13 *SEC. 62.* Section 8266 of the Education Code is amended to
 14 read:

15 8266. (a) Notwithstanding Section 8265, the assigned
 16 reimbursement rate of ~~an early learning program~~ *a center-based*
 17 *contracting agency* (1) contracting with the department, (2)
 18 operating under licensing standards for facilities specified in
 19 Chapter 3 (commencing with Section 1500) of Division 2 of the
 20 Health and Safety Code and by Title 22 of the California Code of
 21 Regulations, and (3) with less than a majority of subsidized
 22 children enrolled in the facility, shall be equivalent to the fee paid
 23 for the same service by families of nonsubsidized children.

24 (b) It is not the intent of the Legislature to preclude an agency
 25 with a contract with the department from adjusting the fees charged
 26 to nonsubsidized children during the contract year. In no event
 27 shall the assigned reimbursement rate exceed the standard
 28 reimbursement rate established pursuant to Section 8265.

29 (c) An agency subject to this section shall provide
 30 documentation to the department that subsidized children, as
 31 necessary and appropriate, shall receive supportive services through
 32 county welfare departments, resource and referral programs, or
 33 other existing community resources, or all of them.

34 ~~SEC. 72.~~

35 *SEC. 63.* Section 8266.1 of the Education Code is amended to
 36 read:

37 8266.1. Commencing with the 1995–96 fiscal year and each
 38 fiscal year thereafter, for the purposes of this chapter,
 39 reimbursement rates shall be adjusted by the following
 40 reimbursement factors for early learning services with a standard

1 reimbursement rate, but shall not apply to the resource and referral
2 programs set forth in Article 2 (commencing with Section 8210),
3 the alternative payment programs set forth in Article 3
4 (commencing with Section 8220), or the part-day California state
5 preschool programs set forth in Article 7 (commencing with
6 Section 8235).

7 (a) For early learning services serving children for less than
8 four hours per day, the reimbursement factor is 55 percent of the
9 standard reimbursement rate.

10 (b) For early learning services serving children for not less than
11 four hours per day, and less than six and one-half hours per day,
12 the reimbursement factor is 75 percent of the standard
13 reimbursement rate.

14 (c) For early learning services serving children for not less than
15 six and one-half hours per day, and less than 10½ hours per day,
16 the reimbursement factor is 100 percent of the standard
17 reimbursement rate.

18 (d) For early learning services serving children for 10½ hours
19 or more per day, the reimbursement factor is 118 percent of the
20 standard reimbursement rate.

21 ~~SEC. 73.~~

22 *SEC. 64.* Section 8272 of the Education Code is amended to
23 read:

24 8272. (a) The rules, regulations, and guidelines adopted by
25 the Superintendent pursuant to Sections 8261 and 8269 shall permit
26 reimbursement for interest paid by contractors on private sector
27 debt financing for the purchase, lease-purchase, repair, or
28 renovation of early learning and educational support facilities
29 owned or leased by contractors providing early learning and
30 educational support services.

31 (b) The Superintendent shall adopt regulations requiring
32 contractors to demonstrate that the amount of interest paid in a
33 year on private sector debt financing for the purposes identified
34 in subdivision (a) does not exceed the value obtained by the state
35 in the use of the facilities during the year for the early learning
36 and educational support services program. The regulations shall
37 include, but not be limited to, the following methods of making
38 this demonstration:

39 (1) Amortization of a loan or lease-purchase contract on a
40 straight-line basis for the purchase price of a portable building,

1 including any transportation charges, installation charges, loan
2 fees, taxes, points, or other fees associated with the purchase, over
3 a period of 15 years or more.

4 (2) Amortization of a loan or lease-purchase contract on a
5 straight-line basis for the purchase price of a permanent building
6 and real estate, including any loan fees, taxes, points, or other fees
7 associated with the purchase, over a period of 15 years or more.

8 (3) Evidence acceptable to the Superintendent that loan
9 payments for the purchase of a portable building or permanent
10 building and real estate, including principal and interest, do not
11 exceed the fair market rental cost that the contractor would have
12 paid if the property was not purchased.

13 (c) Loans or lease-purchase agreements amortized over the
14 number of years designated in subdivision (b), but due in a fewer
15 number of years, shall not be disallowed because of the shorter
16 due date.

17 ~~SEC. 74.~~

18 *SEC. 65.* Section 8275 of the Education Code is amended to
19 read:

20 8275. (a) The Superintendent may reimburse approvable
21 startup costs of agencies or facilities in an amount not to exceed
22 15 percent of the expansion or increase of each agency’s total
23 contract amount. Under no circumstances shall reimbursement for
24 startup costs result in an increase in the agency’s total contract
25 amount. These funds shall be available for all of the following:

- 26 (1) The employment and orientation of necessary staff.
- 27 (2) The setting up of the program and facility.
- 28 (3) The finalization of rental agreements and the making of
29 necessary deposits.
- 30 (4) The purchase of a reasonable inventory of materials and
31 supplies.
- 32 (5) The purchase of an initial premium for insurance.

33 (b) Agencies shall submit claims for startup costs with their first
34 quarterly reports.

35 (c) The Legislature recognizes that allowances for startup costs
36 are necessary for the establishment and stability of new early
37 learning and educational support programs.

38 ~~SEC. 75.~~

39 *SEC. 66.* Section 8276.7 of the Education Code is amended to
40 read:

1 8276.7. Unless specifically exempted by the Legislature, the
2 administrative cost for all state-funded early learning and
3 educational support programs and all federal programs
4 administered by the state shall not exceed 15 percent of the funds
5 provided for those programs. Eighty-five percent of these funds
6 shall be used to provide direct services in accordance with rules
7 and regulations, or contractual funding terms and conditions
8 prescribed by the Superintendent.

9 ~~SEC. 76.~~

10 *SEC. 67.* Section 8277 of the Education Code is amended to
11 read:

12 8277. (a) The Superintendent shall establish regulations for
13 the allocation of capital outlay funds provided pursuant to Sections
14 8277.1 to 8277.4, inclusive, to benefit children most needing early
15 learning and educational support programs. The first priority for
16 all capital outlay shall be given to facilities located in geographic
17 areas with no other available enrollment slots in existing subsidized
18 and nonsubsidized facilities. This capital outlay funding shall be
19 used solely for purposes of renovation and repair of existing
20 buildings.

21 (b) The Superintendent shall establish qualifications for
22 determining the eligibility of contracting agencies and care homes
23 to apply for capital outlay funds.

24 ~~SEC. 77.~~

25 *SEC. 68.* Section 8277.8 of the Education Code is amended to
26 read:

27 8277.8. (a) In the event that a school district elects to
28 discontinue its contract for early learning and educational support
29 services, the facilities owned by the school district and constructed
30 through the provisions of the local tax override for early learning
31 and educational support program purposes shall be made available
32 to the local contractor whose bid is accepted for continuation of
33 the services.

34 (b) The rent for the facilities shall not exceed the prevailing
35 rental rate for such facilities.

36 ~~SEC. 78.~~ Section 8278.3 of the Education Code is amended to
37 read:

38 ~~8278.3. (a) (1) The Child Care Facilities Revolving Fund is~~
39 ~~hereby established in the State Treasury to provide funding for the~~
40 ~~renovation, repair, or improvement of an existing building to make~~

1 the building suitable for licensure for early learning and educational
2 support services and for the purchase of new relocatable facilities
3 for lease to school districts and contracting agencies that provide
4 early learning and educational support services pursuant to this
5 chapter. The Superintendent may transfer state funds appropriated
6 for facilities into this fund for allocation to school districts and
7 contracting agencies, as specified, for the purchase, transportation,
8 and installation of facilities for replacement and expansion of
9 capacity. School districts and contracting agencies using facilities
10 made available by the use of these funds shall be charged a leasing
11 fee, either at a fair market value for those facilities or at an amount
12 sufficient to amortize the cost of purchase and relocation,
13 whichever amount is lower, over a 10-year period. Upon full
14 repayment of the purchase and relocation costs, title shall transfer
15 from the State of California to the school district or contracting
16 agency. The Superintendent shall deposit all revenue derived from
17 the lease payments into the Child Care Facilities Revolving Fund.

18 ~~(2) Notwithstanding Section 13340 of the Government Code,~~
19 ~~all moneys in the fund, including moneys deposited from lease~~
20 ~~payments, are continuously appropriated, without regard to fiscal~~
21 ~~years, to the Superintendent for expenditure pursuant to this article.~~

22 ~~(b) On or before August 1 of each fiscal year, the Superintendent~~
23 ~~shall submit to the Department of Finance and the Legislative~~
24 ~~Analyst's Office a report detailing the number of funding requests~~
25 ~~received and their purpose, the types of agencies that received~~
26 ~~funding from the Child Care Facilities Revolving Fund, the~~
27 ~~increased capacity that these facilities generated, a description of~~
28 ~~the manner in which the facilities are being used, and a projection~~
29 ~~of the lease payments collected and the funds available for future~~
30 ~~use.~~

31 ~~(c) A school district or county office of education that provides~~
32 ~~services pursuant to the California School Age Families Education~~
33 ~~Program (Article 7.1 (commencing with Section 54740) of Chapter~~
34 ~~9 of Part 29 of Division 4 of Title 2) is eligible to apply for and~~
35 ~~receive funding pursuant to this section.~~

36 *SEC. 69. Section 8278.3 of the Education Code is amended to*
37 *read:*

38 8278.3. (a) (1) The Child Care Facilities Revolving Fund is
39 hereby established in the State Treasury to provide funding for the
40 renovation, repair, or improvement of an existing building to make

1 the building suitable for licensure for ~~child care and development~~
2 *early learning and educational support* services and for the
3 purchase of new relocatable ~~child care~~ facilities for lease to local
4 educational agencies and contracting agencies that provide ~~child~~
5 ~~care and development~~ *early learning and educational support*
6 services, pursuant to this chapter. The Superintendent may transfer
7 state funds appropriated for ~~child care~~ facilities into this fund for
8 allocation to local educational agencies and contracting agencies,
9 as specified, for the purchase, transportation, and installation of
10 facilities for replacement and expansion of capacity. Local
11 educational agencies and contracting agencies using facilities made
12 available by the use of these funds shall be charged a leasing fee,
13 either at a fair market value for those facilities or at an amount
14 sufficient to amortize the cost of purchase and relocation,
15 whichever amount is lower, over a 10-year period. Upon full
16 repayment of the purchase and relocation costs, title shall transfer
17 from the State of California to the local educational agency or
18 contracting agency. The Superintendent shall deposit all revenue
19 derived from the lease payments into the Child Care Facilities
20 Revolving Fund.

21 (2) Notwithstanding Section 13340 of the Government Code,
22 all moneys in the fund, including moneys deposited from lease
23 payments, are continuously appropriated, without regard to fiscal
24 years, to the Superintendent for expenditure pursuant to this article.

25 (3) Augmentations to the Child Care Facilities Revolving Fund
26 made in the Budget Act of 2014 shall be used for renovation or
27 repair of existing local educational agency facilities or new
28 relocatable child care facilities for lease to local educational
29 agencies that provide California state preschool program services
30 pursuant to this chapter.

31 (b) On or before August 1 of each fiscal year, the Superintendent
32 shall submit to the Department of Finance and the Legislative
33 Analyst's Office a report detailing the number of funding requests
34 received and their purpose, the types of agencies that received
35 funding from the Child Care Facilities Revolving Fund, the
36 increased capacity that these facilities generated, a description of
37 the manner in which the facilities are being used, and a projection
38 of the lease payments collected and the funds available for future
39 use.

1 (c) A local educational agency that provides child care pursuant
2 to the California School Age Families Education Program (Article
3 7.1 (commencing with Section 54740) of Chapter 9 of Part 29 of
4 Division 4 of Title 2) is eligible to apply for and receive funding
5 pursuant to this section.

6 ~~SEC. 79.~~

7 *SEC. 70.* Section 8279.1 of the Education Code is amended to
8 read:

9 8279.1. (a) The Legislature recognizes that early learning and
10 educational support programs have made valuable contributions
11 towards ensuring that public assistance recipients will be able to
12 accept and maintain employment or employment-related training.
13 Therefore, it is the intent of the Legislature that the Superintendent
14 ensure that counties comply with the requirements of Section 8279.

15 (b) The Superintendent shall ensure each county's compliance
16 with Section 8279 by not issuing funds to a local contractor within
17 a county until the Superintendent has received written certification
18 from that county that the level of expenditure for services provided
19 by the county has been maintained at the 1970–71 fiscal year level
20 pursuant to Section 8279. Funding provided by a county to a local
21 contractor shall not adversely affect the reimbursement received
22 by the agency from the Superintendent pursuant to Section 8265,
23 8265.5, or 8266.

24 ~~SEC. 80.~~

25 *SEC. 71.* Section 8279.3 of the Education Code is amended to
26 read:

27 8279.3. (a) The department shall disburse augmentations to
28 the base allocation for the expansion of early learning and
29 educational support programs to promote equal access to these
30 services across the state.

