

ASSEMBLY BILL

No. 765

Introduced by Assembly Member Ridley-Thomas

February 25, 2015

An act to amend Section 8265 of the Education Code, relating to child care and development.

LEGISLATIVE COUNSEL'S DIGEST

AB 765, as introduced, Ridley-Thomas. Child care and development: reimbursement rates.

Existing law requires the Superintendent of Public Instruction to implement a plan that establishes reasonable child care standards and assigned reimbursement rates, as provided. Existing law requires the standard reimbursement rate to be increased annually by a cost-of-living adjustment, as provided.

This bill would make nonsubstantive changes to these provisions.

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

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

- 1 SECTION 1. Section 8265 of the Education Code is amended
- 2 to 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.

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

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

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

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

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 child care rates as those
25 prevailing in the local community.
- 26 (3) Increased costs directly attributable to new or different
27 regulations.

28 (4) (A) Documented increased costs necessary to maintain the
29 prior year’s level of service and ensure the continuation of
30 threatened programs.

31 ~~Child~~
32 (B) *Child* care agencies funded at the lowest rates shall be given
33 first priority for increases.

34 (e) The plan shall provide for expansion of child development
35 programs at no more than the standard reimbursement rate for that
36 fiscal year.

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

- 39 (1) Serves more than 400 children.
- 40 (2) Has in effect a collective bargaining agreement.

- 1 (3) Has other extenuating circumstances that apply, as
- 2 determined by the Superintendent.

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