31 (b) The Superintendent shall use the formula developed pursuant
32 to subdivision (c) and the priorities identified by local planning
33 councils, unless those priorities do not meet the requirements of
34 state or federal law, as a guide in disbursing augmentations
35 pursuant to subdivision (a).

36 (c) The Superintendent shall develop a formula for prioritizing
37 the disbursement of augmentations pursuant to this section. The
38 formula shall give priority to allocating funds to underserved areas.
39 The Superintendent shall develop the formula by using the
40 definition of “underserved area” in subdivision ~~(ai)~~ (ah) of Section

1 8208 and direct impact indicators of need for early learning and
2 educational support services in the county or subcounty areas. For
3 purposes of this section, “subcounty areas” include, but are not
4 limited to, school districts, census tracts, or ZIP Code areas that
5 are deemed by the Superintendent to be most appropriate to the
6 type of program receiving an augmentation. Direct impact
7 indicators of need may include, but are not limited to, the teenage
8 pregnancy rate, the unemployment rate, area household income,
9 or the number or percentage of families receiving public assistance,
10 eligible for Medi-Cal, or eligible for free or reduced-price school
11 meals, and any unique characteristics of the population served by
12 the type of program receiving an augmentation.

13 (d) To promote equal access to services, the Superintendent
14 shall include in guidelines developed for use by local planning
15 councils pursuant to subdivision (d) of Section 8499.5 guidance
16 on identifying underserved areas and populations within counties.
17 This guidance shall include reference to the direct impact indicators
18 of need described in subdivision (c).

19 ~~SEC. 81.~~

20 *SEC. 72.* Section 8279.4 of the Education Code is amended to
21 read:

22 8279.4. The Legislature finds and declares the following:

23 (a) There is a serious shortage of quality facilities throughout
24 the state.

25 (b) It is in the interest of the state’s children and families, and
26 the state’s economic growth, to encourage the expansion of existing
27 facilities by assisting communities and interested government and
28 private entities to finance facilities.

29 (c) In addition to regional resource centers described in
30 Provision 7(d) of Item 6110-196-0001 of the Budget Act of 1999,
31 which focus on developing care capacity in underserved areas of
32 the state, there is a need to access capital for facilities on a
33 systematic basis, especially to use limited public sector funds to
34 leverage a greater private sector role in financing facilities. The
35 Legislature finds and declares that a financial intermediary could
36 fill this role and support the regional resource centers and other
37 local entities that work with potential providers by functioning as
38 a centralized repository of training, best practices, and expertise
39 on facilities financing.

1 ~~SEC. 82.~~

2 *SEC. 73.* Section 8279.5 of the Education Code is amended to
3 read:

4 8279.5. (a) The Superintendent shall contract with a nonprofit
5 organization to serve as a financial intermediary. The nonprofit
6 organization shall have staff who have expertise in financing and
7 capital expansion, are knowledgeable about the early learning and
8 educational support field, and have the ability to develop and
9 implement a plan to increase the availability of financing to
10 renovate, expand, and construct facilities, both in centers and
11 family care homes.

12 (b) The financial intermediary selected by the Superintendent
13 shall undertake activities designed to increase funds available from
14 the private and public sectors for the financing of facilities. These
15 activities shall include, but are not limited to, all of the following:

16 (1) Soliciting capital grants and program-related investments
17 from foundations and corporations.

18 (2) Building partnerships with foundations and corporations.

19 (3) Developing lending commitments, linked deposits, and other
20 financing programs with conventional financial institutions.

21 (4) Coordinating private sources of capital with existing public
22 sector sources of financing for facilities, including, but not limited
23 to, the Department of Housing and Community Development and
24 the California Infrastructure and Economic Development Bank.

25 (5) Coordinating financing efforts with the technical assistance
26 provided by the regional resource centers described in Provision
27 7(d) of Item 6110-196-0001 of the Budget Act of 1999, and other
28 local entities that work with potential providers.

29 (c) This section shall only be implemented to the extent that
30 funds are appropriated for this purpose in the annual Budget Act.

31 ~~SEC. 83.~~

32 *SEC. 74.* Section 8279.7 of the Education Code is amended to
33 read:

34 8279.7. (a) The Legislature recognizes the importance of
35 providing high-quality early learning and educational support
36 services. It is, therefore, the intent of the Legislature to assist
37 counties in improving the retention and professional growth of
38 qualified instructional employees who work directly with children
39 who receive state-subsidized early learning services.

1 (b) It is further the intent of the Legislature, in amending this
2 section during the 2009–10 Regular Session, to address the unique
3 challenges of the County of Los Angeles, in which an estimated
4 60,000 low-income children receive subsidized care in
5 nonstate-funded care settings and an additional 50,000 eligible
6 children are waiting for subsidized services.

7 (c) (1) Except as provided in paragraph (2), the funds
8 appropriated for the purposes of this section by paragraph (11) of
9 Schedule (b) of Item 6110-196-0001 of Section 2.00 of the Budget
10 Act of 2000 (Chapter 52 of the Statutes of 2000), and that are
11 described in subdivision (i) of Provision 7 of that item, and any
12 other funds appropriated for purposes of this section, shall be
13 allocated to local planning councils based on the percentage of
14 state-subsidized, early learning services funds received in that
15 county, and shall be used to address the retention of qualified
16 instructional employees in state-subsidized centers.

17 (2) Of the funds identified in paragraph (1), funds qualified
18 pursuant to subparagraphs (A) to (C), inclusive, may also be used
19 to address the retention and professional growth of qualified
20 persons working in licensed facilities providing early learning
21 services and that serve a majority of children who receive
22 subsidized early learning services pursuant to this chapter,
23 including, but not limited to, family care homes as defined in
24 Section 1596.78 of the Health and Safety Code. To qualify for use
25 pursuant to this paragraph, the funds shall meet all of the following
26 requirements:

27 (A) The funds are allocated for use in the County of Los
28 Angeles.

29 (B) The funds are appropriated in the annual Budget Act.

30 (C) The funds are unexpended after addressing the retention of
31 qualified employees in state-subsidized centers and family child
32 care home education networks.

33 (d) The department shall develop guidelines for use by local
34 planning councils in developing county plans for the expenditure
35 of funds allocated pursuant to this section. These guidelines shall
36 be consistent with the department’s assessment of the current needs
37 of the subsidized workforce, and shall be subject to the approval
38 of the Department of Finance. Any county plan developed pursuant
39 to these guidelines shall be approved by the department before the
40 allocation of funds to the local planning council.

1 (e) Funds provided to a county for the purposes of this section
2 shall be used in accordance with the plan approved pursuant to
3 subdivision (d). A county with an approved plan may retain up to
4 1 percent of the county's total allocation made pursuant to this
5 section for reimbursement of administrative expenses associated
6 with the planning process.

7 (f) The Superintendent shall provide an annual report, no later
8 than April 10 of each year, to the Legislature, the Department of
9 Finance, and the Governor that includes, but is not limited to, a
10 summary of the distribution of the funds by county and a
11 description of the use of the funds.

12 ~~SEC. 84.~~

13 *SEC. 75.* Section 8282 of the Education Code is amended to
14 read:

15 8282. (a) The Legislature finds and declares that the state
16 makes a substantial, annual investment in preschool, infant and
17 toddler, and schoolage early learning services for eligible families.
18 It is in the best interests of children and their families, and the
19 taxpayers of California, to have information about the development
20 and learning abilities of children developed in these settings, health
21 and other information transferred to, or otherwise available to, the
22 pupil's elementary school.

23 (b) When a child in a state-funded preschool or infant and
24 toddler program will be transferring to a local public school, the
25 preschool or infant and toddler program shall provide the parent
26 or guardian with information from the previous year deemed
27 beneficial to the pupil and the public school teacher, including,
28 but not limited to, development issues, social interaction abilities,
29 health background, and diagnostic assessments, if any. The
30 preschool or infant and toddler program may, with the permission
31 of the parent or guardian, transfer this information to the pupil's
32 elementary school.

33 (c) Any child who has participated in a state subsidized
34 preschool program that maintains results-based standards, including
35 the desired results accountability system, may have the
36 performance information transferred to any subsequent or
37 concurrent public school setting. Any transferred information shall
38 be in summary form and only accomplished with the permission
39 of the parent or guardian.

1 ~~SEC. 85.~~

2 *SEC. 76.* Section 8320 of the Education Code is amended to
3 read:

4 8320. The governing board of any school district or a county
5 superintendent of schools with the approval of the county board
6 of education is authorized to establish and maintain early learning
7 and educational support programs upon the approval of, and subject
8 to the regulations of the Superintendent.

9 ~~SEC. 86.~~

10 *SEC. 77.* Section 8321 of the Education Code is amended to
11 read:

12 8321. (a) The county superintendent of schools in each county,
13 with the approval of the county board of education and the
14 Superintendent, shall have the authority to establish and maintain
15 early learning services in the same manner and to the same extent
16 as governing boards of school or community college districts,
17 except that nothing in this section shall be construed as vesting in
18 the county superintendents of schools any authority to alone effect
19 the levy and collection of any county, school, or other local taxes
20 for the support of any early learning services.

21 (b) The establishment and maintenance of any early learning
22 services by the county superintendent of schools shall be
23 undertaken, subject to the prior approval of both the county board
24 of education and the Superintendent, upon the application of one
25 or more school districts under his or her jurisdiction.

26 ~~SEC. 87.~~

27 *SEC. 78.* Section 8324 of the Education Code is amended to
28 read:

29 8324. The employees of school districts or community college
30 districts, or county superintendents of schools in early learning
31 services under this division shall have the same rights and
32 privileges as are granted to employees of the same agencies in
33 children's centers.

34 ~~SEC. 88.~~

35 *SEC. 79.* Section 8327 of the Education Code is amended to
36 read:

37 8327. Notwithstanding any other provision of this chapter, the
38 governing board of a school district or community college district,
39 county superintendent of schools, or other unit of local general
40 purpose government may enter into agreements with any city, city

1 and county, or other public agency, or with a private foundation,
2 nonprofit corporation, or proprietary agency for the furnishing to,
3 or use by, the governing board, county superintendent of schools,
4 or other unit of local general purpose government in carrying out
5 the provisions of this chapter, of property, facilities, personnel,
6 supplies, equipment, and other necessary items and such city,
7 county, city and county, other public agency, or private foundation
8 or nonprofit corporation, is authorized to enter into the agreements.

9 ~~SEC. 89.~~

10 *SEC. 80.* Section 8328 of the Education Code is amended to
11 read:

12 8328. (a) The governing board of any school district or the
13 county superintendent of schools shall establish in the county
14 treasury a fund to be known as the “child development fund” into
15 which shall be paid all funds received by the district or the county
16 for, or from the operation of, early learning and educational support
17 services under this chapter. The costs incurred in the maintenance
18 and operation of services shall be paid from the fund, with
19 accounting to reflect specific funding sources.

20 (b) Funds of a district derived from the receipt of district taxes
21 or derived from moneys apportioned to the district for the support
22 of schools of the district, in addition to state moneys appropriated
23 for the support of services, fees, and federal funds, may be
24 expended for, or in connection with these services.

25 ~~SEC. 90.~~

26 *SEC. 81.* Section 8329 of the Education Code is amended to
27 read:

28 8329. The governing board of any school district maintaining
29 an early learning and educational support program may include in
30 its budget the amount necessary to initiate, operate, and maintain
31 a program pursuant to this chapter and the board of supervisors
32 shall levy a school district tax necessary to raise that amount. The
33 tax shall be in addition to any other school district tax authorized
34 by law to be levied.

35 ~~SEC. 91.~~

36 *SEC. 82.* The heading of Article 15.2 (commencing with
37 Section 8335) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
38 Education Code is amended to read:

1 Article 15.2. Subsidy Plan for the City and County of San
2 Francisco

3
4 ~~SEC. 92.~~

5 *SEC. 83.* Section 8335.1 of the Education Code is amended to
6 read:

7 8335.1. Before implementing the local subsidy plan, the City
8 and County of San Francisco, in consultation with the department,
9 shall develop an individualized county care subsidy plan for the
10 city and county that includes the following four elements:

11 (a) An assessment to identify the city and county's goal for its
12 subsidized care system. The assessment shall examine whether
13 the current structure of subsidized care funding adequately supports
14 working families in the city and county and whether the city and
15 county's care goals coincide with the state's requirements for
16 funding, eligibility, priority, and reimbursement. The assessment
17 shall also identify barriers in the state's care subsidy system that
18 inhibit the city and county from meeting its care goals. In
19 conducting the assessment, the city and county shall consider all
20 of the following:

21 (1) The general demographics of families who are in need of
22 care, including employment, income, language, ethnic, and family
23 composition.

24 (2) The current supply of available subsidized care.

25 (3) The level of need for various types of subsidized care
26 including, but not limited to, infant and toddler care, after-hours
27 care, and care for children with exceptional needs.

28 (4) The city and county's self-sufficiency income level.

29 (5) Income eligibility levels for subsidized care.

30 (6) Family fees.

31 (7) The cost of providing care.

32 (8) The regional market rates, as established by the department,
33 for different types of care.

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

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

38 (b) Development of a local policy to eliminate state-imposed
39 regulatory barriers to the city and county's achievement of its
40 desired outcomes for subsidized care.

- 1 (1) The local policy shall do all of the following:
- 2 (A) Prioritize lowest income families first.
- 3 (B) Follow the family fee schedule established pursuant to
- 4 subdivision (f) of Section 8263 for those families that are income
- 5 eligible, as defined by Section 8263.1.
- 6 (C) Meet local goals that are consistent with the state’s care
- 7 goals.
- 8 (D) Identify existing policies that would be affected by the city
- 9 and county’s care subsidy plan.
- 10 (E) (i) Authorize any agency that provides early learning and
- 11 educational support services in the city and county through a
- 12 contract with the department to apply to the department to amend
- 13 existing contracts in order to benefit from the local policy once it
- 14 is adopted.
- 15 (ii) The department shall approve an application to amend an
- 16 existing contract if the care subsidy plan is approved pursuant to
- 17 subdivision (b) of Section 8335.3, or modified pursuant to
- 18 subdivision (c) of Section 8335.3.
- 19 (iii) The contract of a department contractor who does not elect
- 20 to request an amendment to its contract remains operative and
- 21 enforceable.
- 22 (2) (A) The city and county shall, by the end of the first fiscal
- 23 year of operation under the approved care subsidy plan,
- 24 demonstrate an increase in the aggregate child days of enrollment
- 25 in the county as compared to the enrollment in the final quarter of
- 26 the 2004–05 fiscal year.
- 27 (B) The amount of the increase shall be at least equal to the
- 28 aggregate child days of enrollment in the final quarter of the
- 29 2004–05 fiscal year for all contracts amended as provided in
- 30 subparagraph (E) of paragraph (1), under which the contractor
- 31 receives an increase in its reimbursement rate, multiplied by 2
- 32 percent.
- 33 (C) The amount of the increase shall also be proportional to the
- 34 total contract maximum reimbursable amount to reflect the changes
- 35 in the budget allocation for each fiscal year of the pilot project.
- 36 (3) The local policy may supersede state law concerning care
- 37 subsidy programs with regard only to the following factors:
- 38 (A) Eligibility criteria including, but not limited to, age, family
- 39 size, time limits, income level, inclusion of former and current
- 40 CalWORKs participants, and special needs considerations, except

1 that the local policy may not deny or reduce eligibility of a family
2 that qualifies for care pursuant to Section 8353. Under the local
3 policy, a family that qualifies for care pursuant to Section 8354
4 shall be treated for purposes of eligibility and fees in the same
5 manner as a family that qualifies for subsidized care on another
6 basis pursuant to the local policy.

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

10 (C) Reimbursement rates.

11 (D) Methods of maximizing the efficient use of subsidy funds,
12 including, but not limited to, multiyear contracting with the
13 department for early learning services, and interagency agreements
14 that allow for flexible and temporary transfer of funds among
15 agencies.

16 (c) Recognition that all funding sources utilized by direct service
17 contractors that provide early learning and educational support
18 services in the city and county are eligible to be included in the
19 care subsidy plan of the city and county.

20 (d) Establishment of measurable outcomes to evaluate the
21 success of the plan to achieve the city and county's care goals and
22 to overcome any barriers identified in the state's care subsidy
23 system. The State Department of Social Services shall have an
24 opportunity to review and comment on the proposed measurable
25 outcomes before they are submitted to the local planning council
26 for approval pursuant to Section 8335.3.

27 ~~SEC. 93.~~

28 *SEC. 84.* Section 8335.5 of the Education Code is amended to
29 read:

30 8335.5. The City and County of San Francisco may implement
31 an individualized county care subsidy plan as a pilot project
32 pursuant to this article until July 1, 2016, at which date the city
33 and county shall terminate the plan. From July 1, 2016, to July 1,
34 2018, inclusive, the city and county shall phase out the
35 individualized county care subsidy plan and, beginning July 1,
36 2018, shall implement the state's requirements for care subsidies.
37 A child enrolling for the first time for subsidized care in the city
38 and county on and after July 1, 2016, shall not be enrolled in the
39 pilot project established pursuant to this article, and is subject to
40 existing state laws and regulations regarding eligibility and priority.

1 ~~SEC. 94.~~

2 *SEC. 85.* The heading of Article 15.4 (commencing with
3 Section 8347) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
4 Education Code is amended to read:

5

6 Article 15.4. Individualized County Care Subsidy Plan

7

8 ~~SEC. 95.~~

9 *SEC. 86.* Section 8347 of the Education Code is amended to
10 read:

11 8347. On and after July 1, 2014, the individualized county care
12 subsidy plan for the County of San Mateo that was developed as
13 a pilot project pursuant to Article 15.3 (commencing with Section
14 8340), as that article read on January 1, 2013, may continue in
15 existence and may be implemented in accordance with the
16 provisions of this article. The plan shall ensure that care subsidies
17 received by the County of San Mateo are used to address local
18 needs, conditions, and priorities of working families in those
19 communities.

20 ~~SEC. 96.~~

21 *SEC. 87.* Section 8347.2 of the Education Code is amended to
22 read:

23 8347.2. For purposes of this article, “plan” means an
24 individualized county care subsidy plan developed and approved
25 under the pilot project described in Section 8347, which includes
26 all of the following:

27 (a) An assessment to identify the county’s goal for its subsidized
28 care system. The assessment shall examine whether the current
29 structure of subsidized care funding adequately supports working
30 families in the county and whether the county’s care goals coincide
31 with the state’s requirements for funding, eligibility, priority, and
32 reimbursement. The assessment shall also identify barriers in the
33 state’s care subsidy system that inhibit the county from meeting
34 its care goals. In conducting the assessment, the county shall
35 consider all of the following:

36 (1) The general demographics of families who are in need of
37 care, including employment, income, language, ethnic, and family
38 composition.

39 (2) The current supply of available subsidized care.

- 1 (3) The level of need for various types of subsidized care
- 2 services, including, but not limited to, infant care, after-hours care,
- 3 and care for children with exceptional needs.
- 4 (4) The county’s self-sufficiency income level.
- 5 (5) Income eligibility levels for subsidized care.
- 6 (6) Family fees.
- 7 (7) The cost of providing care.
- 8 (8) The regional market rates, as established by the department,
- 9 for different types of care.
- 10 (9) The standard reimbursement rate or state per diem for centers
- 11 operating under contracts with the department.
- 12 (10) Trends in the county’s unemployment rate and housing
- 13 affordability index.
- 14 (b) (1) Development of a local policy to eliminate state-imposed
- 15 regulatory barriers to the county’s achievement of its desired
- 16 outcomes for subsidized care.
- 17 (2) The local policy shall do all of the following:
- 18 (A) Prioritize lowest income families first.
- 19 (B) Follow the family fee schedule established pursuant to
- 20 subdivision (g) of Section 8263 for those families that are income
- 21 eligible, as defined by Section 8263.1.
- 22 (C) Meet local goals that are consistent with the state’s care
- 23 goals.
- 24 (D) Identify existing policies that would be affected by the
- 25 county’s plan.
- 26 (E) (i) Authorize any agency that provides early learning and
- 27 educational support services in the county through a contract with
- 28 the department to apply to the department to amend existing
- 29 contracts in order to benefit from the local policy.
- 30 (ii) The department shall approve an application to amend an
- 31 existing contract if the plan is modified pursuant to Section 8347.3.
- 32 (iii) The contract of a department contractor who does not elect
- 33 to request an amendment to its contract remains operative and
- 34 enforceable.
- 35 (3) The local policy may supersede state law concerning care
- 36 subsidy programs with regard only to the following factors:
- 37 (A) Eligibility criteria, including, but not limited to, age, family
- 38 size, time limits, income level, inclusion of former and current
- 39 CalWORKs participants, and special needs considerations, except
- 40 that the local policy may not deny or reduce eligibility of a family

1 that qualifies for care pursuant to Section 8353. Under the local
2 policy, a family that qualifies for care pursuant to Section 8354
3 shall be treated for purposes of eligibility and fees in the same
4 manner as a family that qualifies for subsidized care on another
5 basis pursuant to the local policy.

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

9 (C) Reimbursement rates.

10 (D) Methods of maximizing the efficient use of subsidy funds,
11 including, but not limited to, multiyear contracting with the
12 department for early learning services, and interagency agreements
13 that allow for flexible and temporary transfer of funds among
14 agencies.

15 (c) Recognition that all funding sources utilized by direct service
16 contractors that provide early learning and educational support
17 services in the county are eligible to be included in the county's
18 plan.

19 (d) Establishment of measurable outcomes to evaluate the
20 success of the plan to achieve the county's care goals, and to
21 overcome any barriers identified in the state's care subsidy system.

22 ~~SEC. 97.~~

23 *SEC. 88.* Section 8347.3 of the Education Code is amended to
24 read:

25 8347.3. (a) Within 30 days of receiving any modification to
26 the plan, the Early Education and Support Division shall review
27 and either approve or disapprove that modification to the plan.

28 (b) The Early Education and Support Division may disapprove
29 only those portions of modifications to the plan that are not in
30 conformance with this article or that are in conflict with federal
31 law.

32 ~~SEC. 98.~~

33 *SEC. 89.* Section 8347.4 of the Education Code is amended to
34 read:

35 8347.4. (a) The county shall annually prepare and submit to
36 the Legislature, the State Department of Social Services, and the
37 department a report that summarizes the success of the county's
38 plan, and the county's ability to maximize the use of funds and to
39 improve and stabilize care in the county.

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

4 (2) A report to be submitted pursuant to subdivision (a) shall
5 be submitted in compliance with Section 9795 of the Government
6 Code.

7 ~~SEC. 99.~~

8 *SEC. 90.* The heading of Article 15.5 (commencing with
9 Section 8350) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
10 Education Code is amended to read:

11 Article 15.5. Recipients of the CalWORKs Program

12
13 ~~SEC. 100.~~

14 *SEC. 91.* Section 8350 of the Education Code is amended to
15 read:

16
17 8350. (a) It is the intent of the Legislature in enacting this
18 article to ensure that recipients of aid under Chapter 2 (commencing
19 with Section 11200) of Part 3 of Division 9 of the Welfare and
20 Institutions Code, or any successor program, and former recipients
21 who have left aid for employment, are connected as soon as
22 possible to local resources, make stable arrangements for services,
23 and continue to receive subsidized care after they no longer receive
24 aid as long as they require those services and meet the eligibility
25 requirements set forth in Sections 8263 and 8263.1.

26 (b) This article establishes three stages of care services through
27 which a recipient of aid under Chapter 2 (commencing with Section
28 11200) of Part 3 of Division 9 of the Welfare and Institutions Code,
29 or any successor program, will pass. Further, as families' needs
30 are met by county welfare departments and later by other local
31 early learning and educational support contractors, it is the intent
32 of the Legislature that families experience no break in their services
33 due to a transition between the three stages of care services.

34 ~~SEC. 101.~~

35 *SEC. 92.* Section 8352 of the Education Code is amended to
36 read:

37 8352. (a) As soon as appropriate, a county welfare department
38 shall refer families needing services to the local resource and
39 referral program funded pursuant to Article 2 (commencing with
40 Section 8210). Resource and referral program staff shall collocate

1 with a county welfare department's case management office for
2 aid under Chapter 2 (commencing with Section 11200) of Part 3
3 of Division 9 of the Welfare and Institutions Code, or any successor
4 program, or arrange other means of swift communication with
5 parents and case managers of this aid. The local resource and
6 referral program shall assist families to establish stable
7 arrangements as soon as possible. These arrangements may include
8 licensed and license-exempt care.

9 (b) Information shall be provided to parents in the county of
10 service at the time the family is determined eligible for services,
11 and at recertification, by one of the following:

- 12 (1) An alternative payment program.
- 13 (2) A resource and referral program.
- 14 (3) A partnership between the alternative payment program and
15 the resource and referral program.

16 (c) The information provided by the program or partnership
17 shall be to assist parents in making informed choices about
18 available types of care that would both offer a safe, caring, and
19 age-appropriate early learning and educational support environment
20 for children, as well as support the parents' work activities,
21 including, but not limited to, information about high-quality early
22 learning and educational support options and resources specified
23 in this subdivision. The program or partnership may utilize
24 resources from a list posted on the department's Internet Web site
25 pursuant to subdivision (c) of Section 8206 if this list is available.
26 If the department does not create a list of resources pursuant to
27 subdivision (c) of Section 8206, the program or partnership may
28 develop local resources. These resources shall include, but are not
29 limited to, the following:

- 30 (1) Information regarding how to select services that meet the
31 needs of the parent and child.
- 32 (2) Information on licensing requirements and procedures for
33 centers and family care homes.
- 34 (3) Trustline requirements for homes and providers exempt from
35 licensure.
- 36 (4) A range of possible early learning and educational support
37 options from which a parent may choose.
- 38 (5) Information on available care subsidies and eligibility
39 requirements.

1 (6) Quality indicators, including provider or educator training,
2 accreditation, staff stability, group size, ratio of children to staff,
3 environments that support the healthy development of children,
4 parent involvement, and communication between the parent and
5 provider.

6 (7) Information on quality rating and improvement systems,
7 where available.

8 (d) The program or partnership shall also provide parenting
9 information to parents.

10 (e) A program operating pursuant to this article shall, within
11 two business days of being notified of a revocation or a temporary
12 suspension order for a licensed facility, do both of the following:

13 (1) Terminate payment to the facility.

14 (2) Notify each parent and the facility in writing that payment
15 has been terminated and the reason for the termination.

16 (f) A program operating pursuant to this article shall, upon being
17 notified that a licensed facility has been placed on probation,
18 provide written notice to each parent utilizing the facility that the
19 facility has been placed on probation and that the parent has the
20 option of selecting a different provider or remaining with the
21 facility without risk of subsidy payments to the provider being
22 terminated. The Legislature urges each agency operating pursuant
23 to this section to provide the written notice required by this
24 subdivision in the primary language of the parent, to the extent
25 feasible.

26 ~~SEC. 102.~~

27 *SEC. 93.* Section 8353 of the Education Code is amended to
28 read:

29 8353. (a) The second stage of care begins when the county
30 determines that the recipient's work or approved work activity is
31 stable or when a recipient is transitioning off of aid and care is
32 available through a local stage two program. Second stage care
33 may be provided to a family who elects to receive a lump-sum
34 diversion payment or diversion services under Section 11266.5 of
35 the Welfare and Institutions Code when a funded space is not
36 immediately available for the family in third stage. The local stage
37 two agency shall assist in moving families to stage three as quickly
38 as feasible. Former CalWORKs recipients are eligible to receive
39 services in stage one and stage two for up to a total of no more
40 than 24 months after they leave cash aid, or until they are otherwise

1 ineligible within that 24-month period. Family size and income
2 for purposes of determining eligibility and calculating the family
3 fee shall be determined pursuant to Sections 8263 and 8263.1. A
4 family leaving cash aid under the CalWORKs program shall
5 receive up to two years of care, if otherwise eligible, as needed to
6 continue the family's employment. The provision of the two-year
7 time limit is not intended to limit eligibility for care under Section
8 8354.

9 (b) The second stage shall be administered by agencies
10 contracting with the department. These contractors may be either
11 agencies that have an alternative payment contract pursuant to
12 Section 8220.1 or county welfare departments that choose to
13 administer this stage in order to continue to provide services for
14 recipients or former recipients of aid. If the county chooses to
15 contract with the department to provide alternative payment
16 services, this contract shall not displace, or result in the reduction
17 of an existing contract of, a current alternative payment program.

18 ~~SEC. 103.~~

19 *SEC. 94.* Section 8354 of the Education Code is amended to
20 read:

21 8354. (a) The third stage of care begins when a funded space
22 is available. CalWORKs recipients are eligible for the third stage
23 of care. Persons who received a lump-sum diversion payment or
24 diversion services and former CalWORKs participants are eligible
25 if they have an income that does not exceed 70 percent of the state
26 median income pursuant to Section 8263.1. The third stage shall
27 be administered by programs contracting with the department.
28 Parents' eligibility for services will be governed by Section 8263
29 and regulations adopted by the department.

30 (b) In order to move welfare recipients and former recipients
31 from their relationship with county welfare departments to
32 relationships with institutions providing services to working
33 families, it is the intent of the Legislature that families that are
34 former recipients of aid, or are transitioning off aid, receive their
35 assistance in the same fashion as other low-income working
36 families. Therefore, it is the intent of the Legislature that families
37 no longer rely on county welfare departments to obtain subsidies
38 beyond the time they are receiving other services from the welfare
39 department.

1 (c) A county welfare department shall not administer the third
2 stage of care for CalWORKs recipients except to the extent to
3 which it delivered those services to families receiving, or within
4 one year of having received, Aid to Families with Dependent
5 Children before the enactment of this section.

6 (d) This article does not preclude county welfare departments
7 from operating an alternative payment program under contract
8 with the department to serve families referred by child protective
9 services.

10 ~~SEC. 104.~~

11 *SEC. 95.* Section 8355 of the Education Code is amended to
12 read:

13 8355. Care during the third stage may be funded with moneys
14 dedicated to current and former recipients of aid under Chapter 2
15 (commencing with Section 11200) of Part 3 of Division 9 of the
16 Welfare and Institutions Code, or any successor program, including
17 the federal funds appropriated to alternative payment program
18 contractors in the 1996–97 fiscal year using the Budget Act’s
19 Section 28 process as described in subdivision (b). Nothing shall
20 prevent services provided under stage three from being funded
21 with moneys from other federal or state sources. Nothing in this
22 article shall preclude current and former recipients of aid under
23 Chapter 2 (commencing with Section 11200) of Part 3 of Division
24 9 of the Welfare and Institutions Code, or any successor program,
25 from receiving services pursuant to other provisions of this chapter.

26 ~~SEC. 105.~~

27 *SEC. 96.* Section 8356 of the Education Code is amended to
28 read:

29 8356. It is the intent of the Legislature that the department
30 work with Head Start and California state preschool programs to
31 generate extended-day and evening care for recipients of aid under
32 Chapter 2 (commencing with Section 11200) of Part 3 of Division
33 9 of the Welfare and Institutions Code, or any successor program,
34 through recruiting and training parents to be licensed and
35 license-exempt care providers and shall facilitate connections
36 between Head Start and California state preschool program
37 contractors and child care certificate administrators, including
38 counties and other alternative payment programs, so that funds
39 available for Sections 8351, 8353, and 8354 cover the cost of this
40 care.

1 ~~SEC. 106.~~

2 *SEC. 97.* Section 8357 of the Education Code is amended to
3 read:

4 8357. (a) The cost of care services provided under this article
5 shall be governed by regional market rates. Recipients of care
6 services provided pursuant to this article shall be allowed to choose
7 the care services of licensed providers or providers who are, by
8 law, not required to be licensed, and the cost of that care shall be
9 reimbursed by counties or agencies that contract with the
10 department if the cost is within the regional market rate. For
11 purposes of this section, “regional market rate” means care costing
12 no more than 1.5 market standard deviations above the mean cost
13 of care for that region. The regional market rate ceilings shall be
14 established at the 85th percentile of the 2005 regional market rate
15 survey for that region.

16 (b) Reimbursement to license-exempt providers shall not exceed
17 60 percent of the family child care home rate established pursuant
18 to subdivision (a), effective July 1, 2011.

19 (c) Reimbursement to providers shall not exceed the fee charged
20 to private clients for the same service.

21 (d) Reimbursement shall not be made for care services if care
22 is provided by parents, legal guardians, or members of the
23 assistance unit.

24 (e) A provider located on an Indian reservation or rancheria and
25 exempted from state licensing requirements shall meet applicable
26 tribal standards.

27 (f) For purposes of this section, “reimbursement” means a direct
28 payment to the provider of care services, including license-exempt
29 providers. If care is provided in the home of the recipient, payment
30 may be made to the parent as the employer, and the parent shall
31 be informed of his or her concomitant legal and financial reporting
32 requirements. To allow time for the development of the
33 administrative systems necessary to issue direct payments to
34 providers, for a period not to exceed six months from the effective
35 date of this article, a county or an alternative payment agency
36 contracting with the department may reimburse the cost of services
37 through a direct payment to a recipient of aid rather than to the
38 provider.

39 (g) Counties and alternative payment programs shall not be
40 bound by the rate limits described in subdivision (a) if there are,

1 in the region, no more than two providers of the type needed by
2 the recipient of services provided under this article.

3 (h) Notwithstanding any other law, reimbursements to providers
4 based upon a daily rate may only be authorized under either of the
5 following circumstances:

6 (1) A family has an unscheduled but documented need of six
7 hours or more per occurrence, such as the parent's need to work
8 on a regularly scheduled day off, that exceeds the certified need
9 for care.

10 (2) A family has a documented need of six hours or more per
11 day that exceeds no more than 14 days per month. In no event shall
12 reimbursements to a provider based on the daily rate over one
13 month's time exceed the provider's equivalent full-time monthly
14 rate or applicable monthly ceiling.

15 (3) This subdivision shall not limit providers from being
16 reimbursed for services using a weekly or monthly rate, pursuant
17 to subdivision (c) of Section 8222.

18 ~~SEC. 107.~~

19 *SEC. 98.* Section 8358 of the Education Code is amended to
20 read:

21 8358. (a) The department and the State Department of Social
22 Services shall design a form for license-exempt providers to use
23 for certifying health and safety requirements to the extent required
24 by federal law. Until the form is adopted, the information required
25 pursuant to Section 11324 of the Welfare and Institutions Code
26 shall continue to be maintained by the county welfare department
27 or contractor, as appropriate.

28 (b) The department and the State Department of Social Services
29 shall do both of the following:

30 (1) Design a standard process for complaints by parents about
31 the provision of care that is exempt from licensure.

32 (2) Design, in consultation with local planning councils, a single
33 application for all early learning and educational support programs
34 and all families.

35 (c) (1) County welfare departments and alternative payment
36 programs shall encourage all providers who are licensed or who
37 are exempt from licensure and who are providing care under
38 Section 8351, 8353, or 8354, to secure training and education in
39 basic child development.

1 (2) Provider job training provided to CalWORKs recipients that
2 is funded by either the department or the State Department of
3 Social Services shall include information on becoming a licensed
4 provider.

5 (d) The department shall increase consumer education and
6 consumer awareness activities so that parents will have the
7 information needed to seek high-quality services. High-quality
8 services shall include both licensed and license-exempt care.

9 ~~SEC. 108.~~

10 *SEC. 99.* Section 8358.5 of the Education Code is amended to
11 read:

12 8358.5. Notwithstanding any other confidentiality requirement,
13 the government or private agency administering subsidized care
14 services shall share information necessary for the administration
15 of the programs pursuant to this article and the CalWORKs
16 program pursuant to Chapter 2 (commencing with Section 11200)
17 of Part 3 of Division 9 of the Welfare and Institutions Code, for
18 the time period for which the person receives services.

19 ~~SEC. 109.~~

20 *SEC. 100.* Section 8359.1 of the Education Code is amended
21 to read:

22 8359.1. (a) It is the intent of the Legislature in enacting this
23 article to provide sufficient funding through an appropriation in
24 the annual Budget Act to fund the estimated cost of providing care
25 for all individuals who are anticipated to need care to participate
26 in the welfare-to-work programs and to transition to work.

27 (b) Funding for purposes of implementing this article shall be
28 appropriated in the annual Budget Act.

29 ~~SEC. 110.~~

30 *SEC. 101.* The heading of Article 16 (commencing with Section
31 8360) of Chapter 2 of Part 6 of Division 1 of Title 1 of the
32 Education Code is amended to read:

33
34 Article 16. Early Learning and Educational Support Personnel
35 Qualifications
36

37 ~~SEC. 111.~~

38 *SEC. 102.* Section 8360 of the Education Code is amended to
39 read:

1 8360. (a) Early learning and educational support programs
2 shall include a career ladder for instructional staff. The governing
3 board of each contracting agency shall be encouraged to provide
4 instructional staff and aides with salary increases for the successful
5 completion of early childhood education or child development
6 unit-based coursework and degrees.

7 (b) Any person who meets the following criteria is eligible to
8 serve in an instructional capacity in an early learning and
9 educational support program:

10 (1) Any person serving as a teacher in an early learning and
11 educational support program providing early learning services
12 shall possess a permit or credential issued by the Commission on
13 Teacher Credentialing, including, but not limited to, one of the
14 following:

15 (A) An associate teacher permit, or higher, authorizing service
16 in the care, development, and instruction of children in early
17 learning and educational support programs.

18 (B) A multiple subject credential with an authorization to teach
19 prekindergarten to grade 12, inclusive, in a self-contained
20 classroom.

21 (C) An elementary credential.

22 (D) A single subject credential in home economics.

23 (2) Any teacher qualifying under subparagraph (B), (C), or (D)
24 of paragraph (1) must also have completed 12 semester units in
25 early childhood education or child development, or both, or have
26 two years' experience in early childhood education or an early
27 learning and educational support program.

28 (3) Persons who are 18 years of age and older may be employed
29 as aides and may be eligible for salary increases upon the
30 completion of additional semester units in early childhood
31 education or child development.

32 ~~SEC. 112.~~

33 *SEC. 103.* Section 8360.1 of the Education Code is repealed.

34 ~~SEC. 113.~~

35 *SEC. 104.* Section 8360.1 is added to the Education Code, to
36 read:

37 8360.1. Except as waived under Section 8244, any entity
38 operating early learning and educational support programs
39 providing early learning services to children, pursuant to Article
40 5 (commencing with Section 8228), at two or more sites, shall

1 employ a program director who possesses a permit or credential
 2 issued by the Commission on Teacher Credentialing authorizing
 3 supervision of an early learning and educational support program,
 4 including, but not limited to:
 5 (a) An administrative credential.
 6 (b) A children’s center supervision permit.
 7 (c) A program director permit.
 8 (d) A waiver issued by the Superintendent pursuant to Section
 9 8244.

10 ~~SEC. 114.~~

11 *SEC. 105.* Section 8360.2 of the Education Code is amended
 12 to read:

13 8360.2. Not later than 95 days after the governing board of a
 14 public agency sets the date a person employed by that board shall
 15 begin service in a position requiring a permit or credential, that
 16 person shall file, on or before that date, with the county
 17 superintendent of schools a valid permit issued on or before that
 18 date, authorizing him or her to serve in a position for which he or
 19 she was employed. Upon renewal of that permit, that person shall
 20 file that renewal with the county superintendent of schools no later
 21 than 95 days after the renewal.

22 ~~SEC. 115.~~

23 *SEC. 106.* Section 8400 of the Education Code is amended to
 24 read:

25 8400. It has come to the attention of the Legislature that:

26 (a) Existing law does not provide for an administrative appeal
 27 procedure to review and resolve disputes between the department
 28 and the over 750 local contracting agencies that contract with the
 29 department to provide early learning and educational support
 30 services to low-income families in California.

31 (b) All disputes are currently resolved in the already
 32 overburdened California courts resulting in a time-consuming and
 33 costly process for both the contract agency and the department.
 34 Extensive funds have been expended by the department for those
 35 purposes.

36 (c) The presence of public and private agencies, small as well
 37 as large, in the subsidized early learning and educational support
 38 delivery system provides client families with a range of desirable
 39 services, and cost-effective service mechanisms.

1 (d) The presence of an efficient administrative appeal procedure
2 will ensure program stability and encourage retention in the
3 delivery system of a range of service-providing agencies.

4 ~~SEC. 116.~~

5 *SEC. 107.* Section 8401 of the Education Code is amended to
6 read:

7 8401. It is the intent of the Legislature to authorize an appeal
8 process for the resolution of disputes between the department and
9 local agencies that contract with the department pursuant to Section
10 8262 to provide early learning and educational support services
11 or to furnish property, facilities, personnel, supplies, equipment,
12 and administrative services.

13 ~~SEC. 117.~~

14 *SEC. 108.* Section 8402 of the Education Code is amended to
15 read:

16 8402. (a) The department shall provide an independent appeal
17 procedure to each contracting agency providing early learning and
18 educational support services pursuant to Section 8262 that shall
19 be conducted by the Office of Administrative Hearings and shall
20 be provided upon an appeal petition of the contracting agency in
21 any of the following circumstances:

22 (1) Termination of a contracting agency's contract.

23 (2) Denial of more than 4 percent or twenty-five thousand dollars
24 (\$25,000), whichever is less, of a local contracting agency's
25 contracted payment for services schedule.

26 (3) Demand for remittance of an overpayment of more than 4
27 percent or twenty-five thousand dollars (\$25,000), whichever is
28 less, of a local contracting agency's annual contract.

29 (b) Before filing an appeal petition for an action taken pursuant
30 to paragraph (2) or (3) of subdivision (a), the contracting agency
31 shall have submitted all previously required standard monthly or
32 quarterly reporting forms to the department.

33 ~~SEC. 118.~~

34 *SEC. 109.* Section 8406.7 of the Education Code is amended
35 to read:

36 8406.7. (a) A contracting agency that evidences any of the
37 following acts or omissions may have its contract or contracts
38 immediately terminated if there is documented evidence of the
39 acts or omissions, and upon review and recommendation of the
40 general counsel of the department:

- 1 (1) Fraud, or conspiracy to defraud.
- 2 (2) Misuse or misappropriation of state or federal funds,
- 3 including a violation of Section 8406.9.
- 4 (3) Embezzlement.
- 5 (4) Threats of bodily or other harm to a state official.
- 6 (5) Bribery or attempted bribery of a state official.
- 7 (6) Unsafe or unhealthy physical environment or facility.
- 8 (7) Substantiated abuse or molestation of children.
- 9 (8) Failure to report suspected child abuse or molestation.
- 10 (9) Theft of supplies, equipment, or food.
- 11 (10) Cessation of operations without the permission of the
- 12 department, or acts or omissions evidencing abandonment of the
- 13 contract or contracts.
- 14 (11) Failure of a program operating pursuant to Article 3
- 15 (commencing with Section 8220) or Article 15.5 (commencing
- 16 with Section 8350) to fully reimburse a significant number of
- 17 approved care providers, as determined by the department, within
- 18 15 calendar days after the date set in the plan for timely payments
- 19 to care providers adopted by the contracting agency pursuant to
- 20 Section 18226 of Title 5 of the California Code of Regulations,
- 21 unless the failure is attributable to a delay in receiving
- 22 apportionments from the state.
- 23 (12) Failure of a program operating pursuant to this chapter to
- 24 pay salaries owed to employees, pay federal payroll tax, or fully
- 25 reimburse a significant number of care providers, as determined
- 26 by the department, affiliated with a contracting agency pursuant
- 27 to Article 8.5 (commencing with Section 8245) for more than 15
- 28 days after the employee salaries, federal payroll taxes, or
- 29 reimbursement payments were due, unless the failure is attributable
- 30 to a delay in receiving apportionments from the state.
- 31 (b) An agency whose contract is immediately terminated
- 32 pursuant to this section retains appeal rights in accordance with
- 33 Section 8402.
- 34 (c) Notwithstanding any service provision in the Administrative
- 35 Procedure Act (Chapter 5 (commencing with Section 11500) of
- 36 Part 1 of Division 3 of Title 2 of the Government Code), a notice
- 37 of immediate termination shall be served on the contracting agency
- 38 by personal service or at the last address on file with the
- 39 department, by overnight mail or certified mail. Service may be

1 proved in the manner authorized in a civil action. Service by mail
2 is complete at the time of deposit.

3 (d) The department shall advise contractors of the provisions
4 of this section within 30 working days of the effective date of the
5 act amending this section during the 2013–14 Regular Session of
6 the Legislature.

7 ~~SEC. 119.— Section 8447 of the Education Code is amended to~~
8 ~~read:~~

9 ~~8447. (a) The Legislature hereby finds and declares that greater~~
10 ~~efficiencies may be achieved in the execution of state subsidized~~
11 ~~early learning and educational support program contracts with~~
12 ~~public and private agencies by the timely approval of contract~~
13 ~~provisions by the Department of Finance, the Department of~~
14 ~~General Services, and the State Department of Education and by~~
15 ~~authorizing the State Department of Education to establish a~~
16 ~~multiyear application, contract expenditure, and service review as~~
17 ~~may be necessary to provide timely service while preserving audit~~
18 ~~and oversight functions to protect the public welfare.~~

19 ~~(b) (1) The Department of Finance and the Department of~~
20 ~~General Services shall approve or disapprove annual contract~~
21 ~~funding terms and conditions, including both family fee schedules~~
22 ~~and regional market rate schedules that are required to be adhered~~
23 ~~to by contract, and contract face sheets submitted by the State~~
24 ~~Department of Education not more than 30 working days from the~~
25 ~~date of submission, unless unresolved conflicts remain between~~
26 ~~the Department of Finance, the State Department of Education,~~
27 ~~and the Department of General Services. The State Department of~~
28 ~~Education shall resolve conflicts within an additional 30 working~~
29 ~~day time period. Contracts and funding terms and conditions shall~~
30 ~~be issued to contractors no later than June 1. Applications for new~~
31 ~~early learning and educational support funding shall be issued not~~
32 ~~more than 45 working days after the effective date of authorized~~
33 ~~new allocations of these moneys.~~

34 ~~(2) Notwithstanding paragraph (1), the State Department of~~
35 ~~Education shall implement the regional market rate schedules~~
36 ~~based upon the county aggregates, as determined by the regional~~
37 ~~market rate survey conducted in 2005.~~

38 ~~(3) It is the intent of the Legislature to fully fund the third stage~~
39 ~~of care for former CalWORKs recipients.~~

1 ~~(e) With respect to subdivision (b), it is the intent of the~~
2 ~~Legislature that the Department of Finance annually review~~
3 ~~contract funding terms and conditions for the primary purpose of~~
4 ~~ensuring consistency between early learning and educational~~
5 ~~support contracts and the early learning and educational support~~
6 ~~budget. This review shall include evaluating any proposed changes~~
7 ~~to contract language or other fiscal documents to which the~~
8 ~~contractor is required to adhere, including those changes to terms~~
9 ~~or conditions that authorize higher reimbursement rates, that~~
10 ~~modify related adjustment factors, that modify administrative or~~
11 ~~other service allowances, or that diminish fee revenues otherwise~~
12 ~~available for services, to determine if the change is necessary or~~
13 ~~has the potential effect of reducing the number of full-time~~
14 ~~equivalent children that may be served.~~

15 ~~(d) Alternative payment programs, as set forth in Article 3~~
16 ~~(commencing with Section 8220), shall be subject to the rates~~
17 ~~established in the Regional Market Rate Survey of California Child~~
18 ~~Care Providers for provider payments. The State Department of~~
19 ~~Education shall contract to conduct and complete a regional market~~
20 ~~rate survey no more frequently than once every two years,~~
21 ~~consistent with federal regulations, with a goal of completion by~~
22 ~~March 1.~~

23 ~~(e) By March 1 of each year, the Department of Finance shall~~
24 ~~provide to the State Department of Education the state median~~
25 ~~income amount for a four-person household in California based~~
26 ~~on the best available data. The State Department of Education shall~~
27 ~~adjust its fee schedule for care providers to reflect this updated~~
28 ~~state median income; however, no changes based on revisions to~~
29 ~~the state median income amount shall be implemented midyear.~~

30 ~~(f) Notwithstanding the June 1 date specified in subdivision (b),~~
31 ~~changes to the regional market rate schedules and fee schedules~~
32 ~~may be made at any other time to reflect the availability of accurate~~
33 ~~data necessary for their completion, provided these documents~~
34 ~~receive the approval of the Department of Finance. The Department~~
35 ~~of Finance shall review the changes within 30 working days of~~
36 ~~submission and the State Department of Education shall resolve~~
37 ~~conflicts within an additional 30 working day period. Contractors~~
38 ~~shall be given adequate notice before the effective date of the~~
39 ~~approved schedules. It is the intent of the Legislature that contracts~~

1 for services not be delayed by the timing of the availability of
2 accurate data needed to update these schedules.

3 *SEC. 110. Section 8447 of the Education Code is amended to*
4 *read:*

5 8447. (a) The Legislature hereby finds and declares that greater
6 efficiencies may be achieved in the execution of state subsidized
7 ~~child care and development~~ *early learning and educational support*
8 program contracts with public and private agencies by the timely
9 approval of contract provisions by the Department of Finance, the
10 Department of General Services, and the State Department of
11 Education and by authorizing the State Department of Education
12 to establish a multiyear application, contract expenditure, and
13 service review as may be necessary to provide timely service while
14 preserving audit and oversight functions to protect the public
15 welfare.

16 (b) (1) The Department of Finance and the Department of
17 General Services shall approve or disapprove annual contract
18 funding terms and conditions, including both family fee schedules
19 and regional market rate schedules that are required to be adhered
20 to by contract, and contract face sheets submitted by the State
21 Department of Education not more than 30 working days from the
22 date of submission, unless unresolved conflicts remain between
23 the Department of Finance, the State Department of Education,
24 and the Department of General Services. The State Department of
25 Education shall resolve conflicts within an additional 30 working
26 day time period. Contracts and funding terms and conditions shall
27 be issued to ~~child care~~ contractors no later than June 1. Applications
28 for new ~~child care~~ *early learning and educational support* funding
29 shall be issued not more than 45 working days after the effective
30 date of authorized new allocations of ~~child care~~ *these* moneys.

31 (2) Notwithstanding paragraph (1), until January 1, 2015, the
32 State Department of Education shall implement the regional market
33 rate schedules based upon the county aggregates, as determined
34 by the Regional Market survey conducted in 2005. Commencing
35 January 1, 2015, the State Department of Education shall
36 implement the regional market rate schedules based upon the 85th
37 percentile of county aggregates, as determined by the Regional
38 Market survey conducted in 2009. Commencing January 1, 2015,
39 the regional market rate schedule developed pursuant to this
40 paragraph shall be reduced by 13 percent. If a ceiling for a county

1 is less than the ceiling provided for that county before January 1,
2 2015, the State Department of Education shall use the ceiling from
3 the Regional Market survey conducted in 2005.

4 (3) It is the intent of the Legislature to fully fund the third stage
5 of ~~child~~ care for former CalWORKs recipients.

6 (c) With respect to subdivision (b), it is the intent of the
7 Legislature that the Department of Finance annually review
8 contract funding terms and conditions for the primary purpose of
9 ensuring consistency between ~~child-care~~ *early learning and*
10 *educational support* contracts and the ~~child-care~~ *early learning*
11 *and educational support* budget. This review shall include
12 evaluating any proposed changes to contract language or other
13 fiscal documents to which the contractor is required to adhere,
14 including those changes to terms or conditions that authorize higher
15 reimbursement rates, that modify related adjustment factors, that
16 modify administrative or other service allowances, or that diminish
17 fee revenues otherwise available for services, to determine if the
18 change is necessary or has the potential effect of reducing the
19 number of full-time equivalent children that may be served.

20 (d) Alternative payment ~~child-care systems~~ *programs*, as set
21 forth in Article 3 (commencing with Section 8220), shall be subject
22 to the rates established in the Regional Market Rate Survey of
23 California Child Care Providers for provider payments. The State
24 Department of Education shall contract to conduct and complete
25 a ~~Regional Market Rate Survey~~ *regional market rate survey* no
26 more frequently than once every two years, consistent with federal
27 regulations, with a goal of completion by March 1.

28 (e) By March 1 of each year, the Department of Finance shall
29 provide to the State Department of Education the state median
30 income amount for a four-person household in California based
31 on the best available data. The State Department of Education shall
32 adjust its fee schedule for ~~child~~ care providers to reflect this
33 updated state median income; however, no changes based on
34 revisions to the state median income amount shall be implemented
35 midyear.

36 (f) Notwithstanding the June 1 date specified in subdivision (b),
37 changes to the regional market rate schedules and fee schedules
38 may be made at any other time to reflect the availability of accurate
39 data necessary for their completion, provided these documents
40 receive the approval of the Department of Finance. The Department

1 of Finance shall review the changes within 30 working days of
2 submission and the State Department of Education shall resolve
3 conflicts within an additional 30 working day period. Contractors
4 shall be given adequate notice before the effective date of the
5 approved schedules. It is the intent of the Legislature that contracts
6 for services not be delayed by the timing of the availability of
7 accurate data needed to update these schedules.

8 ~~SEC. 120.~~

9 *SEC. 111.* Section 8448 of the Education Code is amended to
10 read:

11 8448. As used in this article:

12 (a) “Financial and compliance audit” means a systematic review
13 or appraisal to determine each of the following:

14 (1) Whether the financial statements of an audited organization
15 fairly present the financial position and the results of financial
16 operations in accordance with generally accepted accounting
17 principles.

18 (2) Whether the organization has complied with laws and
19 regulations that may have a material effect upon the financial
20 statements.

21 (b) “Public accountants” means certified public accountants, or
22 state licensed public accountants.

23 (c) “Independent auditors” means public accountants who have
24 no direct or indirect relationship with the functions or activities
25 being audited or with the business conducted by any of the officials
26 or contractors being audited.

27 (d) “Generally accepted auditing standards” means the auditing
28 standards set forth in the financial and compliance element of the
29 “Government Auditing Standards” issued by the Comptroller
30 General of the United States and incorporating the audit standards
31 of the American Institute of Certified Public Accountants.

32 (e) “Direct service contract” means any contract with any public
33 or private entity for early learning and educational support
34 programs, resource and referral programs, and programs contracting
35 to provide support services, as defined in Section 8208.

36 (f) “Nonprofit organization” means an organization described
37 in Section 501(c)(3) of the Internal Revenue Code of 1954 which
38 is exempt from taxation under Section 501(a) of that code, or any
39 nonprofit, scientific, or educational organization qualified under
40 Section 23701d of the Revenue and Taxation Code.

1 (g) (1) Annually, there shall be a single independent financial
2 and compliance audit of organizations that contract with the state
3 under a direct service contract. Any such audit shall include an
4 evaluation of the accounting and control systems of the direct
5 service contractor and of the activities by the contractor to comply
6 with the financial requirements of direct service contracts received
7 by the contractor from the state agency. The financial and
8 compliance requirements to be reviewed during the audit shall be
9 those developed and published by the department in consultation
10 with the Department of Finance. Audits carried out pursuant to
11 this section shall be audits of the contractor rather than audits of
12 individual contracts or programs. In the case of any contractor that
13 receives less than twenty-five thousand dollars (\$25,000) per year
14 from any state agency, the audit required by this section shall be
15 conducted biennially, unless there is evidence of fraud or other
16 violation of state law in connection with the direct service contract.
17 The cost of the audit may be included in direct service contracts.

18 (2) The organization receiving funds from the state shall be
19 responsible for obtaining the required financial and compliance
20 audits of the organization and any subcontractors, except for direct
21 service subcontracts and other subcontracts exempt from
22 department review, as agreed to by the Departments of Finance
23 and General Services. The audits shall be made by independent
24 auditors in accordance with generally accepted auditing standards.
25 The audit shall be completed by the 15th day of the fifth month
26 following the end of the contractor's fiscal year. A copy of the
27 required audit shall be filed with the department upon its
28 completion. In the event an audit is not filed, the department shall
29 notify the organization of the contract violation. The audit report
30 filed shall be an integral part of the direct service contract file.

31 (h) (1) Nothing in this article limits the authority of the
32 department to make audits of direct service contracts. However,
33 if independent audits arranged for by direct service contractors
34 meet generally accepted auditing standards, the department shall
35 rely on those audits and any additional audit work shall build upon
36 the work already done.

37 (2) Nothing in this article precludes the state from conducting,
38 or contracting for the conduct of, contract performance audits
39 which are not financial and compliance audits.

1 (3) Nothing in this article limits the state’s responsibility or
2 authority to enforce state law or regulations, procedures, or
3 reporting requirements arising pursuant thereto.

4 (4) Nothing in this article limits the responsibility of the
5 department to provide an independent appeal procedure according
6 to the provisions of the Administrative Procedure Act (Chapter 5
7 (commencing with Section 11500) of Part 1 of Division 3 of Title
8 2) of the Government Code.

9 ~~SEC. 121. Section 8450 of the Education Code is amended to~~
10 ~~read:~~

11 ~~8450. (a) All early learning and educational support contractors~~
12 ~~are encouraged to develop and maintain a reserve within the child~~
13 ~~development fund, derived from earned but unexpended funds.~~
14 ~~Contractors may retain all earned funds. For the purpose of this~~
15 ~~section, “earned funds” are those for which the required number~~
16 ~~of eligible service units have been provided.~~

17 ~~(b) (1) Earned funds shall not be expended for any activities~~
18 ~~proscribed by Section 8406.7. Earned but unexpended funds shall~~
19 ~~remain in the contractor’s reserve account within the child~~
20 ~~development fund and shall be expended only by early learning~~
21 ~~services contractors that are funded under contract with the~~
22 ~~department.~~

23 ~~(2) Commencing July 1, 2011, a contractor may retain a reserve~~
24 ~~fund balance, separate from the reserve fund retained pursuant to~~
25 ~~subdivision (c) or (d), equal to 5 percent of the sum of the~~
26 ~~maximum reimbursable amounts of all contracts to which the~~
27 ~~contractor is a party, or two thousand dollars (\$2,000), whichever~~
28 ~~is greater. This paragraph applies to early learning services~~
29 ~~contractors that are funded under contract with the department.~~

30 ~~(c) Notwithstanding subdivisions (a) and (b), a contractor may~~
31 ~~retain a reserve fund balance for a resource and referral program,~~
32 ~~separate from the balance retained pursuant to subdivision (b) or~~
33 ~~(d), not to exceed 3 percent of the contract amount. Funds from~~
34 ~~this reserve account may be expended only by resource and referral~~
35 ~~programs that are funded under contract with the department.~~

36 ~~(d) Notwithstanding subdivisions (a) and (b), a contractor may~~
37 ~~retain a reserve fund balance for alternative payment model and~~
38 ~~certificate contracts, separate from the reserve fund retained~~
39 ~~pursuant to subdivisions (b) and (c). Funds from this reserve~~
40 ~~account may be expended only by alternative payment model and~~

1 certificate programs that are funded under contract with the
 2 department. The reserve amount allowed by this section may not
 3 exceed either of the following, whichever is greater:

4 (1) Two percent of the sum of the parts of each contract to which
 5 that contractor is a party that is allowed for administration pursuant
 6 to Section 8276.7 and that is allowed for supportive services
 7 pursuant to the provisions of the contract.

8 (2) One thousand dollars (\$1,000).

9 (e) Each contractor's audit shall identify any funds earned by
 10 the contractor for each contract through the provision of contracted
 11 services in excess of funds expended.

12 (f) Any interest earned on reserve funds shall be included in the
 13 fund balance of the reserve. This reserve fund shall be maintained
 14 in an interest-bearing account.

15 (g) Moneys in a contractor's reserve fund may be used only for
 16 expenses that are reasonable and necessary costs as defined in
 17 subdivision (m) of Section 8208.

18 (h) Any reserve fund balance in excess of the amount authorized
 19 pursuant to subdivisions (b), (c), and (d) shall be returned to the
 20 department pursuant to procedures established by the department.

21 (i) Upon termination of all early learning and educational
 22 support contracts between a contractor and the department, all
 23 moneys in a contractor's reserve fund shall be returned to the
 24 department pursuant to procedures established by the department.

25 (j) Expenditures from, additions to, and balances in, the reserve
 26 fund shall be included in the agency's annual financial statements
 27 and audit.

28 *SEC. 112. Section 8450 of the Education Code is amended to*
 29 *read:*

30 8450. (a) All ~~child development~~ *early learning and educational*
 31 *support* contractors are encouraged to develop and maintain a
 32 reserve within the child development fund, derived from earned
 33 but unexpended funds. ~~Child development contractors~~ *Contractors*
 34 may retain all earned funds. For purposes of this section, "earned
 35 funds" are those for which the required number of eligible service
 36 units have been provided.

37 (b) (1) Earned funds shall not be expended for any activities
 38 proscribed by Section 8406.7. Earned but unexpended funds shall
 39 remain in the contractor's reserve account within the child
 40 development fund and shall be expended only by ~~direct service~~

1 ~~child development programs~~ *early learning services contractors*
2 that are funded under contract with the department.

3 (2) (A) Commencing July 1, 2011, a contractor may retain a
4 reserve fund balance, separate from the reserve fund retained
5 pursuant to subdivision (c) or (d), equal to 5 percent of the sum of
6 the maximum reimbursable amounts of all contracts to which the
7 contractor is a party, or two thousand dollars (\$2,000), whichever
8 is greater. This paragraph applies to ~~direct service child~~
9 ~~development programs~~ *early learning services contractors* that
10 are funded under contract with the department.

11 (B) A California state preschool program contracting agency
12 may retain in the reserve fund an additional 10 percent of the sum
13 of the maximum reimbursable amounts of all preschool contracts
14 to which the contracting agency is a party for purposes of
15 professional development for California state preschool program
16 instructional staff.

17 (c) Notwithstanding subdivisions (a) and (b), a contractor may
18 retain a reserve fund balance for a resource and referral program,
19 separate from the balance retained pursuant to subdivision (b) or
20 (d), not to exceed 3 percent of the contract amount. Funds from
21 this reserve account may be expended only by resource and referral
22 programs that are funded under contract with the department.

23 (d) Notwithstanding subdivisions (a) and (b), a contractor may
24 retain a reserve fund balance for alternative payment model and
25 certificate-~~child care~~ contracts, separate from the reserve fund
26 retained pursuant to subdivisions (b) and (c). Funds from this
27 reserve account may be expended only by alternative payment
28 model and certificate-~~child care~~ programs that are funded under
29 contract with the department. The reserve amount allowed by this
30 section may not exceed either of the following, whichever is
31 greater:

32 (1) Two percent of the sum of the parts of each contract to which
33 that contractor is a party that is allowed for administration pursuant
34 to Section 8276.7 and that is allowed for supportive services
35 pursuant to the provisions of the contract.

36 (2) One thousand dollars (\$1,000).

37 (e) Each contractor's audit shall identify any funds earned by
38 the contractor for each contract through the provision of contracted
39 services in excess of funds expended.

1 (f) Any interest earned on reserve funds shall be included in the
2 fund balance of the reserve. This reserve fund shall be maintained
3 in an interest-bearing account.

4 (g) Moneys in a contractor’s reserve fund may be used only for
5 expenses that are reasonable and necessary costs as defined in
6 subdivision~~(n)~~ (m) of Section 8208.

7 (h) Any reserve fund balance in excess of the amount authorized
8 pursuant to subdivisions (b), (c), and (d) shall be returned to the
9 department pursuant to procedures established by the department.

10 (i) Upon termination of all ~~child development~~ *early learning*
11 *and educational support* contracts between a contractor and the
12 department, all moneys in a contractor’s reserve fund shall be
13 returned to the department pursuant to procedures established by
14 the department.

15 (j) Expenditures from, additions to, and balances in, the reserve
16 fund shall be included in the agency’s annual financial statements
17 and audit.

18 ~~SEC. 122.~~

19 *SEC. 113.* Section 8493 of the Education Code is amended to
20 read:

21 8493. It is the intent of the Legislature that funds be
22 appropriated for capital outlay for purposes of providing facilities
23 for services provided pursuant to this chapter, including, but not
24 limited to, all of the following purposes:

25 (a) For the purchase of relocatable facilities by the state for lease
26 to qualifying contracting agencies in areas with no available
27 economically practical or feasible early learning and educational
28 support facilities.

29 (b) For renovation and repair of early learning and educational
30 support facilities in order to comply with state and local health
31 and safety standards and licensing requirements, without
32 unnecessarily increasing the value of the facility.

33 ~~SEC. 123.~~

34 *SEC. 114.* Section 8494 of the Education Code is amended to
35 read:

36 8494. (a) All of the following programs, other than those
37 providing extended care services, shall be eligible to receive a loan
38 for the renovation and repair of facilities used for the program or
39 to lease relocatable facilities to be used for the program:

1 (1) Private nonprofit programs currently, or soon to be, under
2 contract with the department pursuant to Section 8262.

3 (2) Early learning and educational support programs conducted
4 pursuant to Article 4 (commencing with Section 8225).

5 (3) Early learning and educational support programs operated
6 by, or in a facility owned by, a public entity.

7 (4) Early learning and educational support programs conducted
8 pursuant to Article 7.1 (commencing with Section 54740) of
9 Chapter 9 of Part 29.

10 (b) A recipient of a loan pursuant to this section shall document
11 that the renovated facility shall comply with all laws and
12 regulations applicable to child care facilities provided for pursuant
13 to Chapter 3.4 (commencing with Section 1596.70) and Chapter
14 3.5 (commencing with Section 1596.90) of Division 2 of the Health
15 and Safety Code.

16 (c) A recipient of a loan pursuant to this section shall ensure
17 the board that the renovated facility shall be used for purposes of
18 the program for the entire loan period, which shall be determined
19 by the board as follows:

20 (1) For loans equal to or less than thirty thousand dollars
21 (\$30,000), not less than three years.

22 (2) For loans exceeding thirty thousand dollars (\$30,000), the
23 loan period shall increase one year for each additional ten thousand
24 dollars (\$10,000) or part thereof, to a maximum of fifty thousand
25 dollars (\$50,000).

26 (d) Interest on the loan principal shall be charged at a rate equal
27 to the average of the interest rate applied to the last three bond
28 sales pursuant to Chapter 21.6 (commencing with Section 17695)
29 of Part 10.

30 (e) In the event that a recipient ceases to use the renovated
31 facility for purposes of the program before the expiration of the
32 loan period, the board shall collect the entire outstanding balance
33 of the loan, plus interest, notwithstanding the loan period originally
34 set pursuant to subdivision (c), unless the board deems it
35 appropriate to waive repayment at that time.

36 (f) If the renovated facility has been continuously used for
37 purposes of the program for the entire loan period, the board shall
38 waive repayment of the amount of the loan principal, plus interest,
39 at the end of the loan period.

1 ~~SEC. 124.~~

2 *SEC. 115.* Section 8495 of the Education Code is amended to
3 read:

4 8495. (a) There is hereby created in the State Treasury the
5 State Child Care Capital Outlay Fund. Notwithstanding Section
6 13340 of the Government Code, all moneys in the State Child Care
7 Capital Outlay Fund, including moneys deposited in that fund from
8 any source whatsoever, shall be continuously appropriated without
9 regard to fiscal year for expenditure pursuant to this article. The
10 fund shall be administered by the State Allocation Board, which
11 may authorize the expenditure of any moneys in the fund for capital
12 outlay projects pursuant to Section 8277.7 or this article. Funds in
13 the State Child Care Facilities Fund set aside for the purposes of
14 providing extended day care facilities pursuant to Section 8477
15 shall be transferred to the State Child Care Capital Outlay Fund
16 upon the effective date of the act amending this section in the
17 1997–98 Regular Session.

18 (b) The Superintendent shall establish the qualifications to
19 determine the eligibility of agencies, including those that provide
20 preschool and extended care services, to lease relocatable facilities
21 under this section.

22 (c) Although primary use of relocatable facilities shall be for
23 early learning and educational support programs, including
24 preschool and extended care programs, those facilities may be
25 used for other purposes if the following conditions are met:

26 (1) The alternative use of the facility does not infringe upon the
27 accessibility of early learning and educational support programs
28 including preschool or extended care programs.

29 (2) The Superintendent authorizes alternative use as being
30 compatible with early learning and educational support programs,
31 including preschool or extended care programs.

32 (d) The State Allocation Board, with the advice of the
33 Superintendent, may do all of the following:

34 (1) Establish any procedures and policies in connection with
35 the administration of this section that it deems necessary.

36 (2) Adopt any rules and regulations for the administration of
37 this section requiring those procedures, forms, and information
38 that it deems necessary.

39 (3) Have constructed, furnished, equipped, or otherwise require
40 whatever work is necessary to place relocatable facilities for early

1 learning and educational support services, including preschool and
2 extended day care services where needed.

3 (e) The board shall lease relocatable facilities to qualifying
4 agencies providing early learning and educational support services,
5 including preschool or extended day care services, and shall charge
6 rent of one dollar (\$1) per year. The board shall require lessees to
7 undertake all necessary maintenance, repairs, renewal, and
8 replacement to ensure that a project is at all times kept in good
9 repair, working order, and condition. All costs incurred for this
10 purpose shall be borne by the lessee. Neither the board nor the
11 state shall assume any responsibility for utility services costs other
12 than initial installation costs reimbursed under this article, and the
13 agency shall provide adequate safeguards to protect the state's
14 interest in this regard.

15 (f) The board shall require lessees to insure at their own expense
16 for the benefit of the state, any leased relocatable facility that is
17 the property of the state, against any risks, including liability from
18 the use thereof, in the amounts the board deems necessary to protect
19 the interests of the state. Neither the board nor the state shall
20 assume any responsibility for utility services costs other than initial
21 installation costs reimbursed under this article, and the agency
22 shall provide adequate safeguards to protect the state's interest in
23 this regard.

24 (g) Relocatable facilities shall not be made available to an
25 agency unless the agency furnishes evidence, satisfactory to the
26 board, that the agency has no other facility available for rental,
27 lease, or purchase in the geographic service area that is
28 economically or otherwise feasible.

29 (h) The board shall have prepared for its use, performance
30 specifications for relocatable facilities and bids for their
31 construction that can be solicited from more than one responsible
32 bidder. The board shall from time to time solicit bids from, and
33 award to, the lowest responsible competitive bidder, contracts for
34 the construction or purchase of relocatable facilities that have been
35 approved for lease to eligible agencies that provide early learning
36 and educational support services, including preschool or extended
37 care services.

38 (i) If at any time the board determines that a lessee's need for
39 particular relocatable facilities that were made available to the
40 lessee pursuant to this article has ceased, the board may take

1 possession of the relocatable facilities and may lease them to other
2 eligible contracting agencies, or, if there is no longer a need for
3 the relocatable facilities, the board may dispose of them to public
4 or private parties in the manner it deems to be in the best interests
5 of the state.

6 (j) If a lessee uses a particular relocatable facility for only a
7 portion of the year, the board may enter into a second lease with
8 a public or private party for the use of that facility for the portion
9 of the year during which the facility would otherwise be unused,
10 in the manner it deems to be in the best interests of the state. The
11 lessee shall be subject to subdivisions (d) and (f).

12 ~~SEC. 125.~~

13 *SEC. 116.* Section 8495.1 of the Education Code is amended
14 to read:

15 8495.1. (a) The State Allocation Board shall establish
16 regulations for the allocation of funds for capital outlay and for
17 the reimbursement of initial utility installation costs for purposes
18 of this chapter. The Superintendent shall establish qualifications
19 for determining the eligibility of agencies providing early learning
20 and educational support services, including preschool and extended
21 care service, to apply for these funds.

22 (b) Notwithstanding any other law, except for Section 8477,
23 priority in funding of capital outlay grants or relocatables from
24 funds administered pursuant to Section 8277.7 and under this
25 article, shall be determined in the following order:

26 (1) Programs experiencing emergencies as defined by the
27 Superintendent and the State Allocation Board.

28 (2) Facilities lost due to the Class Size Reduction Program
29 (Chapter 6.10 (commencing with Section 52120) of Part 28).

30 (3) Expansion of early learning and educational support services.

31 ~~SEC. 126.~~

32 *SEC. 117.* Section 8498 of the Education Code is amended to
33 read:

34 8498. (a) The State Allocation Board may use up to 5 percent
35 of any appropriation for purposes of this article to provide loans
36 to private nonsectarian early learning and educational support
37 programs not under contract with the department for renovation
38 and repair of existing program facilities, in accordance with this
39 section.

1 (b) The Superintendent shall establish qualifications to determine
2 the eligibility of agencies for loans pursuant to this section.

3 (c) The board, with any necessary assistance from the
4 Superintendent, may do any of the following:

5 (1) Establish procedures and policies in connection with the
6 administration of this section it deems necessary.

7 (2) Adopt rules and regulations for the administration of this
8 section requiring procedure, forms, and information it deems
9 necessary.

10 (d) A recipient of a loan pursuant to this section shall do all of
11 the following:

12 (1) Document that the renovated facility shall comply with all
13 laws and regulations applicable to child care facilities provided
14 for pursuant to Chapter 3.4 (commencing with Section 1596.70)
15 and Chapter 3.5 (commencing with Section 1596.90) of Division
16 2 of the Health and Safety Code.

17 (2) Demonstrate to the satisfaction of the board that it will have
18 sufficient revenues to pay the principal and interest on the loan
19 and to maintain the operation of the facility.

20 (e) A recipient of a loan pursuant to this section shall ensure
21 the board that the renovated facility shall be used for purposes of
22 the program for the following periods:

23 (1) For loans equal to or less than thirty thousand dollars
24 (\$30,000), not less than three years from the beginning of the loan
25 period.

26 (2) For loans exceeding thirty thousand dollars (\$30,000), the
27 fixed period of time shall increase one year for each additional ten
28 thousand dollars (\$10,000) or part thereof, to a maximum of fifty
29 thousand dollars (\$50,000).

30 (f) The board shall set the period of the loan for each recipient,
31 up to a maximum of 10 years, based upon the amount of the loan,
32 the recipient's ability to repay the loan, and the length of time the
33 recipient has committed to use the renovated facility for purposes
34 of the program.

35 (g) Interest on the loan principal shall be charged at a rate equal
36 to the average of the interest rate applied to the last three bond
37 sales pursuant to Chapter 21.6 (commencing with Section 17695)
38 of Part 10.

39 (h) In the event that a recipient ceases to use the renovated
40 facility for purposes of the program before the expiration of the

1 period specified pursuant to subdivision (e), the board shall collect
2 the entire outstanding balance of the loan, plus interest,
3 notwithstanding the loan period originally set pursuant to
4 subdivision (f).

5 ~~SEC. 127.~~

6 *SEC. 118.* Section 8499 of the Education Code is amended to
7 read:

8 8499. For purposes of this chapter, the following definitions
9 shall apply:

10 (a) “Block grant” means the block grant contained in Title VI
11 of the Child Care and Development Fund, as established by the
12 federal Personal Responsibility and Work Opportunity
13 Reconciliation Act of 1996 (Public Law 104-193).

14 (b) “Child care” or “care” means services provided by all
15 licensed or license-exempt providers, including, but not limited
16 to, private for-profit programs, nonprofit programs, and publicly
17 funded programs, for all children from birth to 13 years of age,
18 including children with exceptional needs and children from all
19 linguistic and cultural backgrounds.

20 (c) “Child care provider” means a person who provides child
21 care services or represents persons who provide child care services.

22 (d) “Community representative” means a person who represents
23 an agency or business that provides private funding for care
24 services, or who advocates for care services through participation
25 in civic or community-based organizations but is not a care
26 provider and does not represent an agency that contracts with the
27 State Department of Education to provide early learning and
28 educational support services.

29 (e) “Consumer” means a parent or person who receives, or who
30 has received within the past 36 months, child care services.

31 (f) “Department” means the State Department of Education.

32 (g) “Local planning council” means a local early learning and
33 educational support planning council as described in Section
34 8499.3.

35 (h) “Public agency representative” means a person who
36 represents a city, county, city and county, or local educational
37 agency.

1 ~~SEC. 128.~~

2 *SEC. 119.* The heading of Article 2 (commencing with Section
3 8499.3) of Chapter 2.3 of Part 6 of Division 1 of Title 1 of the
4 Education Code is amended to read:

5
6 Article 2. Membership and Funding of Local Planning Councils

7
8 ~~SEC. 129.~~

9 *SEC. 120.* Section 8499.3 of the Education Code is amended
10 to read:

11 8499.3. (a) It is the intent of the Legislature that local planning
12 councils shall provide a forum for the identification of local
13 priorities for early learning and educational support and the
14 development of policies to meet the needs identified within those
15 priorities.

16 (b) The county board of supervisors and the county
17 superintendent of schools shall do both of the following:

18 (1) Select the members of the local planning council. Before
19 making selections pursuant to this subdivision, the county board
20 of supervisors and the county superintendent of schools shall
21 publicize their intention to select the members and shall invite
22 local organizations to submit nominations. In counties in which
23 the county superintendent is appointed by the county board of
24 education, the county board of education may make the
25 appointment or may delegate that responsibility to the
26 superintendent.

27 (2) Establish the term of appointment for the members of the
28 local planning council.

29 (c) (1) The local planning council shall be comprised as follows:

30 (A) Twenty percent of the membership shall be consumers.

31 (B) Twenty percent of the membership shall be providers,
32 reflective of the range of providers in the county.

33 (C) Twenty percent of the membership shall be public agency
34 representatives.

35 (D) Twenty percent of the membership shall be community
36 representatives, who shall not be providers or agencies that contract
37 with the department to provide services.

38 (E) The remaining 20 percent shall be appointed at the discretion
39 of the appointing agencies.

1 (2) The county board of supervisors and the county
2 superintendent of schools shall each appoint one-half of the
3 members. In the case of uneven membership, both appointing
4 entities shall agree on the odd-numbered appointee.

5 (d) Every effort shall be made to ensure that the ethnic, racial,
6 and geographic composition of the local planning council is
7 reflective of the ethnic, racial, and geographic distribution of the
8 population of the county.

9 (e) The county board of supervisors and county superintendent
10 of schools may designate an existing planning council or
11 coordinated child and family services council as the local planning
12 council, as long as it has or can achieve the representation set forth
13 in this section.

14 (f) Upon establishment of a local planning council, the local
15 planning council shall elect a chair and select a staff.

16 (g) Each local planning council shall develop and implement a
17 training plan to provide increased efficiency, productivity, and
18 facilitation of local planning council meetings. This may include
19 developing a training manual, hiring facilitators, and identifying
20 strategies to meet the objectives of the council.

21 (h) A member of a local planning council shall not participate
22 in a vote if he or she has a proprietary interest in the outcome of
23 the matter being voted upon.

24 ~~SEC. 130. Section 8499.5 of the Education Code is amended~~
25 ~~to read:~~

26 ~~8499.5. (a) The department shall allocate funding pursuant to~~
27 ~~Chapter 2 (commencing with Section 8200) based on the amount~~
28 ~~of state and federal funding that is available.~~

29 ~~(b) By May 30 of each year, upon approval by the county board~~
30 ~~of supervisors and the county superintendent of schools, a local~~
31 ~~planning council shall submit to the department the local priorities~~
32 ~~it has identified that reflect all child care needs in the county. To~~
33 ~~accomplish this, a local planning council shall do all of the~~
34 ~~following:~~

35 ~~(1) Conduct an assessment of care needs in the county no less~~
36 ~~than once every five years. The department shall define and~~
37 ~~prescribe data elements to be included in the needs assessment and~~
38 ~~shall specify the format for the data reporting. The needs~~
39 ~~assessment shall also include all factors deemed appropriate by~~
40 ~~the local planning council in order to obtain an accurate picture of~~

1 the comprehensive care needs in the county. The factors include,
2 but are not limited to, all of the following:

- 3 (A) The needs of families eligible for subsidized care.
- 4 (B) The needs of families not eligible for subsidized care.
- 5 (C) The waiting lists for programs funded by the department
6 and the State Department of Social Services.
- 7 (D) The need for care for children determined by the child
8 protective services agency to be neglected, abused, or exploited,
9 or at risk of being neglected, abused, or exploited.
- 10 (E) The number of children in families receiving public
11 assistance, including CalFresh benefits, housing support, and
12 Medi-Cal, and assistance from the Healthy Families Program and
13 the Temporary Assistance for Needy Families (TANF) program.
- 14 (F) Family income among families with preschool or schoolage
15 children.
- 16 (G) The number of children in migrant agricultural families
17 who move from place to place for work or who are currently
18 dependent for their income on agricultural employment in
19 accordance with subdivision (a) of Section 8231.
- 20 (H) The number of children who have been determined by a
21 regional center to require services pursuant to an individualized
22 family service plan, or by a local educational agency to require
23 services pursuant to an individualized education program or an
24 individualized family service plan.
- 25 (I) The number of children in the county by primary language
26 spoken pursuant to the department's language survey.
- 27 (J) Special needs based on geographic considerations, including
28 rural areas.
- 29 (K) The number of children needing services by age cohort.

30 (2) Document information gathered during the needs assessment
31 that shall include, but need not be limited to, data on supply,
32 demand, cost, and market rates for each category of child care in
33 the county.

34 (3) Develop a draft of local priorities for early learning and
35 educational support program funding that includes the needs
36 assessment in paragraph (1) and that considers the resources
37 currently available in attendance areas of elementary schools
38 ranked in deciles 1 to 3, inclusive, of the Academic Performance
39 Index pursuant to Section 52056.

- 1 ~~(4) Encourage public input in the development of the priorities.~~
- 2 ~~Opportunities for public input shall include at least one public~~
- 3 ~~hearing during which members of the public can comment on the~~
- 4 ~~proposed priorities.~~
- 5 ~~(5) Prepare a comprehensive countywide care plan designed to~~
- 6 ~~mobilize public and private resources to address identified needs.~~
- 7 ~~(6) Conduct a periodic review of early learning and educational~~
- 8 ~~support programs funded by the department and the State~~
- 9 ~~Department of Social Services to determine if identified priorities~~
- 10 ~~are being met.~~
- 11 ~~(7) Collaborate with subsidized and nonsubsidized providers,~~
- 12 ~~county welfare departments, human service agencies, regional~~
- 13 ~~centers, job training programs, employers, integrated child and~~
- 14 ~~family service councils, local and state children and families~~
- 15 ~~commissions, parent organizations, early start family resource~~
- 16 ~~centers, family empowerment centers on disability, local resource~~
- 17 ~~and referral programs, and other interested parties to foster~~
- 18 ~~partnerships designed to meet local child care needs.~~
- 19 ~~(8) Design a system to consolidate local care waiting lists, if a~~
- 20 ~~centralized eligibility list is not already in existence.~~
- 21 ~~(9) Coordinate part-day programs, including California state~~
- 22 ~~preschool and Head Start, with other early learning and educational~~
- 23 ~~support services to provide full-day care.~~
- 24 ~~(10) Submit the results of the needs assessment and the local~~
- 25 ~~priorities identified by the local planning council to the county~~
- 26 ~~board of supervisors and the county superintendent of schools for~~
- 27 ~~approval before submitting them to the department.~~
- 28 ~~(11) Identify at least one, but not more than two, members to~~
- 29 ~~serve as part of the department team that reviews and scores~~
- 30 ~~proposals for the provision of services funded through contracts~~
- 31 ~~with the department. Local planning council representatives may~~
- 32 ~~not review and score proposals from the geographic area covered~~
- 33 ~~by their own local planning council. The department shall notify~~
- 34 ~~each local planning council whenever this opportunity is available.~~
- 35 ~~(e) The department shall, in conjunction with the State~~
- 36 ~~Department of Social Services and all appropriate statewide~~
- 37 ~~agencies and associations, develop guidelines for use by local~~
- 38 ~~planning councils to assist them in conducting needs assessments~~
- 39 ~~that are reliable and accurate. The guidelines shall include~~

1 acceptable sources of demographic and care data, and
2 methodologies for assessing care supply and demand.

3 ~~(d) The department shall allocate funding within each county~~
4 ~~in accordance with the priorities identified by the local planning~~
5 ~~council of that county and submitted to the department pursuant~~
6 ~~to this section, unless the priorities do not meet the requirements~~
7 ~~of state or federal law.~~

8 ~~(e) When additional funds for early learning services are~~
9 ~~appropriated by the Legislature, the department shall allocate~~
10 ~~funding within each county in accordance with the priorities that~~
11 ~~include the review of resources in the attendance areas of~~
12 ~~elementary schools ranked in deciles 1 to 3, inclusive, of the~~
13 ~~Academic Performance Index pursuant to Section 52056, as~~
14 ~~identified by the local planning council of that county and~~
15 ~~submitted to the department pursuant to paragraph (3) of~~
16 ~~subdivision (b), unless the priorities do not meet the requirements~~
17 ~~of state or federal law.~~

18 *SEC. 121. Section 8499.5 of the Education Code is amended*
19 *to read:*

20 8499.5. (a) The department shall allocate ~~child care~~ funding
21 pursuant to Chapter 2 (commencing with Section 8200) based on
22 the amount of state and federal funding that is available.

23 (b) By May 30 of each year, upon approval by the county board
24 of supervisors and the county superintendent of schools, a local
25 planning council shall submit to the department the local priorities
26 it has identified that reflect all child care needs in the county. To
27 accomplish this, a local planning council shall do all of the
28 following:

29 (1) Conduct an assessment of ~~child care~~ needs in the county no
30 less ~~frequently~~ than once every five years. The department shall
31 define and prescribe data elements to be included in the needs
32 assessment and shall specify the format for the data reporting. The
33 needs assessment shall also include all factors deemed appropriate
34 by the local planning council in order to obtain an accurate picture
35 of the comprehensive ~~child care~~ needs in the county. The factors
36 include, but are not limited to, all of the following:

37 (A) The needs of families eligible for subsidized ~~child care~~.

38 (B) The needs of families not eligible for subsidized ~~child care~~.

39 (C) The waiting lists for programs funded by the department
40 and the State Department of Social Services.

- 1 (D) The need for ~~child~~ care for children determined by the child
- 2 protective services agency to be neglected, abused, or exploited,
- 3 or at risk of being neglected, abused, or exploited.
- 4 (E) The number of children in families receiving public
- 5 assistance, including CalFresh benefits, housing support, and
- 6 Medi-Cal, and assistance from the Healthy Families Program and
- 7 the Temporary Assistance for Needy Families (TANF) program.
- 8 (F) Family income among families with preschool or schoolage
- 9 children.
- 10 (G) The number of children in migrant agricultural families
- 11 who move from place to place for work or who are currently
- 12 dependent for their income on agricultural employment in
- 13 accordance with subdivision (a) ~~of, and paragraphs (1) and (2) of~~
- 14 ~~subdivision (b) of, of~~ Section 8231.
- 15 (H) The number of children who have been determined by a
- 16 regional center to require services pursuant to an individualized
- 17 family service plan, or by a local educational agency to require
- 18 services pursuant to an individualized education program or an
- 19 individualized family service plan.
- 20 (I) The number of children in the county by primary language
- 21 spoken pursuant to the department’s language survey.
- 22 (J) Special needs based on geographic considerations, including
- 23 rural areas.
- 24 (K) The number of children needing ~~child care~~ services by age
- 25 cohort.
- 26 (2) Document information gathered during the needs ~~assessment~~
- 27 *assessment*, which shall include, but need not be limited to, data
- 28 on supply, demand, cost, and market rates for each category of
- 29 child care in the county.
- 30 (3) *Develop a draft of local priorities for early learning and*
- 31 *educational support program funding that includes the needs*
- 32 *assessment in paragraph (1) and that considers the resources*
- 33 *currently available in attendance areas of elementary schools*
- 34 *ranked in deciles 1 to 3, inclusive, of the Academic Performance*
- 35 *Index pursuant to Chapter 6.1 (commencing with Section 52050)*
- 36 *of Part 28 of Division 4 of Title 2.*
- 37 (3)
- 38 (4) Encourage public input in the development of the priorities.
- 39 Opportunities for public input shall include at least one public

1 hearing during which members of the public can comment on the
2 proposed priorities.

3 ~~(4)~~

4 (5) Prepare a comprehensive countywide ~~child care~~ plan
5 designed to mobilize public and private resources to address
6 identified needs.

7 ~~(5)~~

8 (6) Conduct a periodic review of ~~child care~~ *early learning and*
9 *educational support* programs funded by the department and the
10 State Department of Social Services to determine if identified
11 priorities are being met.

12 ~~(6)~~

13 (7) Collaborate with subsidized and nonsubsidized ~~child care~~
14 providers, county welfare departments, human service agencies,
15 regional centers, job training programs, employers, integrated child
16 and family service councils, local and state children and families
17 commissions, parent organizations, early start family resource
18 centers, family empowerment centers on disability, local ~~child care~~
19 resource and referral programs, and other interested parties to
20 foster partnerships designed to meet local child care needs.

21 ~~(7)~~

22 (8) Design a system to consolidate local ~~child care~~ waiting lists,
23 if a centralized eligibility list is not already in existence.

24 ~~(8)~~

25 (9) Coordinate part-day programs, including *California* state
26 preschool and Head Start, with other ~~child care and development~~
27 *early learning and educational support* services to provide full-day
28 ~~child care~~.

29 ~~(9)~~

30 (10) Submit the results of the needs assessment and the local
31 priorities identified by the local planning council to the *county*
32 board of supervisors and the county superintendent of schools for
33 approval before submitting them to the department.

34 ~~(10)~~

35 (11) Identify at least one, but not more than two, members to
36 serve as part of the department team that reviews and scores
37 proposals for the provision of services funded through contracts
38 with the department. Local planning council representatives may
39 not review and score proposals from the geographic area covered

1 by their own local planning council. The department shall notify
2 each local planning council whenever this opportunity is available.

3 (c) The department shall, in conjunction with the State
4 Department of Social Services and all appropriate statewide
5 agencies and associations, develop guidelines for use by local
6 planning councils to assist them in conducting needs assessments
7 that are reliable and accurate. The guidelines shall include
8 acceptable sources of demographic and ~~child~~ care data, and
9 methodologies for assessing ~~child~~ care supply and demand.

10 (d) *The department shall allocate funding within each county*
11 *in accordance with the priorities identified by the local planning*
12 *council of that county and submitted to the department pursuant*
13 *to this section, unless the priorities do not meet the requirements*
14 *of state or federal law.*

15 ~~(e)~~

16 (e) Except as otherwise required by subdivision (c) of Section
17 8236, the department shall allocate funding within each county in
18 accordance with the priorities identified by the local planning
19 council of that county and submitted to the department pursuant
20 to this section, unless the priorities do not meet the requirements
21 of state or federal law.